

HERNE HILL BAPTIST CHURCH

England & Wales - Charity number 1153419

Details

Status Registered

Legal form Other

Registered 2013-08-15

Register [View on the Charity Commission register](#)

Contact

Address Herne Hill Baptist Church
Half Moon Lane
London
SE24 9HU

Phone 020772745445

Email office@hhbc.org.uk

Website www.hernehillbaptistchurch.org

Activities

Objects: THE PRINCIPAL PURPOSE OF THE CHURCH IS THE ADVANCEMENT OF THE CHRISTIAN FAITH ACCORDING TO THE PRINCIPLES OF THE BAPTIST DENOMINATION. THE CHURCH MAY ALSO ADVANCE EDUCATION AND CARRY OUT OTHER CHARITABLE PURPOSES IN THE UNITED KINGDOM AND/OR OTHER PARTS OF THE WORLD.

Activities: regular public worship, prayer, Bible study, preaching & teaching baptism, Communion shall normally be observed monthly evangelism and mission teaching, encouragement, welcome & inclusion of young people nurturing Christian disciples education/training for Christian & community service pastoral care supporting & encouraging charitable social action in the UK & abroad working ecumenically

Classification

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

Geography

- Lambeth
- Southwark

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£218,976	£148,292	-	-
2023-09-30	£233,978	£193,536	-	-
2022-09-30	£218,214	£312,735	-	-
2021-09-30	£213,946	£232,792	-	-
2020-09-30	£137,529	£134,099	-	-

Trustees

Name	Role	Appointed
Elizabeth Anne Brown		2021-04-21
Elizabeth Gilbertson Emes		2024-09-25
John Auguer		2026-03-22
Marina Fairbairn		2025-07-16
Matthew John Gale		2024-03-24
Monica Joyce Barnes		2024-03-24
Richard Brown		2025-07-16
Samantha Kimberley Joseph		2021-04-21

HERNE HILL BAPTIST CHURCH

England & Wales - Charity number 1153419

Accounts

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

**Half Moon Lane (corner of Winterbrook Road)
Herne Hill, London, SE24 9HU**

**Report and Financial Statements
for the year ended 30 September 2024**

HERNE HILL BAPTIST CHURCH
LEGAL & ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

ADDRESS FOR CORRESPONDENCE	Half Moon Lane (corner of Winterbrook Road) Herne Hill London SE24 9HU
GOVERNING DOCUMENT	Trust Deed dated 12 March 1907 (revised 3 July 1994) that governs the use of a Church building. Constitution for a Trust dated 30 January 2013, which governs the charity's other activities.
CHARITY REGISTRATION NUMBER	1153419
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Monica Barnes (Deacon) (appointed March 2024) Elizabeth Brown (Treasurer) Elizabeth Emes (Church Secretary) (appointed September 2024) Matthew Gale (Deacon) (appointed March 2024) Samantha Joseph (Deacon) Anne Kemp (Elder) Lesley Morrison (Chair of Trustees) (resigned May 2024) Beatrice Stevens (Elder) Timothy Tree (Elder)
CUSTODIAN TRUSTEES	The London Baptist Property Board Limited 235 Shaftsbury Avenue London WC2H 8EP
INDEPENDENT EXAMINER	Ajay Rajani FCIE Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2024

The Trustees present their Report and the Financial Statements for the year ended 30 September 2024.

Purpose

The principal purpose of Herne Hill Baptist Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The Church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Herne Hill Baptist Church is a member of The Baptist Union of Great Britain and the London Baptist Association.

As a member of The Baptist Union of Great Britain the Church subscribes to the Union's Declaration of Principle:

That our Lord and Saviour, Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each Church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.

That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

Herne Hill Baptist Church is an 'open membership' Church. Baptism by immersion upon personal profession of faith is the normal mode of entry into membership of the Church. Persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may, at the discretion of the Church Members' Meeting, be accepted for full membership based on their own public profession of faith.

Governance and Management

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Meetings of Church members take place from time to time. Such meetings have responsibility for the overall governance of the Church. The Managing Trustees are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church Meeting by the Managing Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Managing Trustees.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2024 (continued)

Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

During the year the Finance Team comprised Anne Kemp, Elizabeth Brown, Lyn Ransom and Fiona Reid.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service.

The Church has considered the Charity Commission guidance on public benefit and is satisfied that the activities outlined in this report demonstrate that the charity is providing a benefit to the public.

Responsibilities of Trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

Review of the year

The life and fellowship of HHBC has continued to be supportive of all who gather with us to worship God, those who are no longer able to attend services and those who join us midweek from our community. The leadership team of the Elders and Deacons, along with the staff, have worked hard to build up the church with prayer, worship and preaching series delivered by both members and visiting preachers for which we are very grateful.

