

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HERNE HILL

England & Wales · Charity number 1134045

Details

Other names	PARISH OF HERNE HILL PCC
Status	Registered
Legal form	Previously excepted
Registered	2010-02-03
Register	View on the Charity Commission register

Contact

Address	The Parish Office St. Pauls Church Herne Hill London SE24 9LY
Phone	02077371991
Email	admin@hernehillparish.org.uk
Website	www.hernehillparish.org.uk

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: The PCC has responsibility for co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church: pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for Church buildings. Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Lambeth
- Southwark

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£399,912	£528,460	-	-
2024-12-31	£389,732	£555,787	-	-
2023-12-31	£420,974	£545,809	-	-
2022-12-31	£388,444	£439,317	-	-
2021-12-31	£326,874	£391,032	-	-

Trustees

Name	Role	Appointed
Rev Benjamin Goodyear	Chair	2018-06-20
ADJOA AIBOOM HELEN ANDOH		
Adeyinka Omoyinmi Akinwande		2025-05-11
Aruere Harriet Bukata		2025-05-11
BENJAMIN JOHN HUGHES		2013-09-26
Juanne Fuller		2019-04-30
Lilly Emeemal Immanuel		2025-05-11
Lucy Fiona Wainwright		2025-05-11
PETER CHARLES EDWARD CALDERBANK		2018-04-25
REV GILLIAN SARAH TAYLEUR		
Rev Andy Blacknell		2023-07-17
Rev Winifred Obese-Bempong		2025-06-26
SIMON GEOFFREY BRINDLEY		2012-06-12
Sarah Baldwin		2019-04-30
Sophie Corlett		2024-05-13
TREVOR NIGEL LINDSAY TAYLEUR		
Wendy Firman		2024-05-13

Accounts



**ANNUAL REPORT AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL
OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2025**

Vicar:

Rev. Ben Goodyear

Associate Vicar:

Rev. Gill Tayleur

Associate Vicar:

Rev. Ben Hughes

Parish Office:

St. Paul's Church, Herne Hill, London SE24 9LY

Independent Examiner:

Lisa Darby FCA

Stewardship

Unit A, 1 Lamb's Passage, London EC1Y 8AB

A charity registered with the Charity Commission
Registration number 1134045 from 3 February 2010

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2025

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THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2025

Background

Herne Hill PCC is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (amended) and the Church Representation Rules. The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the church; pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for church buildings.

Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Places of Worship

There are two churches in the parish:

St. Paul's Church, Herne Hill, London, SE24 9LY

St. Saviour's Church, Herne Hill Road, London SE24 0AY

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During the year 2025 the following served as members of the PCC:

Vicar: Rev. Ben Goodyear

Associate Vicar: Rev. Ben Hughes

Associate Vicar: Rev. Gill Tayleur

Curate: Rev. Winnie Obese-Bempong (from June 2025)

Pioneer Curate: Rev. Andy Blacknell

Readers:

Adjoa Andoh Cunnell

Simon Brindley

Trevor Tayleur

Churchwardens:

Juane Fuller

Geraldine Garner (to May 2025)

Harriet Bukata (from May 2025)

Rebecca Lewis (to May 2025)

Wendy Firman

Lilly Emmanuvel (from May 2025)

Membership (cont'd)

Representatives on the Deanery Synod:

Trevor Tayleur

Elected Members (unless stated otherwise):

Adeyinka Akinwande (from May 2025)

Sarah Baldwin (co-opted)

Peter Calderbank (co-opted)

Sophie Corlett

Rachel Goodyear (to January 2025)

Lucy Wainwright (from May 2025)

Committees

The PCC operates through the following committees, which meet between PCC meetings:

Standing Committee:

As required by law this has the power to transact the business of the PCC between its meetings.

Buildings Committee:

This committee advises the PCC on buildings and maintenance matters.

Finance Committee:

This committee is responsible for monitoring finances and advising the PCC on financial matters.

Safeguarding Committee:

This committee is responsible for implementing the parish safeguarding policy and ensuring the PCC fulfils its responsibilities in safeguarding matters.

Church Membership and Attendance

There were 254 people on the Church Electoral Roll as of April 2025.

On a "usual" Sunday, as described by the annual Church of England membership return, there were:

- 85 adults and 19 children attending St. Paul's and

- 56 adults and 16 children attending St. Saviour's,

Bankers

CAF Bank

28 Kings Hill Avenue, West Malling, ME19 4JQ

Reserves Policy

The PCC seeks to maintain reserves at a level that recognises both the call to apostolic poverty and the need for prudence in the face of unexpected demands on resources. The PCC has established a designated "Operating Fund" as a reserve set aside to meet the parish's operating costs should it be required and this is currently £15,000. Total unrestricted funds, excluding the revaluation reserve, are currently £245,370, representing seven months of general expenditure. The PCC aims to maintain six months of general expenditure in unrestricted funds and has regard to this when considering its financial planning and other aspects of its financial management.

Risk Management

The PCC has considered the risks to which the parish is exposed, including those brought to our attention by the Diocese. These include loss of key personnel, fraud, damage to buildings, liabilities pursuant to non-compliance with legislation, for example in relation to discrimination and data protection, inadequate safeguarding of children or vulnerable adults or protection of employees, loss of reputation and inadequate financial control. The PCC has taken steps to mitigate these risks through, for example, insurance, a safeguarding policy and financial control procedures. Details of the parish's risk management policies and procedures are available from the Parish Operations Manager.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Report on the proceedings of the PCC and the activities of the Parish generally, for 2025

In 2025 we were able to worship together in Sunday services every week in person as well as our virtual services for those unable to attend. Most Sundays included services at 8am, 11.15am and 5pm at St. Paul's and then 9.30am weekly and Messy Church monthly at St. Saviour's. We ran Children's Church weekly except for our monthly all age Holy Communions and during school holidays, with a new and well thought out curriculum.

We opened St. Paul's up on Thursdays for private prayer and for Hope Café. We run our café on customer donations, so everyone can enjoy regardless of their financial situation. We are often serving more than 50 lunches every Thursday, plus drinks and home-made cakes.

In March 12 people, from both churches, were baptised or reaffirmed their baptismal vows in a baptism pool at St. Saviour's. There was much rejoicing!

In May our Whoosh riders cycled from Lindisfarne to Iona raising £23,408 for Tree Aid.

Our pioneer prison curate Andy Blacknell ministers in both Brixton Prison and in the parish. Lots of men are coming to faith in Jesus and getting baptised in prison.

Winnie Obese-Bempong, who was an ordinand in the parish, was ordained as deacon in June and became Curate in the parish. Winnie has taken on leadership of the Discipleship Team and working with them to encourage everyone to be part of a discipling community.

The Youth Faith Collective (YFC) youth group continued to happen for younger youth weekly and YFC+ happens monthly for our older youth. In the summer the youth went away to David's Tent Festival.

We ran our Milkwood Summer Programme for a week in August in Milkwood Community Park, serving 50 children and young people in our locality. We also continued our weekly Milkwood Kick Football Academy with the under 16s winning the London Churches competition and the under 11s winning the plate at the London Kick Academies competition!

Beckee Lewis, our CAP (Christians Against Poverty) & Community worker, along with a team of volunteers, was effective in helping people out of debt, budget better, and find jobs through our CAP debt coaching, money courses and job clubs.

Over 100 people went on our Parish Weekend Away in September, where we enjoyed teaching, fellowship and fun.

As always, we continued our work with racial justice, green and fairtrade initiatives (St. Saviour's Church got the silver Eco church award) and supported overseas and home missions and ministries.

We thanked Beckee Lewis as she stood down as churchwarden at St. Saviour's. We appointed Lilly Immanuel and Wendy Firman as churchwardens at St. Saviour's. We thanked Geraldine Garner, who stood down as churchwarden at St. Paul's. Harriet Bukata and Juaane Fuller were appointed as churchwardens at St. Paul's.

We thanked Cas Moyo and Ruby Wild as they stepped down as our Children and Youth Ministry leads. We are recruiting in early 2026 for a new Children and Youth Ministry lead.

We kicked off Christmas season in style with our walking immersive nativity across the streets of Herne Hill brilliantly directed by Sara Bredemear. Our nativities, carols, Christmas Eve and Christmas Day services had lots of visitors with over 1,000 people coming to our Christmas services and nativities in total.

Our quinquennial inspection was carried out at St. Paul's in May 2025. Following this, we carried out several building works at St. Paul's including:

- Terraced wall on boundary next to hall has had 16 courses of bricks removed at one section to prevent further movement and damage. We are exploring next steps.
- New carpets were installed in the creche, meeting room and welcome space.
- Roof repairs have been done.

Building work at St. Saviour's included:

- Railings have now been repaired.
- New noticeboards have been installed inside the church.
- The Creche and Billington Room had new carpets installed.
- The Upper Room has been decorated and carpeted.
- An outside tap was installed near the Finsen Road exit.

As always, during the year the PCC gave its time and attention to many other issues that contribute to spiritual growth and development in the parish, including financial, buildings, staffing, social, community, worship and mission issues. These were all focused on furthering the fulfilment of our parish aim statement, **"Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community"**.

We look back on 2025 with praise to God. We have much to give Him thanks for - as we also thank the many faithful people in both churches who serve this parish and Him.

Finance:

Total income was up on 2024 by £10,180. Income from donations and legacies was down by £7,999 when compared with 2024. Income from charitable activities was £10,772 higher than the previous year. However, the current year included payments and donations made towards the Parish Weekend Away which took place in September 2025. Investment income is up by £2,227. Income related to an insurance claim of £5,180 is included in other income.

During the year we increased our contribution to the Parish Support Fund to £158,180 compared with £148,000 in 2024. Ministry, Fellowship and Worship costs were £148,675 (2024: £135,404). This included costs of £21,881 associated with the Parish Weeked Away.

Buildings' costs for the year were £108,442 (2024: £156,608) including costs of £26,232 associated with the repair of the St. Paul's boundary wall. Our Missionary and Charitable Giving was £26,066 (2024: £25,442) and was based on 10% of our general giving. However, it also included support given in response to various needs during the year. Overall, total expenditure reduced by £27,327 to £528,460

The deficit before inter fund transfers on the general fund in the year was £20,969 compared to a deficit of £10,522 in 2024.

The parish's net assets increased in 2025 from £375,872 to £1,570,070. However, this included a gain of £1,322,746 associated with the revaluation of 8 Ruskin Walk. Following advice, the building is now considered an investment property by the definition of the accounting SORP FRS 102 and is, therefore, included at its estimated valuation. Short term deposits and bank balances totalled £142,965 at the end of 2025 (2024: £279,544). £1,953 of the parish's funds are restricted in use by donors and have, therefore, been classified as restricted funds (2024: £11,592).

All of the parish's assets are dedicated to ensure we are able to operate as mission-shaped churches in Herne Hill, as we look for how best we may use them to help bring Jesus to the heart of our community.

The trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the PCC on 24 March 2026 and signed on their behalf by:

Rev. Ben Goodyear

Date: 25 March 2026

Peter Calderbank

Date: 25 March 2026

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2025 on pages 8 to 19 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby, FCA
Institute of Chartered Accountants in England & Wales

Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: 25 March 2026

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2025

	Note	Unrestricted Funds General £	Designated £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME & ENDOWMENTS FROM						
Donations and legacies	2	228,787	2,399	5,516	236,702	244,701
Charitable activities	3	46,652	16,506	30	63,188	52,417
Investments	4	94,842	-	-	94,842	92,615
Other income		5,180	-	-	5,180	-
Total Income and Endowments		375,461	18,905	5,546	399,912	389,732
 EXPENDITURE ON						
Charitable activities	5	396,430	116,846	15,184	528,460	555,787
Total Expenditure		396,430	116,846	15,184	528,460	555,787
Net income/(expenditure)		(20,969)	(97,941)	(9,639)	(128,548)	(166,055)
Movement in Revaluation Reserve	7	-	1,322,746	-	1,322,746	-
Transfers between funds		9,000	(9,000)	-	-	-
Net movement in funds		(11,969)	1,215,806	(9,639)	1,194,198	(166,055)
 Reconciliation of funds:						
Total funds brought forward		15,225	349,055	11,592	375,872	541,927
Total funds carried forward		3,256	1,564,861	1,953	1,570,070	375,872

Movements on reserves and all recognised gains and losses are shown above.

All income and expenditure derive from continuing operations.

Small differences of £1 may arise in these accounts due to roundings.

The notes on pages 10-18 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

BALANCE SHEET

AS AT 31ST DECEMBER 2025

	Note	Unrestricted Funds		Restricted Funds	Total 2025	Total 2024
		General	Designated			
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	7	12,910	4,550	-	17,460	92,197
Fixed asset investments	8	-	1,400,000	-	1,400,000	-
		12,910	1,404,550	-	1,417,460	92,197
CURRENT ASSETS						
Debtors	9	22,965	-	-	22,965	16,272
Cash at bank	10	(19,298)	160,311	1,953	142,965	279,544
		3,667	160,311	1,953	165,931	295,816
CURRENT LIABILITIES						
Liabilities falling due within one year	11	13,321	-	-	13,321	12,141
Net Current Assets		(9,654)	160,311	1,953	152,610	283,675
NET ASSETS						
		3,256	1,564,861	1,953	1,570,070	375,872

FUND BALANCES

Unrestricted Funds					
- General Funds	13, 14			3,256	15,225
- Designated Funds	13, 14			242,114	349,055
- Revaluation Reserve	13, 14			1,322,746	-
Restricted Funds	13, 14			1,953	11,592
				1,570,070	375,872

Approved by the Trustees and signed on their behalf by

Peter Calderbank
Parish Treasurer

Date: 25 March 2026

Charity Number: 1134045

The notes on pages 10-18 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2025

1 Accounting policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below:

a) *Going concern*

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Income*

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- (i) *Recoverable gift aid*: This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- (ii) *Legacies*: Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events. Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) *Expenditure*

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

d) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) *Tangible fixed assets*

Consecrated and beneficed property, that is St. Paul's Church, St. Saviour's Church and 1 Finsen Road, is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 10 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) *Fixed asset investments*

8 Ruskin Walk is considered an investment property by the definition of the accounting SORP FRS 102 and is, therefore, included at its estimated valuation. Fixed asset investments are held to generate income and/or for their investment potential and are valued at market value (fair value) at the balance sheet date.

g) *Pension scheme arrangements*

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

h) *Taxation*

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

i) *Exemption from preparing a cash flow statement*

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) *Critical accounting estimates and areas of judgement*

Fixed asset investments are valued at an estimate of market value (fair value) at the balance sheet date. The members of the PCC do not consider that there are any other material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

2 Donations and legacies

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2025	2024
	£	£	£	£	£
Donations of cash and similar	206,056	2,399	5,516	213,971	214,978
Other grants receivable	-	-	-	-	11,400
Legacies receivable	1,000	-	-	1,000	-
Income tax recoverable	21,731	-	-	21,731	18,322
	<u>228,787</u>	<u>2,399</u>	<u>5,516</u>	<u>236,702</u>	<u>244,701</u>

During the year, the trustees have reclassified gift aid income received from the Parish Giving Scheme (PGS) from 'Income tax recoverable' to 'Donations of cash and similar' for both the current and prior year comparatives. This reclassification, amounting to £23,645 (2024: £21,491) better reflects the economic substance of PGS payments. This change in presentation has no impact on total income, net assets or reserves in either period, comparatives have been restated solely for consistency.

3 Income from charitable activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2025	2024
	£	£	£	£	£
Church retreats and events	-	16,506	-	16,506	-
Playgroup/Lunch Club/Youth activities	3,512	-	-	3,512	2,025
Letting income	39,941	-	-	39,941	46,618
Other activities	3,198	-	30	3,228	3,774
	<u>46,652</u>	<u>16,506</u>	<u>30</u>	<u>63,188</u>	<u>52,417</u>

4 Investment income

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2025	2024
	£	£	£	£	£
Property letting	82,308	-	-	82,308	77,214
Bank interest	12,534	-	-	12,534	15,401
	<u>94,842</u>	<u>-</u>	<u>-</u>	<u>94,842</u>	<u>92,615</u>

Property Letting income represents the income from short term tenancy agreements for 8 Ruskin Walk and 69 Herne Hill (St. Saviour's flat).

