



**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

CONTENTS

	Page
Trustees' Report	3-6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-17
Detailed Statement of Financial Activities with Comparatives	18

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
<hr/>						
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
<hr/>						
Total Expenditure		342,880	84,229	12,208	439,317	391,032
<hr/>						
Net income/(expenditure)		20,352	(80,929)	9,704	(50,874)	(64,159)
Transfers between funds		(15,101)	15,101	-	-	-
<hr/>						
Net movement in funds		5,251	(65,828)	9,704	(50,874)	(64,159)
<hr/>						
Reconciliation of funds:						
Total funds brought forward		3,419	699,335	14,881	717,635	781,794
<hr/>						
Total funds carried forward		8,669	633,507	24,585	666,761	717,635
<hr/>						

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.