During the year our Chair of Trustees, Lesley Morrison, stepped down after six years. We thank God for her long service and dedication. Three new appointments to the leadership team have been made: Monica Barnes and Matt Gale as Deacons and Liz Emes as Church Secretary.

Our Christmas party and evening entertainment was held on a Saturday for the first time last year. This was a great success and enabled the event to be prepared and enjoyed all within one day and visitors who may not have felt able to attend on a Sunday could also come along.

We held a Vision Morning on a Saturday in February to enable everyone to talk and pray about putting together a church profile so that we might begin the search for a minister. The Search Team have worked with our Moderator, Richard Marzetti to look for a new minister through the Baptist Union, but as yet have not engaged in formal conversations with any applicant.

Our staff team worked well together and achieved a substantial amount of work in the building, namely electrical work, refurbishment of the baptistry and the lift. Sadly our excellent Office Manager, Linda Jones, left us at the end of August to work in more depth with homeless outreach at Amott Road Baptist Church where she and her husband worship. Since then we are very pleased to have appointed Mark Sloan as Church Manager with a stronger focus on the building and its ongoing maintenance and repairs.

Chris Willis, our Families and Youth Worker has continued to work with the children and young people on Sundays and during the week, both in the church building and at St Jude's Primary School.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2024 (continued)

Review of the year continued

We give thanks for being able to celebrate with two people who were baptised this year and hope this will encourage more people to come forward for baptism.

Our midweek groups continue to flourish supporting those in the community and church members. We have shared soup, cake, drinks, fun, singing, knitting, chatting, playing, praying and Bible study.

The Manse continues to be let to the same tenants and over the past year Tamsin Symonds has done an excellent job in overseeing various repairs and refurbishments for which we are very grateful.

The building continues to be hired by various groups from our local community including Dulwich U3A, The Half Moon Stitchers, Play Ball, local choirs and Play the Stage. The church is also used as a polling station for local and national elections. We give thanks for the increase in income from hiring of the Church and the Manse.

Our Mission giving has increased to reflect our increased income. We have increased our giving to Baptist Union Home Mission, Spurgeon's College and Christians Against Poverty and are also supporting Arab World Ministries, Open Doors, Walk through the Bible, and Tear Fund South Sudan. We held a Mission Sunday Service in September where we hosted a team from Operation Mobilisation (OM) and OM workers Bankin (who happens to be our excellent cleaner) and his wife Ruth, both of whom work with Refugees in Peckham. We look forward to supporting them in the coming year.

We are really grateful to and give thanks to God for all the teams of volunteers who help in so many areas of church life. So far we have counted 24 different teams! Without these teams we would not have the vibrant Sunday services and weekday activities so many of us and the wider community enjoy.

Sunday Children's work and Youth Team

Security Team

Leading Services Team

Projection Team

Communion Set up Team

Café Church Team

Welcome Space Team

Monday Prayers Team (weekly)

Moonbeams Team

Monthly midweek Communion Team

Friday Night Prayer Team (monthly)

Gardening and Maintenance Team

Welcome Team

Worship Team

Preaching Team

Sound Team

Church Lunch Team

Pastoral Team

Quiet Prayer Team (monthly)

Knit and Natter Team

Wednesday Bible Study Team

Home Groups Team

Youth Groups/Blu Youth Team

Opening up for Hall Hire Team

Praise God for his faithfulness to us as we seek to serve Him, each other, our families and friends and reach out to the local community. We look forward to our fellowship ministering together and separately in the coming year.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2024 (continued)

Reserves policy

The trustees consider that the charity should aim to hold a reserve of unrestricted general fund cash of no less than three months' normal operating costs after taking account of the charity's monetary assets and liabilities at the year end. This would equate to a reserve of no less than £50,000, which the trustees believe would be sufficient to allow the charity to continue to operate smoothly should income and / or expenditure vary unexpectedly. At the year end the charity held unrestricted cash of £158,448 and some of these reserves may be used to help employ a church minister.

The liquid funds of the Church are all held on accounts with the bank, with as much as is practical held in deposit accounts earning interest at a currently available commercial rate. The Church does not invest in securities.

Risk policy

The trustees are aware that they need to regularly update a risk management strategy comprising

- An annual review of risks;
- Establishment and review of systems and procedures to mitigate those risks;
- Establishment and review of procedures to minimize the potential impact should any of those risks materialize.

Financial review

The charity continued to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year. Overall income this year decreased by £15,000 to £219,000. There were a number of reasons for this:

- very encouragingly, income from letting church property increased by £46,000 because the Church received a full year's rent from letting the manse and because, following the closure of the pre-school last year, the church building could be let more often to other users.
- income from donations and related gift aid decreased by £23,000, mainly because the previous year's income had benefited from gift days held to raise funds for the replacement of the Church boilers.
- there was no repeat of last year's government grants of £20,000 in respect of VAT incurred on major repairs undertaken in the previous two years.
- last year a member of the Church kindly lent the Church £15,000 to help meet the cost of replacing the boilers. The Church did not need to approach members for loans this year and no loans were received this year.