5 Charitable activity

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2025	2024
	£	£	£	£	£
a) <u>Church activity</u>					
<i>Parish Support Fund contribution</i>	158,180	-	-	158,180	148,000
<i>Ministry, Fellowship and Worship</i>					
Parish weekend	-	19,881	2,000	21,881	-
Youth work (including salaries)	37,313	5,826	-	43,139	42,899
Clergy expenses	6,355	-	-	6,355	5,374
Organist and music	12,683	-	-	12,683	27,297
Christian education	618	-	-	618	1,572
Sacristy	8,406	-	-	8,406	7,322
Hospitality	1,560	-	-	1,560	1,725
Playgroup/Lunch Club	1,177	-	-	1,177	1,201
Community engagement (including salaries)	-	51,361	-	51,361	49,842
Miscellaneous	1,496	-	-	1,496	1,180
	69,607	77,068	2,000	148,675	138,413
<i>Buildings (Note 5c)</i>					
Repairs and maintenance	30,740	10,417	5,000	46,157	37,751
Professional fees	-	15,752	-	15,752	19,050
Utilities	17,310	-	-	17,310	24,517
Insurance	11,912	-	-	11,912	10,906
Cleaning and materials	14,142	63	-	14,205	13,412
Depreciation	-	525	-	525	4,634
Miscellaneous	2,580	-	-	2,580	2,229
New building or major works	-	-	-	-	44,109
	76,685	26,757	5,000	108,442	156,608
<i>Missionary and charitable giving (Note 5d)</i>	19,382	-	6,684	26,066	25,442
	323,854	103,825	13,684	441,363	468,463
b) <u>Costs incurred on support and administration</u>					
Operations manager and admin assistant	56,489	12,074	1,500	70,062	69,727
Pension contributions	2,064	887	-	2,951	2,745
	58,552	12,961	1,500	73,013	72,472
Governance costs:					
Accounts independent examination	2,820	-	-	2,820	2,586
Other	55	-	-	55	491
	2,875	-	-	2,875	3,077
Printing, post and stationery (incl. dep'n)	5,238	-	-	5,238	4,772
Subscriptions and professional fees	1,618	-	-	1,618	2,100
Other support and administration costs	4,293	60	-	4,353	4,904
	72,576	13,021	1,500	87,097	87,325
Combined Charitable Activity cost	396,430	116,846	15,184	528,460	555,787
c) <u>Buildings (analysed by property)</u>					
	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2025	2024
	£	£	£	£	£
St. Paul's Church	55,717	26,232	-	81,950	68,334
St. Saviour's Church and Flat	15,808	-	5,000	20,808	81,165
St. Paul's Church Hall	423	525	-	948	392
8 Ruskin Walk	4,737	-	-	4,737	6,718
	76,685	26,757	5,000	108,442	156,608

d) <u>Missionary and charitable giving</u>	Institutions	Individuals	2025	2024
	£	£	£	£
Missionary support	10,074	-	10,074	9,747
Educational grants	2,519	-	2,519	5,636
Relief of poverty and other charitable giving	9,557	3,916	13,473	10,059
	<u>22,150</u>	<u>3,916</u>	<u>26,066</u>	<u>25,442</u>

	2025	2024
	£	£
The main features of the grants made were:		
EDEN, associated with A Rocha	3,358	2,437
International Justice Mission	3,358	2,437
Kabanda Trust	3,358	4,873
Evangelical Episcopal Church of Jerusalem	-	1,167
St. Saviour's School	2,519	5,000
Christians Against Poverty	3,519	2,202
CHIPS (Christian International Peace Service)	2,519	1,175
St. Christopher's Hospice	2,519	-
Individuals, and other organisations under £1,000	4,916	6,151
	<u>26,066</u>	<u>25,442</u>

Some comparatives in this note 5 have been adjusted for disclosure purposes, but the total expenditure remains unchanged.

6 Staff & Trustees

	2025	2024
	£	£
Gross wages, salaries & benefits in kind	141,732	138,431
Employer's National Insurance costs	4,342	5,388
Employer pension contributions	2,951	2,745
Total staff costs	<u>149,025</u>	<u>146,563</u>

The average number of employees during the year was 8 (2024: 8). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum.

Key management are considered to be the vicar, associate vicars and curates although none were employed by the PCC in the year.

Rebecca Lewis, a trustee until May 2025, received employment benefits totalling £36,692 (2024: £35,863) in her capacity as a debt coach and not as a trustee, as permitted by the governing document.

Sharon Calderbank, spouse of trustee Peter Calderbank, received employment benefits totalling £12,864 (2024: £10,780) in her capacity as administration assistant.

Josh Goodyear, son of trustee Rev. Ben Goodyear, received employment benefits totalling £2,161 (2024: £493) in his capacity as a cleaner.

There was no clergy accommodation provided at a cost to the PCC (2024: none).

No remuneration was paid to any trustee during the year nor to any person connected to them other than disclosed above.

The total amount of donations funded by trustees and other connected parties was £46,947 (2024: £48,067).

No other transactions have taken place with related parties during the year.

No fees were payable to Stewardship for any other services than examination of the accounts.

7 Tangible Fixed Assets

	Equipment & Fittings £	Property £	Total £
Cost			
At 31 December 2024	24,838	231,334	256,172
Additions	6,142	-	6,142
Write-offs	-	-	-
Transfer out	-	(226,084)	(226,084)
At 31 December 2025	30,981	5,250	36,231
Accumulated Depreciation			
At 31 December 2024	14,970	149,005	163,975
Charge for the year	3,101	525	3,626
Write-offs	-	-	-
Transfer out	-	(148,830)	(148,830)
At 31 December 2025	18,070	700	18,770
Net book value			
At 31 December 2024	9,869	82,329	92,197
At 31 December 2025	12,910	4,550	17,460

8 Fixed Asset Investments

	2025 £	2024 £
Investment property		
Cost or fair value brought forward	-	-
Transfer in	77,254	-
Change in value of investments	1,322,746	-
Fair value carried forward	1,400,000	-

8 Ruskin Walk was purchased in 1995, extended 1999 and renovated in 2007. Since 2025, it has been considered an investment property by the definition of the accounting SORP FRS 102. The valuation was determined by obtaining independent market appraisals from three qualified estate agents in April 2025, with the lowest value of £1,400 000 adopted to reflect prudent measurement under Charities SORP (102). This valuation was not considered to be materially different at the year end.

9 Debtors and Prepayments

	2025 £	2024 £
Tax recoverable	6,995	5,182
Prepayments	11,490	7,753
Deposit for use of St. Saviour's school	450	450
Accrued income	4,030	2,887
Other debtors	-	-
	22,965	16,272

10 Cash at Bank and in Hand

	2025 £	2024 £
Bank operating accounts	11,486	12,757
Short term deposits	131,459	266,767
Petty cash	20	20
	<u>142,965</u>	<u>279,544</u>

11 Creditors: liabilities falling due within one year

	2025 £	2024 £
PAYE/NIC	3,013	2,572
Independent examination fees	2,820	2,586
Deposits held	400	1,160
Other creditors and accruals	7,088	5,823
	<u>13,321</u>	<u>12,141</u>

12 Pension Commitments

During the year employer's pension contributions totalling £2,951 (2024: £2,745) were payable to defined contribution personal pension schemes. No pension contributions were overdue at the balance sheet date (2024: £nil).

13 Funds - 2025

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	15,225	375,460	(396,430)	9,000	3,256
Designated funds:					
Properties Fund	82,329	-	(525)	-	81,804
Revaluation Reserve	-	-	1,322,746	-	1,322,746
Operating Fund	25,000	-	-	(10,000)	15,000
Parish Weekend Away Fund	115	18,905	(19,941)	1,000	80
Community Engagement Fund	191,611	-	(70,148)	-	121,463
St. Paul's Boundary Wall Repair Fund	50,000	-	(26,232)	-	23,768
	<u>349,055</u>	<u>18,905</u>	<u>1,205,900</u>	<u>(9,000)</u>	<u>1,564,860</u>
Restricted funds:					
Churchwardens' Hardship Relief Fund	4,789	900	(5,245)	-	444
Cost of Living Fund	1,274	-	(1,081)	-	194
Earmarked Gifts	5,529	4,646	(8,859)	-	1,315
	<u>11,592</u>	<u>5,546</u>	<u>(15,184)</u>	<u>-</u>	<u>1,953</u>
Total funds:	<u>375,872</u>	<u>399,912</u>	<u>794,286</u>	<u>-</u>	<u>1,570,070</u>

The Properties Fund represents 8 Ruskin Walk and St. Paul's hall. Since 2025, 8 Ruskin Walk has been considered an investment property by the definition of the accounting SORP FRS 102 and is, therefore included at its estimated valuation. The revaluation reserve represents the increase in valuation as a result of this change. The Operating Fund is a reserve set aside to meet the parish's operating costs should it be required. The Community Engagement Fund is earmarked for projects that support the broader community within the parish and represents the funding required to continue the parish's existing community work for a further three years. The other funds are self-explanatory.

The restricted funds represent amounts received for specific purposes. The purpose of the funds is self-explanatory. Earmarked gifts represent amounts given by members of the church for specific purposes and are usually spent within the year. Towards the end of 2025, £1,315 was raised to support relief work associated with Hurricane Melissa; this was paid over in early 2026.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	1,953	-	1,953
Unrestricted funds:				
- General	12,910	(19,299)	9,644	3,256
- Designated	4,550	1,560,311	-	1,564,861
	<u>17,460</u>	<u>1,542,965</u>	<u>9,644</u>	<u>1,570,070</u>

14 Funds - 2024

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	8,080	374,551	(385,073)	17,667	15,225
Designated funds:					
Properties Fund	81,713	-	(4,634)	5,250	82,329
Operating Fund	97,500	-	-	(72,500)	25,000
St. Saviour's Development Fund	25,032	5,000	(65,534)	35,502	-
Parish Weekend Away Fund	175	-	(60)	-	115
Community Engagement Fund	256,079	650	(65,118)	-	191,611
Organ Restoration Fund	10,484	-	(18,776)	8,291	-
St. Paul's Boundary Wall Repair Fund	50,000	-	(5,790)	5,790	50,000
	<u>520,984</u>	<u>5,650</u>	<u>(159,912)</u>	<u>(17,667)</u>	<u>349,055</u>
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	(2,518)	-	-
St. Paul's Music Fund	-	3,469	(3,469)	-	-
Churchwardens' Hardship Relief Fund	4,808	100	(2,619)	2,500	4,789
Cost of Living Fund	2,283	54	(1,062)	-	1,274
Earmarked Gifts	3,254	5,908	(1,133)	(2,500)	5,529
	<u>12,863</u>	<u>9,531</u>	<u>(10,802)</u>	<u>-</u>	<u>11,592</u>
Total funds:	<u>541,927</u>	<u>389,732</u>	<u>(555,787)</u>	<u>-</u>	<u>375,872</u>

The restricted funds represent amounts received for specific purposes.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	11,592	-	11,592
Unrestricted funds:				
- General	9,869	1,225	4,131	15,225
- Designated	82,329	266,726	-	349,055
	<u>92,197</u>	<u>279,544</u>	<u>4,131</u>	<u>375,872</u>

15 Acting as agent

One of the parish's bank accounts is used to receive agency amounts. These amounts, most of which relate to special collections that are not contributions to parish funds, are subsequently paid to the rightful final recipients. This bank account is also used to receive, and pay back, deposits from hirers of parish buildings. At no point did the funds belong to the parish, rather its bank account was simply used for administrative purposes.

The agency receipts and payments relating to deposits and collections was £7,110 (2024: £3,075). Agency amounts of £400 were held at the year end (2024: £1,160).

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31ST DECEMBER 2025

	Note	Unrestricted Funds				Restricted Funds		Total Funds	
		General		Designated					
		2025	2024	2025	2024	2025	2024	2025	2024
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	228,787	229,570	2,399	5,650	5,516	9,481	236,702	244,701
Charitable activities	3	46,652	5,749	16,506	-	30	50	63,188	5,799
Investments	4	94,842	139,233	-	-	-	-	94,842	139,233
Other income		5,180	-	-	-	-	-	5,180	-
Total Income		375,461	374,551	18,905	5,650	5,546	9,531	399,912	389,732
EXPENDITURE ON									
Charitable activities	5	396,430	385,073	116,846	159,912	15,184	10,802	528,460	555,787
Total Expenditure		396,430	385,073	116,846	159,912	15,184	10,802	528,460	555,787
Net income/(expenditure)		(20,969)	(10,522)	(97,941)	(154,262)	(9,639)	(1,271)	(128,548)	(166,055)
Revaluation Reserve		-	-	1,322,746	-	-	-	1,322,746	-
Transfers between funds		9,000	17,667	(9,000)	(17,667)	-	-	-	-
		(11,969)	7,145	1,215,806	(171,929)	(9,639)	(1,271)	1,194,198	(166,055)
Net movement in funds		(11,969)	7,145	1,215,806	(171,929)	(9,639)	(1,271)	1,194,198	(166,055)
Reconciliation of funds:									
Total funds b/f		15,225	8,080	349,055	520,984	11,592	12,863	375,872	541,927
Total funds c/f		3,256	15,225	1,564,861	349,055	1,953	11,592	1,570,070	375,872

Movements on reserves and all recognised gains and losses are shown above.

Accounts



**ANNUAL REPORT AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL
OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2024**

Vicar:

Rev. Ben Goodyear

Associate Vicar:

Rev. Gill Tayleur

Associate Vicar:

Rev. Ben Hughes

Parish Office:

St. Paul's Church, Herne Hill, London SE24 9LY

Independent Examiner:

Lisa Darby

Stewardship

Unit A, 1 Lamb's Passage, London EC1Y 8AB

A charity registered with the Charity Commission
Registration number 1134045 from 3 February 2010

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2024

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THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2024

Background

Herne Hill PCC is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (amended) and the Church Representation Rules. The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the church; pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for church buildings.

Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Places of Worship

There are two churches in the parish:

St. Paul's Church, Herne Hill, London, SE24 9LY

St. Saviour's Church, Herne Hill Road, London SE24 0AY

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During the year 2024 the following served as members of the PCC:

Vicar: Rev. Ben Goodyear

Associate Vicar: Rev. Ben Hughes

Associate Vicar: Rev. Gill Tayleur

Curate: Rev. Susan Wright (to September 2024)

Pioneer Curate: Rev. Andy Blacknell

Readers:

Adjoa Andoh Cunnell

Simon Brindley

Trevor Tayleur

Churchwardens:

Juane Fuller

Geraldine Garner

Mark Maurice (to May 2024)

Jonathan Wyles (to May 2024)

Wendy Firman (from May 2024)

Rebecca Lewis (from May 2024)

Membership (cont'd)

Representatives on the Deanery Synod:

Esiri Bukata (to May 2024)

Trevor Tayleur

Elected Members (unless stated otherwise):

Adeyinka Akinwande (to May 2024)

Sarah Baldwin (co-opted)

Peter Calderbank (co-opted)

Sophie Corlett (from May 2024)

Rachel Goodyear (to January 2025)

Sushil Jacob (to May 2024)

Margaret Jefia Duhur (to May 2024)

Sarah-Jane Miller (co-opted to May 2024)

Committees

The PCC operates through the following committees, which meet between PCC meetings:

Standing Committee:

As required by law this has the power to transact the business of the PCC between its meetings.

Buildings Committee:

This committee advises the PCC on buildings and maintenance matters.

Finance Committee:

This committee is responsible for monitoring finances and advising the PCC on financial matters.

Safeguarding Committee:

This committee is responsible for implementing the parish safeguarding policy and ensuring the PCC fulfils its responsibilities in safeguarding matters.

Church Membership and Attendance

There were 254 people on the Church Electoral Roll as of April 2024.

On a "usual" Sunday, as described by the annual Church of England membership return, there were:

- 87 adults and 19 children attending St. Paul's and

- 55 adults and 17 children attending St. Saviour's,

Bankers

CAF Bank

28 Kings Hill Avenue, West Malling, ME19 4JQ

Reserves Policy

The PCC seeks to maintain reserves at a level that recognises both the call to apostolic poverty and the need for prudence in the face of unexpected demands on resources. The PCC has established a designated "Operating Fund" as a reserve set aside to meet the parish's operating costs should it be required and this is currently £25,000, representing one month of general expenditure. Total unrestricted funds are currently £364,280, representing eleven months of general expenditure. The PCC has regard to this when considering its financial planning and other aspects of its financial management.

Risk Management

The PCC has considered the risks to which the parish is exposed, including those brought to our attention by the Diocese. These include loss of key personnel, fraud, damage to buildings, liabilities pursuant to non-compliance with legislation, for example in relation to discrimination and data protection, inadequate safeguarding of children or vulnerable adults or protection of employees, loss of reputation and inadequate financial control. The PCC has taken steps to mitigate these risks through, for example, insurance, a safeguarding policy and financial control procedures. Details of the parish's risk management policies and procedures are available from the Parish Operations Manager.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Report on the proceedings of the PCC and the activities of the Parish generally, for 2024

In 2024 we were able to worship together in Sunday services every week in person as well as our virtual services for those unable to attend. Most Sundays included services at 8am, 11.15am and 5pm weekly at St. Paul's and then 9.30am weekly and Messy Church monthly at St. Saviour's. We ran Children's Church weekly except for our monthly all age communions and during school holidays, with a new and well thought out curriculum.

We ran a Lent course based on the Lent book "Tarry Awhile, Wisdom from Black Spirituality."

We opened St. Paul's up on Thursdays for private prayer and for Hope Café. We run our café on customer donations, so everyone can enjoy regardless of their financial situation. We are often serving more than 50 lunches every Thursday, plus drinks and home-made cakes.

In May our Whoosh riders cycled the west coast of Wales from Tenby to Llandudno raising £7,595 for CHIPS Peace and £11,831 for Gaza Sunbirds.