Overall expenditure fell by £45,000, to £148,000. Again, there were number of reasons for this:

- expenditure on grants to other charities increased by £13,000, which included the payment of some grants from the previous year's budget. The Church expressed its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purposes. Grants totalling £21,000 (2023: £8,000) were distributed this year.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2024 (continued)

Financial review continued

- a loan of £15,000 received in the previous year from a church member was repaid.
- expenditure on property fell by £60,000 because there were no major property repairs this year after last year's significant expenditure on replacing the Church boilers.
- expenditure on ministry activities fell by £7,000. This was largely due to a reduction of £12,000 in staff costs following Revd Rob May's departure at the end of January 2023.
- expenditure in respect of the Pre-School fell by £7,000. £10,000 was spent this year to settle an outstanding tax liability; no further expenditure is expected.

The cash surplus this year was £71,000 (2023: £40,000) and the overall cash held by the charity increased by this amount to £181,000. Of this £159,000 was held by unrestricted funds (both general and designated) and £22,000 was held by restricted funds.

Herne Hill Baptist Church is, by its nature, a voluntary organisation and no set of financial statements can do justice to all the work done in pursuit of its purposes. In addition, many hours are spent by unpaid volunteer members and associates performing many regular tasks without which Herne Hill Baptist Church would be ineffective. The financial statements do not record the value of such unpaid activities.

Approved by the Managing Trustees and signed on their behalf by:

E A Brown
E A Brown (May 12, 2025 10:30 GMT+1)

.....
Elizabeth Brown - Treasurer

May 12, 2025
.....
Date of approval

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

HERNE HILL BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Herne Hill Baptist Church ('the charity') for the year ended 30 September 2024 on pages 8 to 11 following.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 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 2011 Act.

Independent examiner's statement

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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Ajay Rajani
[Ajay Rajani \(May 12, 2025 13:05 GMT+1\)](#)

Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: May 12, 2025

HERNE HILL BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	Unrestricted funds £	Restricted Funds £	2024 £	2023 £
<i>Income receipts</i>					
<i>Church income</i>					
Donations		94,225	7,851	102,076	118,184
Gift aid receipts		17,853	-	17,853	24,993
Legacies		22,000	-	22,000	23,000
Government grants		-	-	-	19,988
Income from church activities		698	-	698	1,506
Income from letting of premises		74,613	-	74,613	28,545
Bank interest		1,530	-	1,530	308
<i>The Mustard Seed Christian Pre-School</i>					
Local authority funding		-	-	-	1,722
Fees received from parents		-	-	-	587
Bank interest		-	205	205	145
		210,920	8,056	218,976	218,978
<i>Capital and similar receipts</i>					
Loans received		-	-	-	15,000
<i>Total receipts</i>		210,920	8,056	218,976	233,978
<i>Payments</i>					
Payments in relation to church activities	2	98,646	2,918	101,564	167,919
Payments in relation to The Mustard Seed Christian Pre-School	3	-	10,054	10,054	17,567
Grants paid in relation to charitable activities undertaken by others	4	21,200	153	21,353	8,050
		119,846	13,125	132,971	193,536
Loan repayment including related interest		15,322	-	15,322	-
<i>Total payments</i>		135,168	13,125	148,292	193,536
Net of receipts / (payments) before transfers		75,752	(5,069)	70,684	40,442
Transfers between funds	6	(6,000)	6,000	-	-
Net movement in funds		69,752	931	70,684	40,442
Cash funds as at last year end		88,696	21,284	109,980	69,538
Cash funds at this year end	A	158,448	22,215	180,664	109,980

The notes on pages 10 and 11 form part of these accounts.

HERNE HILL BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Notes	Unrestricted funds £	Restricted funds £	2024 £	2023 £
A Cash funds				
Church current account	4,878	-	4,878	30,574
Church deposit account	153,105	22,215	175,320	58,290
Pre-School current account	-	-	-	50
Pre-School deposit account	-	-	-	20,964
Petty cash	466	-	466	102
	<u>158,448</u>	<u>22,215</u>	<u>180,664</u>	<u>109,980</u>
B Other monetary assets				
Gift aid due to charity	4,630	1,919	6,549	2,190
Debtors for letting premises	160	-	160	345
	<u>4,790</u>	<u>1,919</u>	<u>6,709</u>	<u>2,535</u>
C Liabilities				
Loans from members	-	-	-	15,000
Provision for repayable employment allowance	-	-	-	15,500
Payroll taxes	606	-	606	707
Grants payable	700	-	700	5,500
Fee for Independent Examination	1,890	-	1,890	1,800
Gas and electricity	500	-	500	500
Hall hire income received in advance	2,320	-	2,320	-
Speaker's fees and other expenses	-	-	-	170
	<u>6,016</u>	<u>-</u>	<u>6,016</u>	<u>39,177</u>

D Assets retained for charity's own use

	Fund to which asset belongs	Cost £
Manse	Restricted	174,250
Church building	Restricted	1
		<u>174,251</u>

The manse was purchased in 1998 and cost represents the amount paid to purchase the property.

The church building is situated on land leased from Dulwich Estates. The land is held under a separate Trust Deed that only allows the land to be used as a public place of worship. The historic cost of the building is not known and has been included at a nominal value of £1. The property's insurance value is now £7.7m.

The accounts were approved by the trustees and signed on their behalf by:

E A Brown

E A Brown (May 12, 2025 10:30 GMT+1)

Elizabeth Brown - Treasurer

Date: May 12, 2025

The notes on pages 10 and 11 form part of these accounts.

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

Unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. 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.

	Unrestricted general funds £	Restricted Funds £	Total 2024 £	Total 2023 £
2 Payments in relation to Church activities				
<i>Ministry expenses</i>				
Staff costs	53,192	-	53,192	64,920
Church expenses	11,344	-	11,344	8,530
Equipment	171	2,648	2,819	95
Training and conferences	428	-	428	170
Youth and children's work	1,489	270	1,759	2,560
<i>Property expenses</i>				
Routine maintenance and repairs	6,707	-	6,707	3,194
Major property repairs	-	-	-	59,779
Manse expenses including letting fees	5,874	-	5,874	12,997
Insurance	5,731	-	5,731	5,600
Electricity and gas	11,618	-	11,618	8,317
<i>Other support costs</i>				
Bank charges and interest	291	-	291	316
Independent examiner's fee	1,800	-	1,800	1,440
	98,646	2,918	101,564	167,919
3 Payments in relation to The Mustard Seed Christian Pre-School				
Staff costs	-	10,054	10,054	17,111
Operational expenses	-	-	-	96
Independent examiner's fee	-	-	-	360
	-	10,054	10,054	17,567
4 Grants paid in relation to charitable activities undertaken by others				
<i>Grants to institutions</i>				
Baptist Home Mission	5,000	-	5,000	3,300
Beacon CAP partnership	4,000	-	4,000	2,000
Spurgeons College	2,000	-	2,000	1,000
Arab World Mission	3,200	-	3,200	-
Open Doors	3,200	-	3,200	-
Tearfund	3,100	-	3,100	-
Walk through the Bible	700	-	700	-
L'Arche	-	-	-	1,200
Other small grants	-	53	53	250
<i>Grants to individuals</i>				
Support for those engaged in, or training for, UK and overseas mission	-	100	100	300
	21,200	153	21,353	8,050

HERNE HILL BAPTIST CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

5 Transactions with related parties

During the year Anne Kemp was employed by the charity and received employment benefits totalling £1,642 (2023: £1,563). She received this payment for helping look after the charity's finances, not for serving as a trustee; this payment is permitted by the charity's governing document.

6 Movements on restricted funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
<i>Restricted funds</i>					
Youth Equipment fund	270	-	-	270	-
Mustard Seed Pre-School fund	21,014	205	(10,054)	(11,165)	-
Children's and Families fund	-	-	-	11,165	11,165
Major Works fund	-	5,020	-	6,000	11,020
Church Equipment fund	-	2,678	(2,648)	-	30
Other small funds	-	153	(153)	-	-
	<u>21,284</u>	<u>8,056</u>	<u>(13,125)</u>	<u>6,000</u>	<u>22,215</u>

Though there was no formal restriction, previously the net income received by the Mustard Seed Pre-School was ring fenced to help meet the cost of operating the Pre-School. In the previous year the Pre-School was closed and, now that all its liabilities have been settled, the left over balance on the fund will be used to help support the Church's work with children and families.

The restricted Major Works Fund represents amounts set aside by the trustees (which this year was £500 per month) to help meet the cost of future repairs and improvements to church property. It also contains donations received to help repair the church's stained glass window.

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England & Wales - Charity number 1153419

Accounts

HERNE HILL BAPTIST CHURCH

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INDEPENDENT EXAMINER	Ajay Rajani FCIE Stewardship 1 Lamb's Passage LONDON EC1Y 8AB

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That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

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Relevant matters may be submitted to the Church Meeting by the Managing Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Managing Trustees.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2023 (continued)

Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

During the year the Finance Team comprised Rev Rob May, Anne Kemp, Elizabeth Brown, Lyn Ransom and Fiona Reid.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service.