Our pioneer prison curate Andy Blacknell was ordained priest in June and he continues to minister in both Brixton Prison and in the parish. Lots of men are coming to faith in Jesus and getting baptised in prison.

The Youth Faith Collective (YFC) youth group continued to happen for younger youth weekly and YFC+ was launched monthly for our older youth. In the summer the youth went away to the Satellites summer camp.

We ran our Milkwood Summer Programme for a week in August in Milkwood Community Park, serving 50 children and young people in our locality. We also continued our weekly Milkwood Kick Football Academy with the under 12s winning the London Churches competition and the under 11s winning the London Kick Academies competition!

Beckee Lewis, our CAP (Christians Against Poverty) & Community worker, along with a team of volunteers, was effective in helping people out of debt, budget better, and find jobs through our CAP debt coaching, money courses and job clubs. As part of that we delivered 20 Christmas hampers to CAP clients and others in need locally.

Susan Wright, our parish curate, finished her curacy in September and has gone to support St. Barnabas, Dulwich. Sarah-Jane Miller, our previous buildings manager, also finished her maternity cover post in

A committed team of volunteers organised a series of fundraising events for the restoration of the organ at St. Paul's which was completed and rededicated by the Archdeacon on the 6th October.

We thanked Jonathan Wyles and Mark Maurice as they stood down as churchwarden at St. Saviour's. We appointed Beckee Lewis and Wendy Firman as churchwardens at St. Saviour's. Juanne Fuller & Geraldine Garner continued as churchwardens at St. Paul's.

We kicked off Christmas season in style with our first ever immersive nativity across the streets of Herne Hill brilliantly directed by Sara Bredemear. Our nativities, carols, Christmas Eve and Christmas Day services had lots of visitors with over 1,000 people coming to those services in total.

St. Saviour's was redecorated with new curtains installed to match the new colour scheme. The heating system was fixed so that St. Saviour's is now toasty. We continue to explore more environmental heating solutions for all of our buildings. Our quinquennial inspection was carried out at St. Saviour's in June 2023. A number of works where action was recommended within 12 months were highlighted, summarised below with progress made in 2024:

- Guttering and damp issues in the lobby to the St. Saviour's flat - we have put a dehumidifier in and the window has been fixed.
- Safety issues: access to understage area, steps to north and south doors and other trip hazards - this is outstanding.
- Other work: north and south doors needed work as did the western most dormer window on the south side - the doors have been repaired but the window is outstanding.
- Railings are defective and need decorations - we have quotes for this but have not begun the work.

We created a new Mission Action Plan (MAP). The MAP goals we have set can be summarised as follows:

- We will have baptised or confirmed 60 people aged 11 or over by 2027.
- Everyone will be part of a discipling community by 2027.
- We will have 50 new children and youth congregation members.

We are making some progress on this with 56 adults and 34 children joining our congregations in 2024.

As always, during the year the PCC gave its time and attention to many other issues that contribute to spiritual growth and development in the parish, including financial, buildings, staffing, social, community, worship and mission issues. These were all focused on furthering the fulfilment of our parish aim statement, **"Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community"**.

We look back on 2024 with praise to God. We have much to give Him thanks for - as we also thank the many faithful people in both churches who serve this parish and Him.

Finance:

Total income was down on 2023 by £31,242. Income from donations and legacies was down by £13,357 when compared with 2023. However, the prior year included income raised to go towards the organ restoration project. If this is excluded, income from donations and legacies increased by £15,072. Income from charitable activities was £14,209 lower than the previous year. However, the prior year included payments and donations made towards the Parish Weekend Away which took place in July 2023. Lettings income saw a small improvement and was up on 2023 by £4,053.

During the year we increased our contribution to the Parish Support Fund to £148,000 compared with £138,000 in 2023. Ministry, Fellowship and Worship costs were £135,404 (2023: £170,933). However, the prior year included £54,327 towards the refurbishment of the organ at St. Paul's with the work completed this year.

Buildings' costs for the year were £156,608 (2023: £130,625) including the cost of redecoration at St. Saviour's. Our Missionary and Charitable Giving was £25,442 (2023: £27,465) and was based on 10% of our general giving. However, it also included support given in response to various needs during the year, including the cost of living crisis. Overall, total expenditure increased by £9,978 to £555,787.

The deficit before inter fund transfers on the general fund in the year was £10,522 compared to a surplus of £9,849 in 2023.

The parish's net assets decreased in 2024 from £541,927 to £375,872. Most of this represents a decrease in short term deposits and bank balances, which totalled £279,544 at the end of 2024 (2023: £456,318). £11,592 of the parish's funds are restricted in use by donors and have, therefore, been classified as restricted funds (2023: £12,863).

The designated funds includes the original cost, less depreciation, of 8 Ruskin Walk. The market value of 8 Ruskin Walk is considerably higher than its written down cost in the balance sheet. All of the parish's assets are dedicated to ensure we are able to operate as mission-shaped churches in Herne Hill, as we look for how best we may use them to help bring Jesus to the heart of our community.

The trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the PCC on 24 March 2025 and signed on their behalf by:

Rev. Ben Goodyear

Peter Calderbank

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2024 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby, FCA
Institute of Chartered Accountants in England & Wales

31 March 2025

For and on behalf of:
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	Unrestricted Funds		Restricted Funds	Total 2024	Total 2023
		General	Designated	Funds	£	£
		£	£	£		
INCOME & ENDOWMENTS FROM						
Donations and legacies	2	229,570	5,650	9,481	244,701	258,058
Charitable activities	3	5,749	-	50	5,799	20,008
Investments	4	139,233	-	-	139,233	137,471
Other income		-	-	-	-	5,437
Total Income and Endowments		374,551	5,650	9,531	389,732	420,974
 EXPENDITURE ON						
Charitable activities	5	385,073	159,912	10,802	555,787	545,809
Total Expenditure		385,073	159,912	10,802	555,787	545,809
Net income/(expenditure)		(10,522)	(154,262)	(1,271)	(166,055)	(124,835)
Transfers between funds		17,667	(17,667)	-	-	-
Net movement in funds		7,145	(171,929)	(1,271)	(166,055)	(124,835)
Reconciliation of funds:						
Total funds brought forward		8,080	520,984	12,863	541,927	666,761
Total funds carried forward		15,225	349,055	11,592	375,872	541,927

Movements on reserves and all recognised gains and losses are shown above.

All income and expenditure derive from continuing operations.

Small differences of £1 may arise in these accounts due to roundings.

The notes on pages 10-17 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

BALANCE SHEET

AS AT 31ST DECEMBER 2024

	Note	Unrestricted Funds		Restricted Funds	Total 2024	Total 2023
		General	Designated			
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	7	9,869	82,329	-	92,197	86,230
		9,869	82,329	-	92,197	86,230
CURRENT ASSETS						
Debtors	8	16,272	-	-	16,272	9,798
Cash at bank	9	1,225	266,726	11,592	279,544	456,318
		17,497	266,726	11,592	295,816	466,116
CURRENT LIABILITIES						
Liabilities falling due within one year	10	12,141	-	-	12,141	10,419
Net Current Assets		5,356	266,726	11,592	283,675	455,697
NET ASSETS						
		15,225	349,055	11,592	375,872	541,927

FUND BALANCES

Unrestricted funds					
- General Funds	12, 13			15,225	8,080
- Designated Funds	12, 13			349,055	520,984
Restricted Funds	12, 13			11,592	12,863
				375,872	541,927

Approved by the Trustees and signed on their behalf by

Peter Calderbank
Parish Treasurer

Date: 24 March 2025

Charity Number: 1134045

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2024

1 Accounting policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below:

a) *Going concern*

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Income*

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- (i) *Recoverable gift aid*: This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- (ii) *Legacies*: Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events. Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) *Expenditure*

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

d) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) *Tangible fixed assets*

Consecrated and beneficed property, that is St. Paul's Church, St. Saviour's Church and 1 Finsen Road, is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

8 Ruskin Walk is included at cost less depreciation and the St. Paul's Church hall building has been fully written off.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 10 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) *Pension scheme arrangements*

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) *Taxation*

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) *Exemption from preparing a cash flow statement*

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

i) *Critical accounting estimates and areas of judgement*

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

2 Donations and legacies

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
Donations of cash and similar	178,357	5,650	9,481	193,488	190,388
Other grants receivable	11,400	-	-	11,400	25,407
Legacies receivable	-	-	-	-	-
Income tax recoverable	39,813	-	-	39,813	42,263
	<u>229,570</u>	<u>5,650</u>	<u>9,481</u>	<u>244,701</u>	<u>258,058</u>

3 Income from charitable activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
Church retreats and events	-	-	-	-	12,823
Playgroup/Lunch Club	1,687	-	-	1,687	2,106
Youth activities	338	-	-	338	125
Other activities	3,724	-	50	3,774	4,953
	<u>5,749</u>	<u>-</u>	<u>50</u>	<u>5,799</u>	<u>20,008</u>

4 Investment income

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
Property letting	123,832	-	-	123,832	119,779
Bank interest	15,401	-	-	15,401	17,693
	<u>139,233</u>	<u>-</u>	<u>-</u>	<u>139,233</u>	<u>137,471</u>

Property Letting income includes short term tenancy agreements for 8 Ruskin Walk and 69 Herne Hill (St. Saviour's flat), along with the regular rental of church buildings to community groups.

5 Charitable activity

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
a) <u>Church activity</u>					
<i>Parish Support Fund contribution</i>	148,000	-	-	148,000	138,000
<i>Ministry, Fellowship and Worship</i>					
Parish weekend	-	-	-	-	15,856
Youth work (including salaries)	33,124	6,766	-	39,891	25,958
Clergy expenses	5,374	-	-	5,374	4,069
Organist and music	12,597	13,546	1,154	27,297	62,066
Christian education	1,572	-	-	1,572	1,896
Sacristy	7,322	-	-	7,322	6,396
Hospitality	1,725	-	-	1,725	1,645
Playgroup/Lunch Club	1,201	-	-	1,201	1,268
Community engagement (including salaries)	-	49,468	374	49,842	50,730
Miscellaneous	1,180	-	-	1,180	1,048
	64,096	69,780	1,528	135,404	170,933
<i>Buildings (Note 5c)</i>					
Repairs and maintenance	18,023	14,895	4,833	37,751	41,017
Professional fees	1,500	17,550	-	19,050	7,620
Utilities	24,517	-	-	24,517	22,930
Insurance	10,906	-	-	10,906	10,642
Cleaning and materials	13,412	-	-	13,412	12,752
Depreciation	-	4,634	-	4,634	5,318
Miscellaneous	2,229	-	-	2,229	1,803
New building or major works	-	44,109	-	44,109	28,542
	70,587	81,188	4,833	156,608	130,625
<i>Missionary and charitable giving (Note 5d)</i>	21,001	-	4,440	25,442	27,465
	303,684	150,968	10,802	465,454	467,023
b) <u>Costs incurred on support and administration</u>					
Operations manager and admin assistant	65,587	7,149	-	72,736	61,577
Pension contributions	1,019	1,726	-	2,745	2,228
	66,606	8,875	-	75,481	63,805
Governance costs:					
Accounts independent examination	2,586	-	-	2,586	2,490
Other	491	-	-	491	641
	3,077	-	-	3,077	3,131
Printing, post and stationery (incl. dep'n)	4,772	-	-	4,772	4,364
Subscriptions and professional fees	2,091	9	-	2,100	3,963
Other support and administration costs	4,844	60	-	4,904	3,524
	81,389	8,944	-	90,333	78,786
Combined Charitable Activity cost	385,073	159,912	10,802	555,787	545,809
c) <u>Buildings (analysed by property)</u>					
	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2024	2023
	£	£	£	£	£
St. Paul's Church	52,481	11,020	4,833	68,334	53,721
St. Saviour's Church and Flat	15,631	65,534	-	81,165	59,902
St. Paul's Church Hall	392	-	-	392	1,142
8 Ruskin Walk	2,084	4,634	-	6,718	15,860
	70,587	81,188	4,833	156,608	130,625

d) Missionary and charitable giving

	Institutions	Individuals	2024	2023
	£	£	£	£
Missionary support	9,747	-	9,747	11,330
Educational grants	5,636	-	5,636	3,000
Relief of poverty and other charitable giving	5,278	4,781	10,059	13,136
	20,661	4,781	25,442	27,465

	2024	2023
	£	£
The main features of the grants made were:		
EDEN, associated with A Rocha	2,437	2,446
International Justice Mission	2,437	2,446
Kabanda Trust	4,873	5,101
Evangelical Episcopal Church of Jerusalem	1,167	-
St. Saviour's School	5,000	1,500
Safelives	2,202	-
South Central Youth	1,175	-
Christian Aid	-	1,337
Brixton Soup Kitchen	-	1,853
Robes Project	-	1,644
Ebony Horse Club	-	1,279
Linus Quilt	-	1,096
Individuals, and other organisations under £1,000	6,151	8,764
	25,442	27,465

6 Staff & Trustees

	2024	2023
	£	£
Gross wages, salaries & benefits in kind	138,431	116,057
Employer's National Insurance costs	5,388	3,106
Employer pension contributions	2,745	2,228
Total staff costs	146,563	121,391

The average number of employees during the year was 8 (2023: 7). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum.

Key management are considered to be the vicar, associate vicars and curates although none were employed by the PCC in the year.

Rebecca Lewis, a trustee, received employment benefits totalling £35,863 (2023: £19,915) in her capacity as a debt coach and not as a trustee, as permitted by the governing document.

Sarah-Jane Miller, a trustee until May 2024, received employment benefits totalling £13,284 (2023: £32,262) in her capacity as an operations manager and not as a trustee, as permitted by the governing document.

Sharon Calderbank, spouse of trustee Peter Calderbank, received employment benefits totalling £10,780 (2023: £12,174) in her capacity as administration assistant.

Josh Goodyear, son of trustee Rev. Ben Goodyear, received employment benefits totalling £493 (2023: £670) in his capacity as a cleaner.

There was no clergy accommodation provided at a cost to the PCC (2023: none).

No remuneration was paid to any trustee during the year nor to any person connected to them other than disclosed above.

The total amount of donations funded by trustees and other connected parties was £48,067 (2023: £48,188).

No other transactions have taken place with related parties during the year.

No fees were payable to Stewardship for any other services than examination of the accounts.

7 Tangible Fixed Assets

	Equipment & Fittings £	Property £	Total £
Cost			
At 31 December 2023	19,453	226,084	245,537
Additions	9,780	5,250	15,030
Write-offs	(4,394)	-	(4,394)
At 31 December 2024	24,838	231,334	256,172
Accumulated Depreciation			
At 31 December 2023	14,936	144,371	159,307
Charge for the year	4,428	4,634	9,062
Write-offs	(4,394)	-	(4,394)
At 31 December 2024	14,970	149,005	163,975
Net book value			
At 31 December 2023	4,517	81,713	86,230
At 31 December 2024	9,869	82,329	92,197

Property includes 8 Ruskin Walk at a cost of £200,405 (purchased 1995, extended 1999 and renovated in 2007). St. Paul's church hall, which had been built at a cost of £3,800 in 1959 and subsequently fully depreciated, was written off in 2022.

8 Debtors and Prepayments

	2024 £	2023 £
Tax recoverable	5,182	1,180
Prepayments	7,753	4,158
Deposit for use of St. Saviour's school	450	450
Accrued income	2,887	4,011
Other debtors	-	-
	16,272	9,798

9 Cash at Bank and in Hand

	2024 £	2023 £
Bank operating accounts	12,757	37,370
Short term deposits	266,767	418,928
Petty cash	20	20
	279,544	456,318

10 Creditors: liabilities falling due within one year

	2024 £	2023 £
PAYE/NIC	2,572	1,933
Independent examination fees	2,586	2,490
Deposits held	1,160	1,910
Other creditors and accruals	5,823	4,085
	12,141	10,419

11 Pension Commitments

During the year employer's pension contributions totalling £2,745 (2023: £2,228) were payable to defined contribution personal pension schemes. No pension contributions were overdue at the balance sheet date (2023: £nil).

12 Funds - 2024

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	8,080	374,551	(385,073)	17,667	15,225
Designated funds:					
Properties Fund	81,713	-	(4,634)	5,250	82,329
Operating Fund	97,500	-	-	(72,500)	25,000
St. Saviour's Development Fund	25,032	5,000	(65,534)	35,502	-
Parish Weekend Away Fund	175	-	(60)	-	115
Community Engagement Fund	256,079	650	(65,118)	-	191,611
Organ Restoration Fund	10,484	-	(18,776)	8,291	-
St. Paul's Boundary Wall Repair Fund	50,000	-	(5,790)	5,790	50,000
	520,984	5,650	(159,912)	(17,667)	349,055
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	(2,518)	-	-
St. Paul's Music Fund	-	3,469	(3,469)	-	-
Churchwardens' Hardship Relief Fund	4,808	100	(2,619)	2,500	4,789
Cost of Living Fund	2,283	54	(1,062)	-	1,274
Earmarked Gifts	3,254	5,908	(1,133)	(2,500)	5,529
	12,863	9,531	(10,802)	-	11,592
Total funds:	541,927	389,732	(555,787)	-	375,872

The Properties Fund represents the net book value of 8 Ruskin Walk. The Operating Fund is a reserve set aside to meet the parish's operating costs should it be required. The St. Saviour's Development Fund is the remaining balance of the Dennis and Mary Ransted legacies which has been designated for planned works to St. Saviour's church. During the year this fund was used, with an additional transfer of funds, to cover redecoration costs. The Community Engagement Fund is earmarked for projects that support the broader community within the parish and represents the funding required to continue the parish's existing community work for a further four years. The organ restoration work was completed during the year and the fund has now been closed. The other funds are self-explanatory.