The Church has considered the Charity Commission guidance on public benefit and is satisfied that the activities outlined in this report demonstrate that the charity is providing a benefit to the public.

Responsibilities of Trustees

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

Review of the year

Although we are the legal Trustees of the Church and therefore have specific roles and responsibilities we have decided that it is much clearer for day-to-day communications to define ourselves as leaders.

During the past year our Church has been through a time of uncertainty and turbulence as many were saddened by our Pastor Rob's departure.

As leaders we are determined to work with the fellowship to cement relationships and move forward in the spirit of optimism. We are a small team but bring a wide range of experience and skills both in Church life and professionally. There is not a ridged distinction between Elders and Deacons, but as leaders we accept that the two roles are not mutually exclusive and therefore we consider any issue prayerfully as a group. For example, the teaching programme is designed by the Elders but brought to the team for approval. We were all involved in the decisions around recent building repairs and the manse letting.

In our opinion the most important task as we moved into a pastoral vacancy was to identify the needs of our fellowship. To this end we arranged a very successful Church Weekend on 25th and 26th March. The Saturday finished with a fish and chip supper with live music from Matt Gale and his band. A good time was had by all.

We were very encouraged by the positive and constructive feedback received from attendees and from the discussion groups that were part of the day. After analysing the feedback from the discussion groups and the survey sent out we summarised various points. In response to these points we have:

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2023 (continued)

Review of the year continued.....

- Organised a Call to Prayer.
- Designed preaching series that are rooted in the Bible both Old and New Testament.
- Invited a wide range of preachers to bring God's word in different styles.
- Adapted our family services to incorporate a breakfast service on a regular basis.
- Moved the Monday Prayer meeting from zoom back into Church
- Introduced a monthly prayer meeting on Friday evenings.
- We have also solidly got alongside the community activities and the introduction of new youth activities.

In addition to attempting to be innovative and creative, a central part of our service is to ensure that the Church building is kept in good repair and fit for purpose. Our challenge is always ensuring value for money and high-quality delivery. Since our last meeting we have:

- had the central heating refurbished, including new boilers. After a difficult winter we are trusting for warmth and comfort in every part of the Church.
- conducted vital repairs to roofs and electrics to avoid longer-term damage, which were required for the safe operation of the premises.

In addition to this we have had the responsibility of letting the manse, which will become a good source of income during the pastoral vacancy. The number of organisations and individuals wanting to hire our premises mid-week and during school holidays encourages us.

Although our congregation is smaller than pre COVID we have a regular and constant attendance. Our youth attendance, although small on Sundays, is flourishing in the week.

We are more financially viable in the short term but we are not complacent. Our building is old and as such will always need regular maintenance and repair. In addition, our membership has reduced hence the weekly offering is smaller.

We continue to hold several midweek activities. In response to the energy cost crisis we hold Warm Space every Monday afternoon. This has a small but regular group of attendees and provides a meal and companionship throughout the year. Our Prayer Meeting continues each Monday Evening with a small but regular group who now again meet in Church. Knit and Natter continues to grow and is very popular. Our monthly mid-week communion continues to be a blessing to those who are able to attend. Our Youth and Family Worker continues to work hard at developing and building up the Church's programme amongst school aged young people and has a working relationship with St Jude's Primary School.

We have given financial support to The Baptist Home Mission, Spurgeon's College, Beacon CAP Partnership and L'Arche.

We give thanks for all our members who have stepped up to help us during this season; particularly those who have been prepared to bring God's word sometimes at short notice.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2023 (continued)

Review of the year continued

The worship leaders, singers and musicians who are now a small group, have week in week out provided us with high quality spirit filled worship and we pray that God will raise up more musicians and singers in our fellowship.

We give thanks for the members who took over responsibility for preparing the manse for letting and general oversight. We must also give thanks for those who have given us so much practical help with the roof repairs and on-going upkeep of the building by changing light bulbs, keeping the garden tidy and other bits of necessary housekeeping.

Finally, we are very grateful to our Administrator and finance team for their hard work and dedication.

Reserves policy

The trustees consider that the charity should aim to hold a reserve of unrestricted cash of no less than three months' normal operating costs after taking account of the charity's monetary assets and liabilities at the year end. This would equate to a reserve of no less than £50,000, which the trustees believe would be sufficient to allow the charity to continue to operate smoothly should income and / or expenditure vary unexpectedly. At the year end the charity held unrestricted cash of £88,696 and the charity is complying with its reserves policy.

The liquid funds of the Church are all held on accounts with the bank, with as much as is practical held in deposit accounts earning interest at a currently available commercial rate. The Church does not invest in securities.

Risk policy

The trustees are aware that they need to regularly update a risk management strategy comprising

- An annual review of risks;
- Establishment and review of systems and procedures to mitigate those risks;
- Establishment and review of procedures to minimize the potential impact should any of those risks materialize.