The restricted funds represent amounts received for specific purposes. The purpose of the funds is self-explanatory. Earmarked gifts represent amounts given by members of the church for specific purposes and are usually spent within the year. In 2022, £5,026 was raised to support those affected by the war in Ukraine of which £529 remained unspent at the end of 2024. Towards the end of 2024, £5,000 was received from Southwark Council to undertake an environmental feasibility study for St. Paul's church which remained unspent at the end of the year.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	11,592	-	11,592
Unrestricted funds:				
- General	9,869	1,225	4,131	15,225
- Designated	82,329	266,726	-	349,055
	92,197	279,544	4,131	375,872

13 Funds - 2023

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	8,669	361,762	(351,913)	(10,438)	8,080
Designated funds:					
Properties Fund	61,352	-	(5,318)	25,679	81,713
Operating Fund	97,500	-	-	-	97,500
Parish Building Repairs Fund	37,482	-	(20,441)	(17,041)	-
St. Saviour's Development Fund	59,574	-	(34,542)	-	25,032
Parish Weekend Away Fund	639	13,652	(15,916)	1,800	175
Community Engagement Fund	301,960	7,340	(53,220)	-	256,079
Organ Restoration Fund	25,000	-	(14,516)	-	10,484
St. Paul's Boundary Wall Repair Fund	50,000	-	-	-	50,000
	633,507	20,992	(143,952)	10,438	520,984
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	8,072	31,898	(39,970)	-	-
Churchwardens' Hardship Relief Fund	7,369	-	(2,561)	-	4,808
Cost of Living Fund	3,172	1,730	(2,619)	-	2,283
Earmarked Gifts	3,454	4,593	(4,793)	-	3,254
	24,585	38,221	(49,943)	-	12,863
Total funds:	666,761	420,975	(545,809)	-	541,927

The restricted funds represent amounts received for specific purposes.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	12,863	-	12,863
Unrestricted funds:				
- General	4,517	4,184	(620)	8,080
- Designated	81,713	439,271	-	520,984
	86,230	456,318	(620)	541,927

14 Acting as agent

One of the parish's bank accounts is used to receive agency amounts. These amounts, most of which relate to special collections that are not contributions to parish funds, are subsequently paid to the rightful final recipients. This bank account is also used to receive, and pay back, deposits from hirers of parish buildings. At no point did the funds belong to the parish, rather its bank account was simply used for administrative purposes.

The agency receipts and payments relating to deposits and collections was £3,075 (2023: £8,026). Agency amounts of £1,160 were held at the year end (2023: £1,910).

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Note	Unrestricted Funds				Restricted Funds		Total Funds	
		General		Designated		2024	2023	2024	2023
		2024	2023	2024	2023				
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	229,570	211,669	5,650	8,169	9,481	38,221	244,701	258,058
Charitable activities	3	5,749	7,185	-	12,823	50	-	5,799	20,008
Investments	4	139,233	137,471	-	-	-	-	139,233	137,471
Other income		-	5,437	-	-	-	-	-	5,437
Total Income & Endowments		374,551	361,762	5,650	20,992	9,531	38,221	389,732	420,974
EXPENDITURE ON									
Charitable activities	5	385,073	351,913	159,912	143,952	10,802	49,943	555,787	545,809
Total Expenditure		385,073	351,913	159,912	143,952	10,802	49,943	555,787	545,809
Net income/(expenditure)		(10,522)	9,849	(154,262)	(122,961)	(1,271)	(11,722)	(166,055)	(124,835)
Transfers between funds		17,667	(10,438)	(17,667)	10,438	-	-	-	-
		7,145	(589)	(171,929)	(112,523)	(1,271)	(11,722)	(166,055)	(124,835)
Net movement in funds		7,145	(589)	(171,929)	(112,523)	(1,271)	(11,722)	(166,055)	(124,835)
Reconciliation of funds:									
Total funds brought forward		8,080	8,669	520,984	633,507	12,863	24,585	541,927	666,761
Total funds carried forward		15,225	8,080	349,055	520,984	11,592	12,863	375,872	541,927

Movements on reserves and all recognised gains and losses are shown above.

Accounts



**ANNUAL REPORT AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL
OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2023**

Vicar:

Rev. Ben Goodyear

Associate Vicar:

Rev. Gill Tayleur

Associate Vicar:

Rev. Ben Hughes

Parish Office:

St. Paul's Church, Herne Hill, London SE24 9LY

Independent Examiner:

Lisa Darby

Stewardship

Unit A, 1 Lamb's Passage, London EC1Y 8AB

A charity registered with the Charity Commission
Registration number 1134045 from 3 February 2010

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

FOR THE YEAR ENDED 31ST DECEMBER 2023

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THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2023

Background

Herne Hill PCC is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (amended) and the Church Representation Rules. The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the church; pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for church buildings.

Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Places of Worship

There are two churches in the parish:

St. Paul's Church, Herne Hill, London, SE24 9LY

St. Saviour's Church, Herne Hill Road, London SE24 0AY

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During the year 2023 the following served as members of the PCC:

Vicar: Rev. Ben Goodyear

Associate Vicar: Rev. Ben Hughes

Associate Vicar: Rev. Gill Tayleur

Curate: Rev. Susan Wright

Pioneer Curate: Rev. Andy Blacknell (from July 2023)

Readers:

Adjoa Andoh Cunnell

Simon Brindley

Adrian Parkhouse (to May 2023)

Trevor Tayleur

Churchwardens:

Juanne Fuller

Geraldine Garner

Lilly Immanuel (to May 2023)

Jonathan Wyles

Mark Maurice (from May 2023)

Representatives on the Deanery Synod :

Esiri Bukata

Trevor Tayleur

Membership (cont'd)

Elected Members (unless stated otherwise):

Adeyinka Akinwande

Sarah Baldwin

Peter Calderbank

Rachel Goodyear

Rebekah Griffiths (co-opted to July 2023)

Sushil Jacob

Margaret Jefia Duhur

Julia Kirby-Jones (to May 2023)

Rebecca Lewis

Sarah-Jane Miller (co-opted from July 2023)

Committees

The PCC operates through the following committees, which meet between PCC meetings:

Standing Committee:

As required by law this has the power to transact the business of the PCC between its meetings.

Buildings Committee:

This committee advises the PCC on buildings and maintenance matters.

Finance Committee:

This committee is responsible for monitoring finances and advising the PCC on financial matters.

Safeguarding Committee:

This committee is responsible for implementing the parish safeguarding policy and ensuring the PCC fulfils its responsibilities in safeguarding matters.

Church Membership and Attendance

There were 248 people on the Church Electoral Roll as of April 2023.

On a "usual" Sunday, as described by the annual Church of England membership return, there were:

- 51 adults and 13 children attending St. Saviour's,
- 73 adults and 17 children attending St. Paul's and
- 50 households engaging with "church at home".

Bankers

CAF Bank

28 Kings Hill Avenue, West Malling, ME19 4JQ

Reserves Policy

The PCC seeks to maintain reserves at a level that recognises both the call to apostolic poverty and the need for prudence in the face of unexpected demands on resources. The PCC has designated an "Operating Fund" equivalent to three months of planned expenditure, estimated to be £97,500. This is a reserve set aside to meet the parish's operating costs should it be required. The PCC has regard to this when considering its financial planning and other aspects of its financial management.

Risk Management

The PCC has considered the risks to which the parish is exposed, including those brought to our attention by the Diocese. These include loss of key personnel, fraud, damage to buildings, liabilities pursuant to non-compliance with legislation, for example in relation to discrimination and data protection, inadequate safeguarding of children or vulnerable adults or protection of employees, loss of reputation and inadequate financial control. The PCC has taken steps to mitigate these risks through, for example, insurance, a safeguarding policy and financial control procedures. Details of the parish's risk management policies and procedures are available from the Parish Operations Manager.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Report on the proceedings of the PCC and the activities of the Parish generally, for 2023

In 2023 we were able to worship together in Sunday services every week in person as well as our virtual services for those unable to attend. Most Sundays included services at 8am, 11.15am and 5pm weekly at St. Paul's and then 9.30am weekly and Messy Church monthly at St. Saviour's. We ran Children's Church weekly except for our monthly all age communions and during school holidays, with a new and well thought out curriculum.

11 people participated in a Lent course called Face to Face looking at reconciliation in relationships and aspects of the course which focussed on reconciliation over racial divides.

Seniors' Lunch Club was able to run again with A Hymn at Lunchtime once a month. The Bereavement Journey course was run with St. Barnabas Dulwich, and the annual service for the bereaved was well attended.

We opened St. Paul's up on Thursdays for private prayer and for Hope Café. We run our café on customer donations, so everyone is able to enjoy regardless of their financial situation. We are often serving more than 50 lunches every Thursday, plus drinks and home made cakes. The café is a much valued part of community ministry. We also launched a warm hub on Mondays and set up a Cost of Living Fund which helped 22 people affected by the cost of living.

We partnered with Citizens UK and other organisations, including other local churches and Herne Hill Welcomes Refugees, to campaign and organise for issues of justice locally and beyond. This included several church families hosting refugees from Ukraine and running a number of Sunflower shop events where people could donate and receive winter clothes, coats and bedding.

A committed team of volunteers organised a series of fundraising events for the restoration of the organ at St. Paul's. At the end of the year, £39,970 had been raised and work has begun.

Our curate Andy Blacknell was ordained deacon in June and he continues to minister in both Brixton Prison and in the parish. He led an Alpha course held at Hope Café during the autumn term, with 10 people attending.

In October we welcomed Winnie Obese-Bempong as ordinand in the parish 3 days a week. In the summer we said farewell to Bex Griffiths, and appointed 2 part time workers to lead children and family ministry (Ruby Wild), and youth ministry (Cas Moyo). We welcomed Kelly Stephenson back from maternity leave, sharing the Parish Operations Manager role with Sarah-Jane Miller. We thanked Lilly Immanuel as she stood down as churchwarden at St. Saviour's. We appointed Mark Maurice and Jonathan Wyles as churchwardens at St. Saviour's. Juarne Fuller & Geraldine Garner continued as churchwardens at St. Paul's.

We ran our Milkwood Summer Programme for two weeks in August in Milkwood Community Park, serving 51 children and young people in our locality. We also continued our weekly Milkwood Kick Football Academy. Several of the young people from Milkwood Kick have joined our youth group.

In May our WHOOSH riders cycled around the Cairngorms in Scotland raising £15,170 for Fareshare.

In July over 100 of us went away to High Leigh for our biannual parish weekend away with visiting speakers Amy and Toby Hole.

In July we said farewell to Julia Daniel, one of our CAP (Christians Against Poverty) & Community worker and our other CAP & Community worker, Beckee Lewis, has increased her hours to work full time and was effective in helping people out of debt, budget better, and find jobs through our CAP debt coaching, money courses and job clubs. As part of that we delivered over 50 Christmas hampers to CAP clients and others in need locally.

Our Christmas Eve and Christmas Day services had lots of visitors with over 500 people coming to those services in total.

Our environmentally friendly lighting was installed at St. Saviour's and we did a prefeasibility study to consider other ways to decarbonise St. Saviour's. Our quinquennial inspection was carried out at St. Saviour's in June. A number of works where action was recommended within 12 months were highlighted, summarised below:

- Guttering and damp issues in the lobby to the St. Saviour's flat
- Safety issues: access to understage area, steps to north and south doors and other trip hazards
- Other work: north and south doors need work as does the western most dormer window on the south side
- Railings are defective and need decorations

We made good progress with our Mission Action Plan (MAP). The goals we have set can be summarised as follows:

Mission Action Plan Goals:

- Welcoming and loving all through Jesus centred services and ministries
- Showing and sharing the love of Jesus through pastoral and practical help, advice and support for our local community
- Caring for God's people and planet by being a Fairtrade parish and pursuing a positive environmental impact
- Striving to be anti-racist as racism is an affront to God

Operational Goals:

- Raise income to sustain God's mission and buildings of the parish
- Increase leadership and volunteer base

A number of working groups have been established to oversee the actions associated with these goals. The Green and Fairtrade group enabled us to get our Bronze Eco-Church Award for both St. Saviour's and St. Paul's.

As always, during the year the PCC gave its time and attention to many other issues that contribute to spiritual growth and development in the parish, including financial, buildings, staffing, social, community, worship and mission issues. These were all focused on furthering the fulfilment of our parish aim statement, **"Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community"**.

We look back on 2023 with praise to God. We have much to give Him thanks for – as we also thank the many faithful people in both churches who serve this parish and Him.

Finance:

Total Income was up on 2022 by £32,530. Income from donations and legacies was at a very similar level to 2022 while income from charitable activities was £5,743 higher than the previous year. However, this included payments and donations made towards the Parish Weekend Away which took place in July 2023. Lettings income saw a continued improvement following the impact of Covid-19 in prior years and was up on 2022 by £11,148.

During the year we increased our contribution to the Parish Support Fund to £138,000 compared with £135,000 in 2022. Ministry, Fellowship and Worship costs were £170,933 (2022: £119,376). This included £54,327 towards the refurbishment of the organ at St. Paul's with the work starting towards the end of the year. This work was funded from the very successful fundraising campaign and the designated fund established in 2022.

Buildings' costs for the year were £130,625 (2022: £84,828) including £28,542 for the new lighting at St. Saviour's. Our Missionary and Charitable Giving was £27,465 (2022: £27,849) and was based on 10% of our general giving. However, it also included support given in response to various needs during the year, including the cost of living crisis. Overall, total expenditure increased by £106,491 to £545,809.

The surplus before inter fund transfers on the general fund in the year was £9,849 compared to a surplus of £20,352 in 2022.

The parish's net assets decreased in 2023 from £666,761 to £541,927. Most of this represents a decrease in short term deposits and bank balances, which totalled £456,318 at the end of 2023 (2022: £597,005). £12,863 of the parish's funds are restricted in use by donors and have, therefore, been classified as restricted funds (2022: £24,585).

The designated funds includes the original cost, less depreciation, of 8 Ruskin Walk. The market value of 8 Ruskin Walk is considerably higher than its written down cost in the balance sheet. All of the parish's assets are dedicated to ensure we are able to operate as mission-shaped churches in Herne Hill, as we look for how best we may use them to help bring Jesus to the heart of our community.

The trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the PCC on 19 March 2024 and signed on their behalf by:

Rev. Ben Goodyear

Peter Calderbank

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2023 on pages 8 to 19 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby, FCA
Institute of Chartered Accountants in England & Wales

25 March 2024

For and on behalf of:
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2023	2022
		£	£	£	£	£
INCOME & ENDOWMENTS FROM						
Donations and legacies	2	211,669	8,169	38,221	258,058	258,737
Charitable activities	3	7,185	12,823	-	20,008	14,265
Investments	4	137,471	-	-	137,471	115,442
Other income		5,437	-	-	5,437	-
Total Income and Endowments		361,762	20,992	38,221	420,974	388,444
 EXPENDITURE ON						
Charitable activities	5	351,913	143,952	49,943	545,809	439,317
Total Expenditure		351,913	143,952	49,943	545,809	439,317
Net income/(expenditure)		9,849	(122,961)	(11,722)	(124,835)	(50,874)
Transfers between funds		(10,438)	10,438	-	-	-
Net movement in funds		(589)	(112,523)	(11,722)	(124,835)	(50,874)
Reconciliation of funds:						
Total funds brought forward		8,669	633,507	24,585	666,761	717,635
Total funds carried forward		8,080	520,984	12,863	541,927	666,761

Movements on reserves and all recognised gains and losses are shown above.

All income and expenditure derive from continuing operations.

Small differences of £1 may arise in these accounts due to roundings.