Financial review

When a charity's income is less than £250,000, it can opt to prepare simpler Receipts and Payments accounts (rather than accruals accounts that comply with the Charities SORP) and the charity has taken advantage of this option this year. It is hoped that users will find these accounts easier to understand. The results reported previously have been re-stated so that they are also presented on a Receipts and Payments basis; details of the restatement can be found in note 7 to the accounts.

The charity continued to raise the funds which it needs to carry on its activities from within its own membership and congregation and from the Pre-School. No wider public appeal was made for funds during the year. Overall income this year increased by £13,000 to £234,000. There are a number of reasons for this:

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2023 (continued)

Financial review continued

- income from donations and related gift aid increased by £26,000, which was largely due to a gift day held to raise funds for the replacement of the Church boilers.
- the charity benefited from a one off legacy of £23,000.
- the charity received government grants totalling £20,000 in respect of the VAT incurred on the major repairs undertaken both last year and this year.
- the Church manse was let during the year, which helped bolster income from letting premises by £15,000.
- a member of the Church kindly lent the Church £15,000 to help meet the cost of replacing the boilers.

The above increases are offset by a reduction of £87,000 in the income received from The Mustard Seed Christian Pre-School after the decision was taken to close the Pre-School in December 2022 following a reduction in demand.

Overall expenditure fell by £103,000, to £194,000. Again, there are number of reasons for this:

- expenditure on Church activities fell by £38,000. Staff costs fell by £20,000 following Revd Rob May's departure at the end of January 2023. The charity also spent £16,000 less this year on both routine and major repairs.
- expenditure in respect of The Mustard Seed Christian Pre-School fell by £62,000 following its closure at the end of December 2022

The Church expressed its part in the life of the wider Church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purposes. Grants totalling £8,000 (2022: £11,000) were distributed this year.

The cash surplus this year was £40,000 (2022: a cash deficit of £76,000) and the overall cash held by the charity increased by this amount to £110,000. Of this £89,000 was held by the unrestricted fund and £21,000 was held by restricted funds.

Herne Hill Baptist Church is, by its nature, a voluntary organisation and no set of financial statements can do justice to all the work done in pursuit of its purposes. In addition, many hours are spent by unpaid volunteer members and associates performing many regular tasks without which Herne Hill Baptist Church would be ineffective. The financial statements do not record the value of such unpaid activities.

Approved by the Managing Trustees and signed on their behalf by:

E A Brown

[E A Brown \(Apr 12, 2024 12:57 GMT+1\)](#)

.....
Elizabeth Brown - Treasurer

9 April 2024

.....
Date of approval

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

HERNE HILL BAPTIST CHURCH

I report to the trustees on my examination of the accounts of Herne Hill Baptist Church ('the charity') for the year ended 30 September 2023 on pages 8 to 11 following.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 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 2011 Act.

Independent examiner's statement

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 accordance with section 130 of the 2011 Act; or
2. the accounts do not accord with the accounting records.

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

Ajay Rajani
Ajay Rajani (Apr 12, 2024 14:06 GMT+1)

Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
LONDON
EC1Y 8AB

Date: Apr 12, 2024

HERNE HILL BAPTIST CHURCH
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Unrestricted Funds	Restricted Funds	2023	2022
Notes	£	£	£	£
<i>Income receipts</i>				
<i>Church income</i>				
Donations	91,709	26,475	118,184	95,566
Gift aid receipts	19,627	5,366	24,993	22,088
Legacies	23,000	-	23,000	-
Government grants	10,025	9,963	19,988	-
Income from church activities	1,506	-	1,506	-
Income from letting of premises	28,545	-	28,545	13,220
Repayment of staff loan	-	-	-	579
Bank interest	308	-	308	60
<i>The Mustard Seed Christian Pre-School</i>				
Local authority funding		1,722	1,722	66,954
Fees received from parents	-	587	587	21,281
Apprenticeship incentive	-	-	-	1,500
Bank interest	-	145	145	-
	<u>174,720</u>	<u>44,258</u>	<u>218,978</u>	<u>221,248</u>
<i>Capital and similar receipts</i>				
Loans received	15,000	-	15,000	-
<i>Total receipts</i>	<u>189,720</u>	<u>44,258</u>	<u>233,978</u>	<u>221,248</u>
<i>Payments</i>				
Payments in relation to church activities	2	108,110	59,809	167,919
Payments in relation to The Mustard Seed Christian Pre-School	3		17,567	17,567
Grants paid in relation to charitable activities undertaken by others	4	7,500	550	8,050
<i>Total payments</i>		<u>115,610</u>	<u>77,926</u>	<u>193,536</u>
Net of receipts / (payments) before transfers		74,110	(33,668)	40,442
Transfers between funds	6	(16,914)	16,914	-
Net movement in funds		<u>57,196</u>	<u>(16,753)</u>	<u>40,442</u>
Cash funds as at last year end		31,500	38,037	69,538
Cash funds at this year end	A	<u>88,696</u>	<u>21,284</u>	<u>109,980</u>

The notes on pages 10 and 11 form part of these accounts.