The notes on pages 10-18 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

BALANCE SHEET

AS AT 31ST DECEMBER 2023

	Note	Unrestricted Funds		Restricted Funds	Total 2023	Total 2022
		General	Designated			
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	7	4,517	81,713	-	86,230	68,881
		4,517	81,713	-	86,230	68,881
CURRENT ASSETS						
Debtors	8	9,798	-	-	9,798	14,173
Cash at bank	9	4,184	439,271	12,863	456,318	597,005
		13,982	439,271	12,863	466,116	611,178
CURRENT LIABILITIES						
Liabilities falling due within one year	10	10,419	-	-	10,419	13,298
Net Current Assets		3,563	439,271	12,863	455,697	597,881
NET ASSETS		8,080	520,984	12,863	541,927	666,761

FUND BALANCES

Unrestricted funds					
- General Funds	12, 13			8,080	8,669
- Designated Funds	12, 13			520,984	633,507
Restricted Funds	12, 13			12,863	24,585
				541,927	666,761

Approved by the Trustees and signed on their behalf by

Peter Calderbank
Parish Treasurer

Date: 19 March 2024

Charity Number: 1134045

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

1 Accounting policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below:

a) *Going concern*

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Income*

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- (i) *Recoverable gift aid*: This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- (ii) *Legacies*: Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events. Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) *Expenditure*

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

d) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) *Tangible fixed assets*

Consecrated and beneficed property, that is St. Paul's Church, St. Saviour's Church and 1 Finsen Road, is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

8 Ruskin Walk is included at cost less depreciation and St. Paul's Church Hall has been fully written off.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) *Pension scheme arrangements*

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) *Taxation*

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) *Exemption from preparing a cash flow statement*

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

i) *Critical accounting estimates and areas of judgement*

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

2 Donations and legacies

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2023	2022
	£	£	£	£	£
Donations of cash and similar	163,449	40	26,899	190,388	202,453
Other grants receivable	10,757	7,300	7,350	25,407	2,456
Legacies receivable	-	-	-	-	4,307
Income tax recoverable	37,462	829	3,972	42,263	49,521
	<u>211,669</u>	<u>8,169</u>	<u>38,221</u>	<u>258,058</u>	<u>258,737</u>

3 Income from charitable activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2023	2022
	£	£	£	£	£
Church retreats and events	-	12,823	-	12,823	-
Playgroup/Lunch Club	2,106	-	-	2,106	4,385
Youth activities	125	-	-	125	872
Other activities	4,953	-	-	4,953	9,008
	<u>7,185</u>	<u>12,823</u>	<u>-</u>	<u>20,008</u>	<u>14,265</u>

4 Investment income

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2023	2022
	£	£	£	£	£
Property letting	119,779	-	-	119,779	108,631
Bank interest	17,693	-	-	17,693	6,811
	<u>137,471</u>	<u>-</u>	<u>-</u>	<u>137,471</u>	<u>115,442</u>

Property Letting income includes short term tenancy agreements for 8 Ruskin Walk and 69 Herne Hill (St. Saviour's flat), along with the regular rental of church buildings to community groups.

5 Charitable activity

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2023	2022
	£	£	£	£	£
a) <u>Church activity</u>					
<i>Parish Support Fund contribution</i>	138,000	-	-	138,000	135,000
<i>Ministry, Fellowship and Worship</i>					
Parish weekend	-	15,856	-	15,856	-
Youth work (including salaries)	22,663	3,295	-	25,958	28,529
Clergy expenses	3,869	-	200	4,069	4,976
Organist and music	7,739	14,516	39,812	62,066	8,211
Christian education	1,896	-	-	1,896	273
Sacristy	6,396	-	-	6,396	7,128
Hospitality	1,645	-	-	1,645	446
Playgroup/Lunch Club	1,268	-	-	1,268	1,159
Community engagement (including salaries)	219	49,925	585	50,730	67,442
Miscellaneous	890	-	159	1,048	1,212
	46,586	83,591	40,755	170,933	119,376
<i>Buildings (Note 5c)</i>					
Repairs and maintenance	22,196	18,821	-	41,017	33,360
Professional fees	-	7,620	-	7,620	510
Utilities	22,930	-	-	22,930	26,436
Insurance	10,642	-	-	10,642	7,900
Cleaning and materials	12,752	-	-	12,752	9,539
Depreciation	-	5,318	-	5,318	5,318
Miscellaneous	1,803	-	-	1,803	1,365
New building or major works	-	28,542	-	28,542	-
	70,323	60,301	-	130,625	84,428
<i>Missionary and charitable giving (Note 5d)</i>	19,778	-	7,688	27,465	27,849
	274,687	143,892	48,443	467,023	366,653
b) <u>Costs incurred on support and administration</u>					
Operations manager and admin assistant	60,077	-	1,500	61,577	53,353
Pension contributions	2,228	-	-	2,228	2,301
	62,305	-	1,500	63,805	55,655
Governance costs:					
Accounts independent examination	2,490	-	-	2,490	2,250
Other	641	-	-	641	302
	3,131	-	-	3,131	2,552
Printing, post and stationery (incl. dep'n)	4,364	-	-	4,364	5,954
Subscriptions and professional fees	3,963	-	-	3,963	2,908
Other support and administration costs	3,464	60	-	3,524	5,596
	77,226	60	1,500	78,786	72,665
Combined Charitable Activity cost	351,913	143,952	49,943	545,809	439,317
c) <u>Buildings (analysed by property)</u>					
	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2023	2022
	£	£	£	£	£
St. Paul's Church	51,111	2,610	-	53,721	46,973
St. Saviour's Church and Flat	13,546	46,356	-	59,902	23,884
St. Paul's Church Hall	542	600	-	1,142	2,485
8 Ruskin Walk	5,125	10,735	-	15,860	11,087
	70,323	60,301	-	130,625	84,428

d) Missionary and charitable giving

	Institutions	Individuals	2023	2022
	£	£	£	£
Missionary support	11,330	-	11,330	10,551
Relief of poverty	6,785	6,351	13,136	14,132
Educational grants	3,000	-	3,000	3,166
	<u>21,115</u>	<u>6,351</u>	<u>27,465</u>	<u>27,849</u>

	2023	2022
	£	£
The main features of the grants made were:		
EDEN, associated with A Rocha	2,446	2,375
International Justice Mission	2,446	2,375
Kabanda Trust	5,101	4,750
Operation Mobilisation	-	1,051
Christian Aid	1,337	-
Brixton Soup Kitchen	1,853	1,583
Robes Project	1,644	1,583
St. Michael's Fellowship	-	1,583
Blueprint for All	-	1,583
Tastelife	-	1,583
Spinnaker Trust	1,500	-
Ebony Horse Club	1,279	-
Linus Quilt	1,096	-
St. Saviour's School	1,500	1,583
Individuals, and other organisations under £1,000	7,264	7,800
	<u>27,465</u>	<u>27,849</u>

6 Staff & Trustees

	2023	2022
	£	£
Gross wages, salaries & benefits in kind	116,057	115,036
Employer's National Insurance costs	3,106	4,035
Employer pension contributions	2,228	2,301
Total staff costs	<u>121,391</u>	<u>121,372</u>

The average number of employees during the year was 7 (2022: 7). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum. No pension contributions were overdue at the year end (2022: none).

Key management are considered to be the vicar, associate vicars and curates although none were employed by the PCC in the year.

Rebekah Griffiths, a trustee until August 2023, received employment benefits totalling £19,227 (2022: £30,377) in her capacity as children & youth worker and not as a trustee, as permitted by the governing document.

Rebecca Lewis, a trustee, received employment benefits totalling £19,915 (2022: £11,423) in her capacity as a debt coach and not as a trustee, as permitted by the governing document.

Sarah-Jane Miller, a trustee, received employment benefits totalling £32,262 (2022: £10,797) in her capacity as an operations manager and not as a trustee, as permitted by the governing document.

Sharon Calderbank, spouse of trustee Peter Calderbank, received employment benefits totalling £12,174 (2022: £11,921) in her capacity as administration assistant.

Josh Goodyear, son of trustee Rev. Ben Goodyear, received employment benefits totalling £670 (2022: £nil) in his capacity as a cleaner.

There was no clergy accommodation provided at a cost to the PCC (2022: none).

No remuneration was paid to any trustee during the year nor to any person connected to them other than disclosed above.

The total amount of donations funded by trustees and other connected parties was £48,188 (2022: £58,098).

No other transactions have taken place with related parties during the year.

No fees were payable to Stewardship for any other services than examination of the accounts.

7 Tangible Fixed Assets

	Equipment & Fittings £	Property £	Total £
Cost			
At 31 December 2022	19,453	200,405	219,858
Additions	-	25,679	25,679
Write-offs	-	-	-
At 31 December 2023	19,453	226,084	245,537
Accumulated Depreciation			
At 31 December 2022	11,924	139,053	150,977
Charge for the year	3,012	5,318	8,330
Write-offs	-	-	-
At 31 December 2023	14,936	144,371	159,307
Net book value			
At 31 December 2022	7,529	61,352	68,881
At 31 December 2023	4,517	81,713	86,230

Property includes 8 Ruskin Walk at a cost of £200,405 (purchased 1995, extended 1999 and renovated in 2007). St. Paul's church hall, which had been built at a cost of £3,800 in 1959 and subsequently fully depreciated, was written off in 2022.

8 Debtors and Prepayments

	2023 £	2022 £
Tax recoverable	1,180	10,753
Prepayments	4,158	2,650
Deposit for use of St. Saviour's school	450	450
Accrued income	4,011	321
Other debtors	-	-
	9,798	14,173

9 Cash at Bank and in Hand

	2023 £	2022 £
Bank operating accounts	37,370	40,674
Short term deposits	418,928	556,311
Petty cash	20	20
	456,318	597,005

10 Creditors: liabilities falling due within one year

	2023	2022
	£	£
PAYE/NIC	1,933	370
Independent examination fees	2,490	2,280
Deposits held	1,910	3,420
Other creditors and accruals	4,085	7,228
	<u>10,419</u>	<u>13,298</u>

11 Pension Commitments

During the year employer's pension contributions totalling £2,228 (2022: £2,301) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2022: £nil).

12 Funds - 2023

	Opening balance	Incoming resources	Outgoing resources	Transfers in the year	Closing balance
	£	£	£	£	£
General funds:	8,669	361,762	(351,913)	(10,438)	8,080
Designated funds:					
Properties Fund	61,352	-	(5,318)	25,679	81,713
Operating Fund	97,500	-	-	-	97,500
Parish Building Repairs Fund	37,482	-	(20,441)	(17,041)	-
St. Saviour's Development Fund	59,574	-	(34,542)	-	25,032
Parish Weekend Away Fund	639	13,652	(15,916)	1,800	175
Community Engagement Fund	301,960	7,340	(53,220)	-	256,079
Organ Restoration Fund	25,000	-	(14,516)	-	10,484
St. Paul's Boundary Wall Repair Fund	50,000	-	-	-	50,000
	<u>633,507</u>	<u>20,992</u>	<u>(143,952)</u>	<u>10,438</u>	<u>520,984</u>
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	8,072	31,898	(39,970)	-	-
Churchwardens' Hardship Relief Fund	7,369	-	(2,561)	-	4,808
Cost of Living Fund	3,172	1,730	(2,619)	-	2,283
Earmarked Gifts	3,454	4,593	(4,793)	-	3,254
	<u>24,585</u>	<u>38,221</u>	<u>(49,943)</u>	<u>-</u>	<u>12,863</u>
Total funds:	<u>666,761</u>	<u>420,975</u>	<u>(545,809)</u>	<u>-</u>	<u>541,927</u>

The Properties Fund represents the net book value of 8 Ruskin Walk. The Operating Fund represents three months of planned expenditure. This is a reserve set aside to meet the parish's operating costs should it be required. The Parish Building Repairs Fund represents known repairs to the parish's buildings. The St. Saviour's Development Fund is the remaining balance of the Dennis and Mary Ransted legacies which has been designated for planned works to St. Saviour's church. The Community Engagement Fund is earmarked for projects that support the broader community within the parish and represents the funding required to continue the parish's existing community work for a further five years. The other funds are self-explanatory.

The restricted funds represent amounts received for specific purposes. The purpose of the funds is self-explanatory. Earmarked gifts represent amounts given by members of the church for specific purposes and are usually spent within the year. In 2022, £5,026 was raised to support those affected by the war in Ukraine of which £3,254 remained unspent at the end of 2023.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	12,863	-	12,863
Unrestricted funds:				
- General	4,517	4,184	(620)	8,080
- Designated	81,713	439,271	-	520,984
	<u>86,230</u>	<u>456,318</u>	<u>(620)</u>	<u>541,927</u>

13 Funds - 2022

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	3,419	363,232	(342,880)	(15,101)	8,669
Designated funds:					
Properties Fund	66,670	-	(5,318)	-	61,352
Operating Fund	-	-	-	97,500	97,500
Capital Projects	27,889	-	-	(27,889)	-
St. Paul's Repair	35,789	-	-	(35,789)	-
St. Saviour's Building	10,054	-	-	(10,054)	-
Parish Building Repairs Fund	-	-	(15,060)	52,542	37,482
St. Saviour's Development Fund	59,574	-	-	-	59,574
Parish Weekend Away Fund	725	-	(86)	-	639
Community Engagement Fund	498,634	3,300	(63,765)	(136,210)	301,960
Organ Restoration Fund	-	-	-	25,000	25,000
St. Paul's Boundary Wall Repair Fund	-	-	-	50,000	50,000
	<u>699,335</u>	<u>3,300</u>	<u>(84,229)</u>	<u>15,101</u>	<u>633,507</u>
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	5,709	2,363	-	-	8,072
Churchwardens' Hardship Relief Fund	6,350	2,900	(1,881)	-	7,369
Cost of Living Fund	-	4,390	(1,218)	-	3,172
Earmarked Gifts	304	12,259	(9,109)	-	3,454
	<u>14,881</u>	<u>21,912</u>	<u>(12,208)</u>	<u>-</u>	<u>24,585</u>
Total funds:	<u>717,635</u>	<u>388,444</u>	<u>(439,317)</u>	<u>-</u>	<u>666,761</u>

The restricted funds represent amounts received for specific purposes.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	24,585	-	24,585
Unrestricted funds:				
- General	7,529	265	875	8,669
- Designated	61,352	572,155	-	633,507
	<u>68,881</u>	<u>597,005</u>	<u>875</u>	<u>666,761</u>

14 Acting as agent

One of the parish's bank accounts is used to receive agency amounts. These amounts, most of which relate to special collections that are not contributions to parish funds, are subsequently paid to the rightful final recipients. This bank account is also used to receive, and pay back, deposits from hirers of parish buildings. At no point did the funds belong to the parish, rather its bank account was simply used for administrative purposes.

The agency receipts and payments relating to deposits and collections was £8,026 (2022: £12,970). Agency amounts of £1,910 were held at the year end (2022: £3,420).

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted Funds				Restricted Funds		Total Funds	
		General		Designated		2023	2022	2023	2022
		2023	2022	2023	2022				
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	211,669	236,825	8,169	-	38,221	21,912	258,058	258,737
Charitable activities	3	7,185	10,965	12,823	3,300	-	-	20,008	14,265
Investments	4	137,471	115,442	-	-	-	-	137,471	115,442
Other income		5,437	-	-	-	-	-	5,437	-
Total Income & Endowments		361,762	363,232	20,992	3,300	38,221	21,912	420,974	388,444
EXPENDITURE ON									
Charitable activities	5	351,913	342,880	143,952	84,229	49,943	12,208	545,809	439,317
Total Expenditure		351,913	342,880	143,952	84,229	49,943	12,208	545,809	439,317
Net income/(expenditure)		9,849	20,352	(122,961)	(80,929)	(11,722)	9,704	(124,835)	(50,874)
Transfers between funds		(10,438)	(15,101)	10,438	15,101	-	-	-	-
		(589)	5,251	(112,523)	(65,828)	(11,722)	9,704	(124,835)	(50,874)
Net movement in funds		(589)	5,251	(112,523)	(65,828)	(11,722)	9,704	(124,835)	(50,874)
Reconciliation of funds:									
Total funds brought forward		8,669	3,419	633,507	699,335	24,585	14,881	666,761	717,635
Total funds carried forward		8,080	8,669	520,984	633,507	12,863	24,585	541,927	666,761

Movements on reserves and all recognised gains and losses are shown above.

Accounts



**ANNUAL REPORT AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL
OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2022**

Vicar:

Rev. Ben Goodyear

Associate Vicar:

Rev. Gill Tayleur

Associate Vicar:

Rev. Ben Hughes

Parish Office:

St. Paul's Church, Herne Hill, London SE24 9LY

Independent Examiner:

Lisa Darby

Stewardship

Unit A, 1 Lamb's Passage, London EC1Y 8AB

A charity registered with the Charity Commission
Registration number 1134045 from 3 February 2010

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

FOR THE YEAR ENDED 31ST DECEMBER 2022

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THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2022

Background

Herne Hill PCC is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (amended) and the Church Representation Rules. The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the church; pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for church buildings.

Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Places of Worship

There are two churches in the parish:

St. Paul's Church, Herne Hill, London, SE24 9LY

St. Saviour's Church, Herne Hill Road, London SE24 0AY

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During the year 2022 the following served as members of the PCC:

Vicar: Rev. Ben Goodyear

Associate Vicar: Rev. Ben Hughes

Associate Vicar: Rev. Gill Tayleur

Curate: Rev. Susan Wright

Readers:

Adjoa Andoh Cunnell

Simon Brindley

Adrian Parkhouse

Trevor Tayleur

Churchwardens:

Juanne Fuller (from May 2022)

Geraldine Garner

Lilly Immanuel (from May 2022)

Rebecca Lewis (to May 2022)

Jonathan Wyles (from May 2022)

Representatives on the Deanery Synod :

Esiri Bukata

Trevor Tayleur

Membership (cont'd)

Elected Members (unless stated otherwise):

Adeyinka Akinwande

Sarah Baldwin

Peter Calderbank

Rachel Goodyear (from May 2022)

Sushil Jacob

Isobel Finn (to May 2022)

Rebekah Griffiths (co-opted)

Margaret Jafia Duhur

Julia Kirby-Jones

Rebecca Lewis (from May 2022)

Committees

The PCC operates through the following committees, which meet between PCC meetings:

Standing Committee:

As required by law this has the power to transact the business of the PCC between its meetings.