HERNE HILL BAPTIST CHURCH
STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Notes	Unrestricted funds £	Restricted funds £	2023 £	2022 £
A Cash funds				
Church current account	30,304	270	30,574	5,663
Church deposit account	58,290	-	58,290	25,981
Pre-School current account	-	50	50	2,224
Pre-School deposit account	-	20,964	20,964	35,503
Petty cash	102	-	102	167
	<u>88,696</u>	<u>21,284</u>	<u>109,980</u>	<u>69,538</u>
B Other monetary assets				
Gift aid due to charity	2,190	-	2,190	1,758
Debtors for letting premises	345	-	345	432
	<u>2,535</u>	<u>-</u>	<u>2,535</u>	<u>2,190</u>
C Liabilities				
Loans from members	15,000	-	15,000	-
Provision for repayable employment allowance	-	15,500	15,500	15,500
Payroll taxes	707	-	707	2,188
Grants payable	5,500	-	5,500	1,200
Fee for Independent Examination	1,800	-	1,800	1,800
Gas and electricity	500	-	500	1,384
Speaker's fees and other expenses	170	-	170	86
	<u>23,677</u>	<u>-</u>	<u>39,177</u>	<u>6,658</u>

Since the year end the charity has made loan repayments totalling £10,000 and plans to repay the loan in full by the end of the current financial year. The loan is unsecured and its interest is payable at a rate of 4%

D Assets retained for charity's own use

	Fund to which asset belongs	Cost £
Manse	Restricted	174,250
Church building	Restricted	<u>1</u>
		<u>174,251</u>

The manse was purchased in 1998 and cost represents the amount paid to purchase the property.

The church building is situated on land leased from Dulwich Estates. The land is held under a separate Trust Deed that only allows the land to be used as a public place of worship. The historic cost of the building is not known and has been included at a nominal value of £1. The property's insurance value is now £7.7m.

The accounts were approved by the trustees and signed on their behalf by:

E A Brown
E A Brown (Apr 12, 2024 12:57 GMT+1)

Elizabeth Brown - Treasurer

Date: 9 April 2024

The notes on pages 10 and 11 form part of these accounts.

HERNE HILL BAPTIST CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

The accounts have been prepared on a receipts and payments basis and comprise a statement that shows the charity's receipts and payments, a statement that summarises the charity's assets and liabilities and related notes. The accountancy profession have determined that only accounts prepared in accordance with applicable accounting standards present a 'true and fair' view and, as these receipts and payments accounts have not (and cannot) be prepared in accordance with accounting standards, these accounts do not present (and are not intended to present) a 'true and fair' view of the charity's financial activities and state of affairs.

In the previous year, the charity presented accounts prepared on the accruals basis using the Charities SORP. However, this year it has taken advantage of the option to prepare its accounts on a receipts and payments basis and the results reported previously have been restated; further information is given in note 7 below.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees 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.

	Unrestricted funds £	Restricted Funds £	Total 2023 £	Total 2022 £
2 Payments in relation to Church activities				
<i>Ministry expenses</i>				
Staff costs	64,920	-	64,920	85,246
Church expenses	8,530	-	8,530	10,986
Equipment	95	-	95	1,229
Training and conferences	170	-	170	1,310
Worship equipment and expenses	-	-	-	354
Youth and children's work	2,530	30	2,560	4,732
<i>Property expenses</i>				
Routine maintenance and repairs	3,194	-	3,194	9,750
Major property repairs	-	59,779	59,779	69,404
Manse expenses including letting fees	12,997	-	12,997	7,103
Insurance	5,600	-	5,600	6,011
Electricity and gas	8,317	-	8,317	8,510
<i>Other support costs</i>				
Bank charges and interest	316	-	316	286
Independent examiner's fee	1,440	-	1,440	1,440
	<u>108,110</u>	<u>59,809</u>	<u>167,919</u>	<u>206,361</u>
3 Payments in relation to The Mustard Seed Christian Pre-School				
Staff costs	-	17,111	17,111	71,913
Premises expenses	-	-	-	2,760
Operational expenses	-	96	96	3,522
Administrative expenses	-	-	-	1,140
Independent examiner's fee	-	360	360	360
	<u>-</u>	<u>17,567</u>	<u>17,567</u>	<u>79,695</u>
4 Grants paid in relation to charitable activities undertaken by others				
<i>Grants to institutions</i>				
Baptist Home Mission	3,300	-	3,300	3,300
Baptist World Mission	-	-	-	2,500
Dnipro Hope Mission	-	-	-	1,500
Spurgeons College	1,000	-	1,000	1,000
Beacon CAP partnership	2,000	-	2,000	1,500
L'Arche	1,200	-	1,200	-
Other small grants	-	250	250	-
<i>Grants to individuals</i>				
Support for those engaged in, or training for, UK and overseas mission	-	300	300	1,000
	<u>7,500</u>	<u>550</u>	<u>8,050</u>	<u>10,800</u>