Buildings Committee:

This committee advises the PCC on buildings and maintenance matters.

Finance Committee:

This committee is responsible for monitoring finances and advising the PCC on financial matters.

Safeguarding Committee:

This committee is responsible for implementing the parish safeguarding policy and ensuring the PCC fulfils its responsibilities in safeguarding matters.

Church Membership and Attendance

There were 240 people on the Church Electoral Roll as of April 2022.

On a "usual" Sunday, as described by the annual Church of England membership return, there were:

- 42 adults and 12 children attending St. Saviour's,
- 73 adults and 21 children attending St. Paul's and
- 42 households engaging with "church at home".

Bankers

CAF Bank

28 Kings Hill Avenue, West Malling, ME19 4JQ

Reserves Policy

The PCC seeks to maintain reserves at a level that recognises both the call to apostolic poverty and the need for prudence in the face of unexpected demands on resources. During the year, following external advice, the PCC has reviewed the parish's designated funds. Following this, the PCC has designated an "Operating Fund" equivalent to three months of planned expenditure, estimated to be £97,500. This is a reserve set aside to meet the parish's operating costs should it be required. The PCC has regard to this when considering its financial planning and other aspects of its financial management.

Risk Management

The PCC has considered the risks to which the parish is exposed, including those brought to our attention by the Diocese. These include loss of key personnel, fraud, damage to buildings, liabilities pursuant to non-compliance with legislation, for example in relation to discrimination and data protection, inadequate safeguarding of children or vulnerable adults or protection of employees, loss of reputation and inadequate financial control. The PCC has taken steps to mitigate these risks through, for example, insurance, a safeguarding policy and financial control procedures. Details of the parish's risk management policies and procedures are available from the Parish Operations Manager.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Report on the proceedings of the PCC and the activities of the Parish generally, for 2022

In 2022 we were able to run Sunday services every week in person as well as our virtual services for those unable to attend. Most Sundays included services at 8am, 11.15am and 5pm weekly at St. Paul's and then 9.30am weekly and Messy Church monthly at St. Saviour's. We ran Children's Church weekly except for our monthly all age communions. In November we admitted children who had been prepared to receive Holy Communion.

We ran a lent course on prayer and we also ran a parenting course for those with teenagers.

Seniors' Lunch Club was able to run again with A Hymn at Lunchtime once a month.

We opened St. Paul's up on Thursdays for private prayer and for Hope Café. We run our café on customer donations. Our hope is that those who are able, will give what they feel is right. This helps us to serve those who are unable to donate, so that everyone will feel welcome to enjoy food and drink, whatever their situation. We also launched a warm hub on Mondays and set up a cost of living fund to help those affected by the cost of living.

We partnered with Citizens UK and other organisations, including other local churches and Herne Hill Welcomes Refugees, to campaign and organise for issues of justice locally and beyond. This included several church families hosting refugees from Ukraine and running a number of Sunflower shop events where people could donate and receive winter clothes, coats and bedding.

We welcomed Sue Heath-Downey as our Director of Music for the parish. We raised funds for the organ restoration through several Pipe Up fundraising events.

We thanked Beckee Lewis as she stood down as Churchwarden at St. Saviour's. We appointed Lilly Immanuel and Jonathan Wyles as the new Churchwardens at St. Saviour's, and Juaane Fuller as new Churchwarden at St. Paul's as she joined Geraldine Garner.

We ran our Milkwood Summer Programme for two weeks in August in Milkwood Community Park, and continued our weekly Milkwood Kick Football Academy. Many of the young people from Milkwood Kick have joined our JGL Youth Group and also came on our summer youth camp to Limitless, with eight of them becoming Christians!

In May our WHOOSH riders cycled from Hull to Carlisle raising money for charities including the Ebony Horse Club and Afghan Aid.

In May we marked the Queen's Jubilee with a special service at St. Paul's followed by a party in the church hall and grounds. Then in September we opened the church up to mark the Queen's death and held special services of remembrance.

We helped people out of debt, budget better, and find jobs through our Christians Against Poverty (CAP) debt coaching, money courses and job clubs. As part of that we delivered over 70 Christmas hampers to CAP clients and others in need locally.

Our Christmas eve and Christmas day services were back to pre-pandemic levels with over 500 people coming to those services in total.

In November 2020, our quinquennial inspection was carried out at St. Paul's. A number of works requiring immediate action were highlighted and have been completed during the last year or are in hand. The quinquennial inspection for St. Saviour's is now due to be carried out in 2023.

The PCC has reviewed our Mission Action Plan (MAP). The goals we have set can be summarised as follows:

Mission Action Plan Goals:

- Welcoming and loving all through Jesus centred services and ministries
- Showing and sharing the love of Jesus through pastoral and practical help, advice and support for our local community
- Caring for God's people and planet by being a Fairtrade parish and pursuing a positive environmental impact
- Striving to be anti-racist as racism is an affront to God

Operational Goals:

- Raise income to sustain God's mission and buildings of the parish
- Increase leadership and volunteer base

A number of working groups have been established to oversee the actions associated with these goals.

As always, during the year the PCC gave its time and attention to many other issues that contribute to spiritual growth and development in the parish, including financial, buildings, staffing, social, community, worship and mission issues. These were all focused on furthering the fulfilment of our parish aim statement, **"Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community"**.

We look back on 2022 with praise to God. We have much to give Him thanks for – as we also thank the many faithful people in both churches who serve this parish and Him.

Finance:

Total Income was up on 2021 by £61,570 with total individual giving up by £56,838. Income from charitable activities was £14,856 lower than the previous year but this was because the prior year included payments and donations made towards the Parish Weekend Away which took place in July 2021. Lettings income saw a continued improvement following the impact of Covid-19 in prior years and was up on 2021 by £13,547.

During the year we increased our contribution to the Parish Support Fund to £135,000 compared with £130,000 in 2021. Ministry, Fellowship and Worship costs were £119,376 (2021: £116,599), including £67,442 spent on community engagement (2021: £51,391).

Buildings' costs for the year were £84,428 (2021: £62,330) of which the most significant increase was in utilities where costs increased by £17,642. Our Missionary and Charitable Giving was £27,849 (2021: £20,551) and was based on 10% of our general giving. However, it also included support given in response to various needs during the year, including the cost of living crisis and supporting those affected by the war in Ukraine. Overall, total expenditure increased by £48,285 to £439,317.

The surplus on the general fund in the year was £20,352 compared to a surplus of £2,378 in 2021.

The parish's net assets decreased in 2022 from £717,635 to £666,761. Most of this represents a decrease in short term deposits and bank balances, which totalled £597,005 at the end of 2022 (2021: £637,460). £24,585 of the parish's funds result from earmarked gifts and are restricted in use (2021: £14,881).

During the year, following external advice, the PCC reviewed the Parish's unrestricted funds. This resulted in designated funds of £633,507 being set aside for specific purposes. The breakdown of these funds is set out in note 12 of the accounts. The designated funds includes the original cost, less depreciation, of 8 Ruskin Walk. The market value of 8 Ruskin Walk is considerably higher than its written down cost in the balance sheet. All of the parish's assets are dedicated to ensure we are able to operate as mission-shaped churches in Herne Hill, as we look for how best we may use them to help bring Jesus to the heart of our community.

The trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the PCC on 24 April 2023 and signed on their behalf by:

Rev. Ben Goodyear

Peter Calderbank

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2022 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby, FCA
Institute of Chartered Accountants in England & Wales

27 April 2023

For and on behalf of:
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2022	2021
		£	£	£	£	£
INCOME & ENDOWMENTS FROM						
Donations and legacies	2	236,825	-	21,912	258,737	199,995
Charitable activities	3	10,965	3,300	-	14,265	29,121
Investments	4	115,442	-	-	115,442	97,758
Total Income and Endowments		363,232	3,300	21,912	388,444	326,874
 EXPENDITURE ON						
Charitable activities	5	342,880	84,229	12,208	439,317	391,032
Total Expenditure		342,880	84,229	12,208	439,317	391,032
Net income/(expenditure)		20,352	(80,929)	9,704	(50,874)	(64,159)
Transfers between funds		(15,101)	15,101	-	-	-
Net movement in funds		5,251	(65,828)	9,704	(50,874)	(64,159)
Reconciliation of funds:						
Total funds brought forward		3,419	699,335	14,881	717,635	781,794
Total funds carried forward		8,669	633,507	24,585	666,761	717,635

Movements on reserves and all recognised gains and losses are shown above.

All income and expenditure derive from continuing operations.

Small differences of £1 may arise in these accounts due to roundings.

The notes on pages 10-17 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

BALANCE SHEET

AS AT 31ST DECEMBER 2022

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2022	2021
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	7	7,529	61,352	-	68,881	77,211
		7,529	61,352	-	68,881	77,211
CURRENT ASSETS						
Debtors	8	14,173	-	-	14,173	9,911
Cash at bank	9	265	572,155	24,585	597,005	637,460
		14,438	572,155	24,585	611,178	647,372
CURRENT LIABILITIES						
Liabilities falling due within one year	10	13,298	-	-	13,298	6,947
Net Current Assets		1,141	572,155	24,585	597,881	640,425
NET ASSETS		8,669	633,507	24,585	666,761	717,635

FUND BALANCES

Unrestricted funds					
- General Funds	12, 13			8,669	3,419
- Designated Funds	12, 13			633,507	699,335
Restricted Funds	12, 13			24,585	14,881
				666,761	717,635

Approved by the Trustees and signed on their behalf by

Peter Calderbank
Parish Treasurer

Date: 24 April 2023

Charity Number: 1134045

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

1 Accounting policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below:

a) *Going concern*

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. In making this assessment the PCC have considered how Covid-19 might affect projections. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Income*

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- (i) *Recoverable gift aid*: This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- (ii) *Legacies*: Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events. Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) *Expenditure*

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

d) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) *Tangible fixed assets*

Consecrated and beneficed property, that is St. Paul's Church, St. Saviour's Church and 1 Finsen Road, is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

8 Ruskin Walk is included at cost less depreciation and St. Paul's Church Hall has been fully written off.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) *Pension scheme arrangements*

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) *Taxation*

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) *Exemption from preparing a cash flow statement*

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

i) *Critical accounting estimates and areas of judgement*

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

2 Donations and legacies

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2022	2021
	£	£	£	£	£
Donations of cash and similar	181,855	-	20,598	202,453	157,711
Other grants receivable	2,456	-	-	2,456	4,859
Legacies receivable	4,307	-	-	4,307	-
Income tax recoverable	48,207	-	1,314	49,521	37,425
	<u>236,825</u>	<u>-</u>	<u>21,912</u>	<u>258,737</u>	<u>199,995</u>

3 Income from charitable activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2022	2021
	£	£	£	£	£
Church retreats and events	-	-	-	-	14,246
Playgroup/Lunch Club	4,385	-	-	4,385	3,785
Youth activities	872	-	-	872	194
Other activities	5,708	3,300	-	9,008	10,896
	<u>10,965</u>	<u>3,300</u>	<u>-</u>	<u>14,265</u>	<u>29,121</u>

4 Investment income

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2022	2021
	£	£	£	£	£
Property letting	108,631	-	-	108,631	95,084
Bank interest	6,811	-	-	6,811	2,674
	<u>115,442</u>	<u>-</u>	<u>-</u>	<u>115,442</u>	<u>97,758</u>

5 Charitable activity

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2022	2021
	£	£	£	£	£
a) <u>Church activity</u>					
<i>Parish Support Fund contribution</i>	135,000	-	-	135,000	130,000
<i>Ministry, Fellowship and Worship</i>					
Parish weekend	-	-	-	-	14,434
Youth work (including salaries)	22,270	6,109	150	28,529	30,342
Clergy expenses	4,976	-	-	4,976	5,143
Organist and music	8,211	-	-	8,211	7,238
Christian education	273	-	-	273	426
Sacristy	7,128	-	-	7,128	6,184
Hospitality	446	-	-	446	32
Playgroup/Lunch Club	1,159	-	-	1,159	468
Community engagement (including salaries)	7,829	57,656	1,957	67,442	51,391
Miscellaneous	1,212	-	-	1,212	943
	53,504	63,765	2,107	119,376	116,599
<i>Buildings (Note 5c)</i>					
Repairs and maintenance	18,300	15,060	-	33,360	27,578
Professional fees	510	-	-	510	1,200
Utilities	26,436	-	-	26,436	8,793
Insurance	7,900	-	-	7,900	9,546
Cleaning and materials	9,539	-	-	9,539	8,531
Depreciation	-	5,318	-	5,318	5,318
Miscellaneous	1,365	-	-	1,365	1,363
New building or major works	-	-	-	-	-
	64,050	20,378	-	84,428	62,330
<i>Missionary and charitable giving (Note 5d)</i>	19,248	-	8,601	27,849	20,551
	271,801	84,143	10,708	366,653	329,480
b) <u>Costs incurred on support and administration</u>					
Operations manager and admin assistant	51,853	-	1,500	53,353	44,867
Pension contributions	2,301	-	-	2,301	1,941
	54,155	-	1,500	55,655	46,808
Governance costs:					
Accounts independent examination	2,250	-	-	2,250	2,190
Other	302	-	-	302	296
	2,552	-	-	2,552	2,486
Printing, post and stationery (incl. dep'n)	5,954	-	-	5,954	4,810
Subscriptions and professional fees	2,908	-	-	2,908	2,983
Other support and administration costs	5,510	86	-	5,596	4,465
	71,079	86	1,500	72,665	61,552
Combined Charitable Activity cost	342,880	84,229	12,208	439,317	391,032
c) <u>Buildings (analysed by property)</u>					
	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2022	2021
	£	£	£	£	£
St. Paul's Church	43,673	3,300	-	46,973	38,509
St. Saviour's Church and Flat	15,603	8,280	-	23,884	10,860
St. Paul's Church Hall	223	2,262	-	2,485	4,383
8 Ruskin Walk	4,551	6,536	-	11,087	8,579
	64,050	20,378	-	84,428	62,330

d) Missionary and charitable giving

	Institutions	Individuals	2022	2021
	£	£	£	£
Missionary support	10,551	-	10,551	9,400
Relief of poverty	6,332	7,800	14,132	8,800
Educational grants	3,166	-	3,166	2,350
	<u>20,049</u>	<u>7,800</u>	<u>27,849</u>	<u>20,551</u>

	2022	2021
	£	£
The main features of the grants made were:		
EDEN, associated with A Rocha	2,375	2,350
International Justice Mission	2,375	2,350
Kabanda Trust	4,750	4,700
Operation Mobilisation	1,051	-
Brixton Soup Kitchen	1,583	2,350
Robes Project	1,583	2,350
St. Michael's Fellowship	1,583	2,350
Blueprint for All	1,583	-
Tastelife	1,583	-
St. Saviour's School	1,583	2,350
Individuals, and other organisations under £1,000	7,800	1,750
	<u>27,849</u>	<u>20,551</u>

6 Staff & Trustees

	2022	2021
	£	£
Gross wages, salaries & benefits in kind	115,036	105,485
Employer's National Insurance costs	4,035	3,126
Employer pension contributions	2,301	1,941
Total staff costs	<u>121,372</u>	<u>110,552</u>

The average number of employees during the year was 7 (2021: 7). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum. No pension contributions were overdue at the year end (2021: none).

Key management are considered to be the vicar, associate vicars and curate although none were employed by the PCC in the year.

Rebekah Griffiths, a trustee, received employment benefits totalling £30,377 (2021: £28,179) in her capacity as children & youth worker and not as a trustee, as permitted by the governing document.

Rebecca Lewis, a trustee, received employment benefits totalling £11,423 (2021: £10,525) in her capacity as a debt coach and not as a trustee, as permitted by the governing document.

Sharon Calderbank, spouse of trustee Peter Calderbank, received employment benefits totalling £11,921 (2021: £11,201) in her capacity as administration assistant.

Joel Goodyear, son of trustee Rev. Ben Goodyear, received employment benefits totalling £867 (2021: £884) in his capacity as a cleaner.

There was no clergy accommodation provided at a cost to the PCC (2021: none).

No remuneration was paid to any trustee during the year nor to any person connected to them other than disclosed above.

The total amount of donations funded by trustees and other connected parties was £58,098 (2021: £47,846).

There was a collection for our vicar (Rev. Ben Goodyear) ahead of his sabbatical totalling £4,626 (2021: nil).

No other transactions have taken place with related parties during the year.

No fees were payable to Stewardship for any other services than examination of the accounts.

7 Tangible Fixed Assets

	Equipment & Fittings £	Property £	Total £
Cost			
At 31 December 2021	19,453	204,205	223,658
Additions	-	-	-
Write-offs	-	(3,800)	(3,800)
At 31 December 2022	19,453	200,405	219,858
Accumulated Depreciation			
At 31 December 2021	8,912	137,535	146,447
Charge for the year	3,012	5,318	8,330
Write-offs	-	(3,800)	(3,800)
At 31 December 2022	11,924	139,053	150,977
Net book value			
At 31 December 2021	10,541	66,670	77,211
At 31 December 2022	7,529	61,352	68,881

Property includes 8 Ruskin Walk at a cost of £200,405 (purchased 1995, extended 1999 and renovated in 2007). St. Paul's church hall, which had been built at a cost of £3,800 in 1959 and subsequently fully depreciated, was written off in 2022.

8 Debtors and Prepayments

	2022 £	2021 £
Tax recoverable	10,753	4,902
Prepayments	2,650	3,590
Deposit for use of St. Saviour's school	450	450
Accrued income	321	969
Other debtors	-	-
	14,173	9,911

9 Cash at Bank and in Hand

	2022 £	2021 £
Bank operating accounts	40,674	41,920
Short term deposits	556,311	595,521
Petty cash	20	20
	597,005	637,461

10 Creditors: liabilities falling due within one year

	2022 £	2021 £
PAYE/NIC	370	1,754
Independent examination fees	2,280	2,190
Deposits held	3,420	2,630
Other creditors and accruals	7,228	373
	13,298	6,947

11 Pension Commitments

During the year employer's pension contributions totalling £2,301 (2021: £1,941) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2021: £nil).

12 Funds - 2022

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	3,419	363,232	(342,880)	(15,101)	8,669
Designated funds:					
Properties Fund	66,670	-	(5,318)	-	61,352
Operating Fund	-	-	-	97,500	97,500
Capital Projects	27,889	-	-	(27,889)	-
St. Paul's Repair	35,789	-	-	(35,789)	-
St. Saviour's Building	10,054	-	-	(10,054)	-
Parish Building Repairs Fund	-	-	(15,060)	52,542	37,482
St. Saviour's Development Fund	59,574	-	-	-	59,574
Parish Weekend Away Fund	725	-	(86)	-	639
Community Engagement Fund	498,634	3,300	(63,765)	(136,210)	301,960
Organ Restoration Fund	-	-	-	25,000	25,000
St. Paul's Boundary Wall Repair Fund	-	-	-	50,000	50,000
	699,335	3,300	(84,229)	15,101	633,507
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	5,709	2,363	-	-	8,072
Churchwardens' Hardship Relief Fund	6,350	2,900	(1,881)	-	7,369
Cost of Living Fund	-	4,390	(1,218)	-	3,172
Earmarked Gifts	304	12,259	(9,109)	-	3,454
	14,881	21,912	(12,208)	-	24,585
Total funds:	717,635	388,444	(439,317)	-	666,761

During the year, following external advice, the PCC reviewed the Parish's designated funds. The Properties Fund represents the net book value of 8 Ruskin Walk. The Operating Fund represents three months of planned expenditure. This is a reserve set aside to meet the parish's operating costs should it be required. The Parish Building Repairs Fund replaces the Capital Projects, St. Paul's Repair and St. Saviour's Building Funds and represents known repairs to the parish's buildings. The St. Saviour's Development Fund is the remaining balance of the Dennis and Mary Ransted legacies which has been designated for planned works to St. Saviour's church. The Community Engagement Fund is earmarked for projects that support the broader community within the parish and represents the funding required to continue the parish's existing community work for a further five years. The other funds are self-explanatory.

The restricted funds represent amounts received for specific purposes. The purpose of the funds is self-explanatory. Earmarked gifts represent amounts given by members of the church for specific purposes and are usually spent within the year. In 2022 this included a collection for our vicar (Rev. Ben Goodyear) ahead of his sabbatical which totalled £4,626. It also included £5,026 raised to support those affected by the war in Ukraine of which £3,454 was unspent at the end of the year.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	24,585	-	24,585
Unrestricted funds:				
- General	7,529	265	875	8,669
- Designated	61,352	572,155	-	633,507
	<u>68,881</u>	<u>597,005</u>	<u>875</u>	<u>666,761</u>

13 Funds - 2021

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	1,041	298,621	(296,243)	-	3,419
Designated funds:					
Properties Fund	71,988	-	(5,318)	-	66,670
Capital Projects	31,149	-	(3,260)	-	27,889
St. Paul's Repair	50,211	-	(14,422)	-	35,789
St. Saviour's Building	10,054	-	-	-	10,054
St. Saviour's Development Fund	59,574	-	-	-	59,574
Parish Weekend Away Fund	588	14,666	(14,530)	-	725
Community Engagement Fund	546,239	5,769	(53,373)	-	498,634
	<u>769,803</u>	<u>20,435</u>	<u>(90,902)</u>	<u>-</u>	<u>699,335</u>
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	1,245	4,837	(373)	-	5,709
Churchwardens' Hardship Relief Fund	6,947	1,700	(2,297)	-	6,350
Earmarked Gifts	240	1,281	(1,217)	-	304
	<u>10,950</u>	<u>7,818</u>	<u>(3,887)</u>	<u>-</u>	<u>14,881</u>
Total funds:	<u>781,794</u>	<u>326,874</u>	<u>(391,032)</u>	<u>-</u>	<u>717,635</u>

The restricted funds represent amounts received for specific purposes.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	14,881	-	14,881
Unrestricted funds:				
- General	10,541	-	(7,121)	3,419
- Designated	66,670	622,580	10,086	699,335
	<u>77,211</u>	<u>637,460</u>	<u>2,964</u>	<u>717,635</u>

14 Acting as agent

One of the parish's bank accounts is used to receive agency amounts. These amounts, most of which relate to special collections that are not contributions to parish funds, are subsequently paid to the rightful final recipients. This bank account is also used to receive, and pay back, deposits from hirers of parish buildings. At no point did the funds belong to the parish, rather its bank account was simply used for administrative purposes.

The agency receipts and payments relating to deposits and collections was £12,970 (2021: £5,524). Agency amounts of £3,420 were held at the year end (2021: £2,630).

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note	Unrestricted Funds				Restricted Funds		Total Funds	
		General		Designated		2022	2021	2022	2021
		2022	2021	2022	2021				
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	236,825	187,200	-	5,189	21,912	7,606	258,737	199,995
Charitable activities	3	10,965	13,662	3,300	15,246	-	212	14,265	29,121
Investments	4	115,442	97,758	-	-	-	-	115,442	97,758
Total Income & Endowments		363,232	298,621	3,300	20,435	21,912	7,818	388,444	326,874
EXPENDITURE ON									
Charitable activities	5	342,880	296,243	84,229	90,902	12,208	3,887	439,317	391,032
Total Expenditure		342,880	296,243	84,229	90,902	12,208	3,887	439,317	391,032
Net income/(expenditure)		20,352	2,378	(80,929)	(70,467)	9,704	3,931	(50,874)	(64,159)
Transfers between funds		(15,101)	-	15,101	-	-	-	-	-
		5,251	2,378	(65,828)	(70,467)	9,704	3,931	(50,874)	(64,159)
Net movement in funds		5,251	2,378	(65,828)	(70,467)	9,704	3,931	(50,874)	(64,159)
Reconciliation of funds:									
Total funds brought forward		3,419	1,041	699,335	769,803	14,881	10,950	717,635	781,794
Total funds carried forward		8,669	3,419	633,507	699,335	24,585	14,881	666,761	717,635

Movements on reserves and all recognised gains and losses are shown above.

Accounts



**ANNUAL REPORT AND ACCOUNTS
OF THE PAROCHIAL CHURCH COUNCIL
OF THE PARISH OF HERNE HILL
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Vicar:

Rev Ben Goodyear

Associate Vicar:

Rev Gill Tayleur

Associate Vicar:

Rev Ben Hughes

Parish Office:

St. Paul's Church, Herne Hill, London SE24 9LY

Independent Examiner:

Lisa Darby

Stewardship

Unit A, 1 Lamb's Passage, London EC1Y 8AB

A charity registered with the Charity Commission
Registration number 1134045 from 3 February 2010

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

FOR THE YEAR ENDED 31ST DECEMBER 2021

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THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Background

Herne Hill PCC is registered with the Charity Commission and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (amended) and the Church Representation Rules. The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the church; pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for church buildings.

Our aim is, in God's strength, to bring Jesus to the centre of our lives and to the heart of our community.

Places of Worship

There are two churches in the Parish:

St. Paul's Church, Herne Hill, London, SE24 9LY

St. Saviour's Church, Herne Hill Road, London SE24 0AY

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules. During the year 2021 the following served as members of the PCC:

Vicar: Rev Ben Goodyear

Associate Vicar: Rev Ben Hughes

Associate Vicar: Rev Gill Tayleur

Curate: Rev Susan Wright (from July 2021)

Readers:

Adjoa Andoh Cunnell

Simon Brindley

Adrian Parkhouse

Trevor Tayleur

Churchwardens:

Andrew Firman (to May 2021)

Geraldine Garner

Rebecca Lewis (from May 2021)

Representatives on the Deanery Synod :

Esiri Bukata

Trevor Tayleur

Membership (cont'd)

Elected Members (unless stated otherwise):

Adeyinka Akinwande (from May 2021)

Sarah Baldwin

Peter Calderbank

Maude Estwick (to May 2021)

Sushil Jacob (from May 2021)

Isobel Finn

Juanne Fuller

Rebekah Griffiths (co-opted)

Margaret Jafia Duhur

Julia Kirby-Jones

Yaa Amponsaa Sarkodee (to March 2021)

Kemi Segun-Oludimu (to May 2021)

Lucy Wainwright (to May 2021)

Committees

The PCC operates through the following committees, which meet between PCC meetings:

Standing Committee:

As required by law this has the power to transact the business of the PCC between its meetings.

Buildings Committee:

This committee advises the PCC on buildings and maintenance matters.

Finance Committee:

This committee is responsible for monitoring finances and advising the PCC on financial matters.

Safeguarding Committee:

This committee is responsible for implementing the parish safeguarding policy and ensuring the PCC fulfils its responsibilities in safeguarding matters.

Church Membership and Attendance

There were 238 people on the Church Electoral Roll as of May 2021. Due to Covid-19, there was no "usual" Sunday attendance measure for the annual Church of England membership return. Instead, figures were based on the first four weeks of October when on average:

- 41 adults and 16 children attended St. Saviour's,
- 76 adults and 20 children attended St. Paul's and
- 60 households engaged with "church at home".

Bankers

CAF Bank, 28 Kings Hill Av., West Malling, ME19 4JQ

Reserves Policy

The PCC seeks to maintain reserves at a level that recognises both the call to apostolic poverty and the need for prudence in the face of unexpected demands on resources. The PCC considers that a prudent and appropriate level for its General Fund reserve is £50,000. The PCC has regard to this figure when considering its financial planning and other aspects of its financial management. Due to the impact of Covid-19 the General Fund has dropped but the PCC aim to build it back to £50,000 over time. However, if needed, the Designated Funds are not legally restricted and could be used to support the General Fund if called upon to do so. Amounts corresponding to the net book value of buildings and amounts received from the sale of assets, for use on future capital or other projects, are set-aside as designated funds.

Risk Management

The PCC has considered the risks to which the Parish is exposed, including those brought to our attention by the Diocese. These include loss of key personnel, fraud, damage to buildings, liabilities pursuant to non-compliance with legislation, for example in relation to discrimination and data protection, inadequate safeguarding of children or vulnerable adults or protection of employees, loss of reputation and inadequate financial control. The PCC has taken steps to mitigate these risks through, for example, insurance, a safeguarding policy and financial control procedures. Details of the Parish's risk management policies and procedures are available from the Parish Operations Manager.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Report on the proceedings of the PCC and the activities of the Parish generally, for 2021

In 2021 we have had COVID-19 to deal with again. We had to close the church buildings for 3 months between January and March as we got used to being a scattered church again. We joined together online through our virtual services, Zoom prayer meetings, Zoom lent course, Zoom youth group Just General Life (JGL) and tried to communicate electronically as best we could. We offered pastoral and practical care to those in need from our churches and from our community, buying shopping, paying bills and giving out foodbank vouchers and tried to ring those who were isolated.

On Palm Sunday our buildings opened again for services, and it was great to see people face to face as well as seeing others online who still needed to isolate. We continue to have our virtual services for those unable to attend at present and others who are just looking and exploring faith and church.

We opened St Paul's up on Thursdays for private prayer and for Hope Café where people come for free food and refreshments throughout the day.

We joined Citizens UK to partner with other organisations including other local churches and Herne Hill Welcomes Refugees to campaign and organise for issues of justice locally and beyond.

We welcomed Susan our new curate and her family in June and over 100 of us went away to High Leigh for our Parish weekend away with visiting speakers Bishop Sentamu and Reverend Margaret Sentamu.

We said farewell to David Garwood our Operations Manager and welcomed Julia Daniel and Kelly Stephenson to be our new Operations Managers as a job share. We also welcomed 2 new ordinands Alex Mutayba training for Parish Ministry and Andy Blacknell training for Prison Ministry.

We thanked Andrew Firman as he stood down as Churchwarden at St Saviour's after serving for 5 years. We appointed Beckee Lewis as the new Churchwarden at St Saviour's as she joined Geraldine Garner who continued as Churchwarden at St Paul's.

We ran our Milkwood Summer Programme for 2 weeks in August in Milkwood Community park, and then started the Milkwood Kick Football Academy in the park on Saturdays from September. Also, in the autumn we were able to restart Messy Church & Children's Church and our Seniors Lunch Club and A Hymn at lunchtime again in person.

In September our WHOOSH riders cycled from Reading to Salisbury and back via various other stops following King Alfred's Way raising over £28,000 for charities including Tumaini Health Centre, First Steps Trust and Afghan Aid.

In the autumn we ran the Living in Love and Faith Course as part of the Church of England's conversation how about identity, sexuality, relationships, and marriage fit within the bigger picture of the good news of Jesus Christ and how we live in love and faith together.

We helped people out of debt, budget better, and find jobs through our Christians Against Poverty (CAP) Debt Coaching, Money Courses and Job Clubs. As part of that we delivered over 70 CAP Christmas Hampers to CAP clients and others in need locally.

We put on extra services at Christmas to ensure that everyone who wanted to attend a service in our buildings or online was able to do so.

In November 2020, our quinquennial inspection was carried out at St. Paul's. A number of works requiring immediate action were highlighted. We are currently seeking approval to attend the final cross to the organ chamber. Other actions have either been completed or are in hand. The quinquennial inspection for St. Saviour's is due to be carried out in 2022.

The PCC has reviewed our Mission Action Plan (MAP). The goals we have set for 2022 can be summarised as follows:

Mission Action Plan Goals:

- Welcoming and loving all through Jesus centred services and ministries
- Showing and sharing the love of Jesus through pastoral and practical help, advice and support for our local community
- Caring for God's people and planet by being a Fairtrade parish and pursuing a positive environmental impact
- Striving to be anti-racist as racism is an affront to God

Operational Goals:

- Raise income to sustain God's mission and buildings of the Parish
- Increase leadership and volunteer base

A number of working groups have been established to oversee the actions associated with these goals.

As always, during the year the PCC gave its time and attention to many other issues that contribute to spiritual growth and development in the Parish, including financial, buildings, staffing, social, community, worship and mission issues. These were all focused on furthering the fulfilment of our Parish aim statement, **“Our aim is, in God’s strength, to bring Jesus to the centre of our lives and to the heart of our community”**.

We look back on 2021 with praise to God. We have much to give Him thanks for – as we also thank the many faithful people in both churches who serve this Parish and Him.

Finance:

Total Income was up on 2020 by £28,003 with total individual giving at similar levels to the prior year. Income from charitable activities was £24,480 higher than the previous year and included payments and donations made towards the Parish Weekend Away which took place in July. Lettings income was, again, impacted by Covid-19 but was up when compared with 2020 by £10,404 in the year.

During the year, following discussions with the Diocese, we reduced our contribution to the Parish Support Fund to £130,000 compared with £161,568 in 2020. Ministry, Fellowship and Worship costs were £116,5999 (2020: £63,857). The majority of this increase is accounted for by the fact that we funded a full year's operation of our Christians Against Poverty (CAP) work which was funded from the Community Engagement Fund. In addition, we incurred costs of £14,434 in relation to the Parish Weekend Away.

Buildings’ costs for the year were £62,330 (2020: £56,269). Our Missionary and Charitable Giving was £20,551 (2020: £32,127) and was based on 10% of our general giving. The prior year included £10,443 distributed following emergency appeals to support those in need as a result of the Covid-19 crisis. Overall, total expenditure increased by £19,371 to £391,032.

The Community Engagement Fund spent £53,373 during 2021 (2020: £13,257). This followed the launch of the ongoing project to support the work of Christians Against Poverty (CAP) towards the end of 2020. At 31 December 2021 the fund balance was £498,634, representing the balance of the proceeds from the disposal of St. John's hall in March 2012. This fund is a designated fund that is earmarked for future projects that support the broader community within the Parish.

The surplus on the general fund was £2,378 compared to a deficit of £49,210 in 2020. The general fund balance at 31 December 2021 was £3,419 (2020: 1,041). Early in 2021, we launched the new Parish Giving Scheme and, at the same time, asked people to review their giving to which there was a positive response. We have also improved the way in which we market our hall spaces for lettings and we expect this to have an impact going forward. In addition, we continue to monitor expenditure carefully. In this way, the PCC aims to build the general fund back up to £50,000 over time, in line with our reserves policy.

The Parish's net assets decreased in 2021 from £781,794 to £717,636. Most of this represents a decrease in short term deposits and bank balances, which totalled £637,461 at the end of 2021 (2020: £681,440). £498,634 of this relates to the Community Engagement Fund and £59,574 to another designated fund, the Dennis and Mary Ransted Legacy Fund. The designated fund balance of £699,335 also includes the original cost, less depreciation, of premises, including 8 Ruskin Walk. The market value of 8 Ruskin Walk is considerably higher than its written down cost in the balance sheet. All of the Parish’s assets are dedicated to ensure we are able to operate as mission-shaped churches in Herne Hill, as we look for how best we may use them to help bring Jesus to the heart of our community.

The trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Approval

This report was approved by the PCC on 17 March 2022 and signed on their behalf by:

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2021 on pages 8 to 18 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lisa Darby
Institute of Chartered Accountants in England & Wales

21 March 2022

For and on behalf of:
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2021	2020
		£	£	£	£	£
INCOME & ENDOWMENTS FROM						
Donations and legacies	2	187,200	5,189	7,606	199,995	204,604
Charitable activities	3	13,662	15,246	212	29,121	4,641
Investments	4	97,758	-	-	97,758	89,626
Total Income and Endowments		298,621	20,435	7,818	326,874	298,871
 EXPENDITURE ON						
Charitable activities	5	296,243	90,902	3,887	391,032	371,661
Total Expenditure		296,243	90,902	3,887	391,032	371,661
Net income/(expenditure)		2,378	(70,467)	3,931	(64,158)	(72,790)
 Transfers between funds						
		-	-	-	-	-
Net movement in funds		2,378	(70,467)	3,931	(64,158)	(72,790)
Reconciliation of funds:						
Total funds brought forward		1,041	769,803	10,950	781,794	854,584
Total funds carried forward		3,419	699,335	14,881	717,636	781,794

Movements on reserves and all recognised gains and losses are shown above.

All income and expenditure derive from continuing operations.

The notes on pages 18 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

BALANCE SHEET

AS AT 31ST DECEMBER 2021

	Note	Unrestricted Funds		Restricted	Total	Total
		General	Designated	Funds	2021	2020
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	7	10,541	66,670	-	77,211	85,541
		10,541	66,670	-	77,211	85,541
CURRENT ASSETS						
Debtors	8	9,911	-	-	9,911	19,102
Cash at bank	9	-	622,580	14,881	637,461	681,440
		9,911	622,580	14,881	647,372	700,542
CURRENT LIABILITIES						
Liabilities falling due within one year	10	17,033	(10,086)	-	6,947	4,289
Net Current Assets		(7,122)	632,665	14,881	640,425	696,253
NET ASSETS		3,419	699,335	14,881	717,636	781,794

FUND BALANCES

Unrestricted funds					
- General Funds	12, 13			3,419	1,041
- Designated Funds	12, 13			699,335	769,803
Restricted Funds	12, 13			14,881	10,950
				717,636	781,794

Approved by the Trustees and signed on their behalf by

Peter Calderbank
Parish Treasurer

Date: 17 March 2022

Charity Number: 1134045

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

1 Accounting policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below:

a) *Going concern*

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and/or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. In making this assessment the PCC have considered how Covid-19 might affect projections. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Income*

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- (i) *Recoverable gift aid*: This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- (ii) *Legacies*: Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events. Investment income represents income generated by the charity's assets and includes income from letting the charity's property and bank interest.

c) *Expenditure*

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

d) *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) *Tangible fixed assets*

Consecrated and beneficed property, that is St. Paul's Church, St. Saviour's Church and 1 Finsen Road, is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

St. Paul's Church Hall and 8 Ruskin Walk are included at cost less depreciation.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Leasehold improvements	Over the lease term or, if shorter, expected useful life
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) *Pension scheme arrangements*

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

g) *Taxation*

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) *Exemption from preparing a cash flow statement*

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

i) *Critical accounting estimates and areas of judgement*

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

2 Donations and legacies

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£
Donations of cash and similar	149,970	330	7,412	157,712	161,088
Other grants receivable	-	4,859	-	4,859	8,702
Legacies receivable	-	-	-	-	-
Income tax recoverable	37,231	-	194	37,425	34,814
	<u>187,200</u>	<u>5,189</u>	<u>7,606</u>	<u>199,995</u>	<u>204,604</u>

3 Income from charitable activities

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£
Church retreats and events	-	14,246	-	14,246	-
Playgroup/Lunch Club	3,785	-	-	3,785	1,185
Youth activities	194	-	-	194	69
Other activities	9,684	1,000	212	10,896	3,386
	<u>13,662</u>	<u>15,246</u>	<u>212</u>	<u>29,121</u>	<u>4,641</u>

4 Investment income

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£
Property letting	95,084	-	-	95,084	84,679
Bank interest	2,675	-	-	2,675	4,947
	<u>97,758</u>	<u>-</u>	<u>-</u>	<u>97,758</u>	<u>89,626</u>

5 Charitable activity

	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£
a) <u>Church activity</u>					
<i>Parish Support Fund contribution</i>	130,000	-	-	130,000	161,568
<i>Ministry, Fellowship and Worship</i>					
Parish weekend	-	14,434	-	14,434	-
Youth work (including salaries)	26,422	3,920	-	30,342	28,810
Clergy expenses	5,143	-	-	5,143	4,639
Organist and music	7,238	-	-	7,238	7,502
Christian education	426	-	-	426	1,126
Sacristy	6,153	31	-	6,184	7,729
Hospitality	32	-	-	32	733
Playgroup/Lunch Club	468	-	-	468	199
Community Engagement (including salaries)	1,108	49,219	1,064	51,391	12,980
Miscellaneous	943	-	-	943	140
	47,932	67,604	1,064	116,599	63,857
<i>Buildings (Note 5c)</i>					
Repairs and maintenance	9,897	17,682	-	27,578	8,698
Professional fees	1,200	-	-	1,200	-
Utilities	8,793	-	-	8,793	15,656
Insurance	9,546	-	-	9,546	9,941
Cleaning and materials	8,531	-	-	8,531	9,325
Depreciation	-	5,318	-	5,318	5,318
Miscellaneous	1,363	-	-	1,363	1,291
New building or major works	-	-	-	-	6,040
	39,331	23,000	-	62,330	56,269
<i>Missionary and charitable giving (Note 5d)</i>	18,975	-	1,576	20,551	32,127
	236,237	90,604	2,639	329,480	313,821
b) <u>Costs incurred on support and administration</u>					
Operations manager and admin assistant	43,992	-	875	44,867	43,834
Pension contributions	1,738	203	-	1,941	2,326
	45,730	203	875	46,808	46,160
Governance costs:					
Accounts independent examination	2,190	-	-	2,190	1,920
Other	296	-	-	296	294
	2,486	-	-	2,486	2,214
Printing, post and stationery (incl. dep'n)	4,810	-	-	4,810	3,325
Subscriptions and professional fees	2,983	-	-	2,983	4,577
Other support and administration costs	3,997	96	373	4,465	1,564
	60,006	299	1,248	61,552	57,840
Combined Charitable Activity cost	296,243	90,902	3,887	391,032	371,661
c) <u>Buildings (analysed by property)</u>					
	Unrestricted Funds		Restricted	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£
St Paul's Church	24,087	14,422	-	38,509	36,403
St Saviour's Church and Flat	10,860	-	-	10,860	10,937
St Paul's Church Hall	1,123	3,260	-	4,383	2,424
8 Ruskin Walk	3,261	5,318	-	8,579	6,505
	39,331	23,000	-	62,330	56,269

d) Missionary and charitable giving

	Institutions	Individuals	2021	2020
	£	£	£	£
Missionary support	9,400	-	9,400	10,000
Relief of poverty	7,050	1,750	8,800	13,127
Educational grants	2,350	-	2,350	9,000
	<u>18,800</u>	<u>1,750</u>	<u>20,550</u>	<u>32,127</u>

	2021	2020
	£	£
The main features of the grants made were:		
EDEN, associated with A Rocha	2,350	2,500
International Justice Mission	2,350	2,500
Kabanda Trust	4,700	5,000
Brixton Soup Kitchen	2,350	2,500
Robes Project	2,350	2,500
St Michael's Fellowship	2,350	2,500
St Saviour's School	2,350	9,000
Individuals, and other organisations under £1,000	1,750	5,627
	<u>20,550</u>	<u>32,127</u>

6 Staff & Trustees

	2021	2020
	£	£
Gross wages, salaries & benefits in kind	105,485	84,922
Employer's National Insurance costs	3,126	2,239
Employer pension contributions	1,941	1,628
Total staff costs	<u>110,552</u>	<u>88,789</u>

The average number of employees during the year was 7 (2020: 5). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum. No pension contributions were overdue at the year end (2020: none).

Key management are considered to be the vicar, associate vicars and curate although none were employed by the PCC in the year.

Rebekah Griffiths, a trustee, received employment benefits totalling £28,179 (2020: £27,624) in her capacity as children & youth worker and not as a trustee, as permitted by the governing document.

Sharon Calderbank, spouse of trustee Peter Calderbank, received employment benefits totalling £11,201 (2020: £11,214) in her capacity as administration assistant and not as a trustee, as permitted by the governing

There was no clergy accommodation provided at a cost to the PCC (2020: none).

No remuneration was paid to any trustee during the year nor to any person connected to them other than disclosed above.

The total amount of donations funded by trustees and other connected parties was £47,846 (2020: £60,998).

No other transactions have taken place with related parties during the year.

No fees were payable to Stewardship for any other services than examination of the accounts.

7 Tangible Fixed Assets

	Equipment & Fittings £	Property £	Total £
Cost			
At 31 December 2020	19,453	204,205	223,658
Additions	-	-	-
At 31 December 2021	19,453	204,205	223,658
Accumulated Depreciation			
At 31 December 2020	5,900	132,217	138,117
Charge for the year	3,012	5,318	8,330
At 31 December 2021	8,912	137,535	146,447
Net book value			
At 31 December 2020	13,553	71,988	85,541
At 31 December 2021	10,541	66,670	77,211

Properties included are St. Paul's church hall at a cost of £3,800 (built 1959) and 8 Ruskin Walk at a cost of £200,405 (purchased 1995, extended 1999 and renovated in 2007).

8 Debtors and Prepayments

	2021 £	2020 £
Tax recoverable	4,902	12,175
Prepayments	3,590	1,362
Deposit for use of St. Saviour's school	450	450
Accrued income	969	5,115
Other debtors	-	-
	9,911	19,102

9 Cash at Bank and in Hand

	2021 £	2020 £
Bank operating accounts	41,920	35,729
Short term deposits	595,521	645,691
Petty cash	20	20
	637,461	681,440

10 Creditors: liabilities falling due within one year

	2021 £	2020 £
PAYE/NIC	1,754	-
Independent examination fees	2,190	2,100
Deposit on St. Saviour's flat	1,600	1,600
Other deposits held	30	30
Other creditors and accruals	1,373	559
	6,947	4,289

11 Pension Commitments

During the year employer's pension contributions totalling £1,941 (2020: £1,628) were payable to defined contribution personal pension schemes. No pension contributions were owing at the balance sheet date (2020: £nil).

12 Funds - 2021

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	1,041	298,621	(296,243)	-	3,419
Designated funds:					
Properties	71,988	-	(5,318)	-	66,670
Capital Projects	31,149	-	(3,260)	-	27,889
St. Paul's Repair	50,211	-	(14,422)	-	35,789
St. Saviour's Building	10,054	-	-	-	10,054
Dennis and Mary Ransted Legacy	59,574	-	-	-	59,574
Parish Weekend Away	588	14,666	(14,530)	-	725
Community Engagement	546,239	5,769	(53,373)	-	498,634
	<u>769,803</u>	<u>20,435</u>	<u>(90,902)</u>	<u>-</u>	<u>699,335</u>
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	1,245	4,837	(373)	-	5,709
Churchwardens' Hardship Relief Fund	6,948	1,700	(2,297)	-	6,350
Other	240	1,281	(1,217)	-	304
	<u>10,950</u>	<u>7,818</u>	<u>(3,887)</u>	<u>-</u>	<u>14,881</u>
Total funds:	<u>781,794</u>	<u>326,874</u>	<u>(391,032)</u>	<u>-</u>	<u>717,636</u>

The Properties Fund represents the net book value of St. Paul's hall and 8 Ruskin Walk. Money received from the sale of 36 Finsen Road was set aside in a Capital Projects Fund for use in projects to enhance the quality and value of the Parish's buildings. The Dennis and Mary Ransted Legacy fund represents the balance of their legacies which have been designated for special projects. The Community Engagement Fund represents the balance of the proceeds from the disposal of St John's Hall in March 2012. This fund is earmarked for projects that support the broader community within the Parish. The other funds are self-explanatory.

The restricted funds represent amounts received for specific purposes. The purpose of the funds is self-explanatory.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	14,881	-	14,881
Unrestricted funds:				
- General	10,541	-	(7,121)	3,419
- Designated	66,670	622,580	10,086	699,335
	<u>77,211</u>	<u>637,461</u>	<u>2,965</u>	<u>717,636</u>

13 Funds - 2020

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers in the year £	Closing balance £
General funds:	50,251	287,333	(336,543)	-	1,041
Designated funds:					
Properties	77,306	-	(5,318)	-	71,988
Capital Projects	37,189	-	(6,040)	-	31,149
St. Paul's Repair	50,211	-	-	-	50,211
St. Saviour's Building	10,054	-	-	-	10,054
Dennis and Mary Ransted Legacy	59,574	-	-	-	59,574
Parish Weekend Away	598	50	(60)	-	588
Community Engagement	559,215	280	(13,257)	-	546,239
	794,147	330	(24,675)	-	769,803
Restricted funds:					
St. Paul's Building & Fabric Fund	2,518	-	-	-	2,518
St. Paul's Music Fund	1,245	-	-	-	1,245
Churchwardens' Hardship Relief Fund	6,423	10,968	(10,443)	-	6,947
Other	-	240	-	-	240
	10,186	11,208	(10,443)	-	10,950
Total funds:	854,584	298,871	(371,661)	-	781,794

The restricted funds represent amounts received for specific purposes.

The assets and liabilities represented by the various funds are as follows:

	Fixed assets £	Bank/cash balances £	Other net assets £	Total £
Restricted funds	-	10,950	-	10,950
Unrestricted funds:				
- General	13,553	-	(12,512)	1,041
- Designated	71,988	670,490	27,325	769,802
	85,541	681,440	14,813	781,794

14 Acting as agent

One of the Parish's bank accounts is used to receive agency amounts. These amounts, most of which relate to special collections that are not contributions to Parish funds, are subsequently paid to the rightful final recipients. This bank account is also used to receive, and pay back, deposits from hirers of Parish buildings. At no point did the funds belong to the Parish, rather its bank account was simply used for administrative purposes. The agency receipts and payments relating to deposits and collections was £5,523.75 (2020: £328). Agency amounts of £1,000 were held at the year end (2020: £180).

THE PAROCHIAL CHURCH COUNCIL OF THE PARISH OF HERNE HILL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Unrestricted Funds				Restricted Funds		Total Funds	
		General		Designated		2021	2020	2021	2020
		2021	2020	2021	2020				
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	187,200	193,066	5,189	330	7,606	11,208	199,995	204,604
Charitable activities	3	13,662	4,641	15,246	-	212	-	29,121	4,641
Investments	4	97,758	89,626	-	-	-	-	97,758	89,626
Total Income & Endowments		298,621	287,333	20,435	330	7,818	11,208	326,874	298,871
EXPENDITURE ON									
Charitable activities	5	296,243	336,543	90,902	24,675	3,887	10,443	391,032	371,661
Total Expenditure		296,243	336,543	90,902	24,675	3,887	10,443	391,032	371,661
Net income/(expenditure)		2,378	(49,210)	(70,467)	(24,345)	3,931	765	(64,158)	(72,790)
Transfers between funds		-	-	-	-	-	-	-	-
		2,378	(49,210)	(70,467)	(24,345)	3,931	765	(64,158)	(72,790)
Net movement in funds		2,378	(49,210)	(70,467)	(24,345)	3,931	765	(64,158)	(72,790)
Reconciliation of funds:									
Total funds brought forward		1,041	50,251	769,803	794,147	10,950	10,186	781,794	854,584
Total funds carried forward		3,419	1,041	699,335	769,803	14,881	10,950	717,636	781,794

Movements on reserves and all recognised gains and losses are shown above.