HERNE HILL BAPTIST CHURCH

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

5 Transactions with related parties

During the year both Revd Rob May and Anne Kemp were employed by the charity and received employment benefits totalling £10,611 (2022: £31,347) and £1,563 (2022: £1,502) respectively. They received these payments for serving as a Church leader and for helping look after the charity's finances, not for serving as trustees; these payments are permitted by the charity's governing document.

In addition the charity provided a manse to Revd Rob May so that he could better perform his duties (which is customary for ministers).

6 Movements in restricted funds

	Opening balance £	Receipts £	Payments £	Transfers £	Closing balance £
Youth Equipment fund	270	-	-	-	270
Mustard Seed Pre-School fund	37,767	2,454	(17,567)	(1,640)	21,014
Repair fund	-	41,224	(59,779)	18,554	-
Other small funds	-	580	(580)	-	-
	<u>38,037</u>	<u>44,258</u>	<u>(77,926)</u>	<u>16,914</u>	<u>21,284</u>

Though there was no formal restriction, previously the net income received by the Mustard Seed Pre-School was ring fenced to help meet the cost of operating the Pre-School. During the year the Pre-School was closed and it is intended that the carried forward balance on the fund (after settling any remaining liabilities) will now be used to help support the Church's work with children and families.

The **Repair** fund was created from donations received to undertake major repairs to church property, which this year comprised replacing boilers in the Church building.

7 Reconciliation with previously reported funds

As explained in note 1 'Accounting Policies', in the previous year the charity prepared its accounts using the accruals basis; in the current year the charity has taken advantage of the option to prepare its accounts on a receipts and payments basis. The comparatives presented in these accounts have been re-stated using the receipts and payments basis and a reconciliation with the reserves and results reported previously follows:

Reconciliation of reserves

	2022 £	2021 £
Previously reported reserves, at 30 September	224,161	318,683
Adjustments arising from use of receipts and payments basis:		
Exclusion of previously included fixed assets	(174,251)	(174,251)
Exclusion of previously included debtors	(2,530)	(5,225)
Exclusion of previously included creditors	22,158	5,940
Re-stated reserves, at 30 September	<u>69,538</u>	<u>145,146</u>

Reconciliation of results

	2022 £
Previously reported results	(94,521)
Adjustments arising from use of receipts and payments basis:	
Excluded movements in debtors resulting in the recognition of more / (less) income	2,695
Excluded movements in creditors resulting in the recognition of less / (more) expenditure	16,219
Re-stated results	<u>(75,609)</u>

HERNE HILL BAPTIST CHURCH

England & Wales - Charity number 1153419

Accounts

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

**Half Moon Lane (corner of Winterbrook Road)
Herne Hill, London, SE24 9HU**

Report and Financial Statements for the year ended 30 September 2022

HERNE HILL BAPTIST CHUCH
CHARITY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Trustees	Revd Rob May (Pastor) Elizabeth Brown (Treasurer) Samantha Joseph Anne Kemp (Elder) Lesley Morrison (Chair of Deacons) Fiona Reid (retired 12 May 2022) Beatrice Stevens (Elder) Timothy Tree (appointed 28 September 2022)
Custodian Trustee	The London Baptist Property Board Limited 235 Shaftsbury Avenue London WC2H 8EP
Governing Document	Trust Deed dated 12 March 1907 (revised 3 July 1994) that governs the use of a church building. Constitution for a Trust dated 30 January 2013, which governs the charity's other activities.
Charity Registration Number	1153419
Principal Address	Half Moon Lane (corner of Winterbrook Road) Herne Hill London SE24 9HU
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Barclays Bank PLC, Peckham Rye Branch

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Balance Sheet	9
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HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2022

The Trustees present their Report and the Financial Statements for the year ended 30 September 2022.

Purpose

The principal purpose of Herne Hill Baptist Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Herne Hill Baptist Church is a member of The Baptist Union of Great Britain and the London Baptist Association.

As a member of The Baptist Union of Great Britain the Church subscribes to the Union's Declaration of Principle:

That our Lord and Saviour, Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.

That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

Herne Hill Baptist Church is an 'open membership' church. Baptism by immersion upon personal profession of faith is the normal mode of entry into membership of the church. Persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may, at the discretion of the Church Members' Meeting, be accepted for full membership based on their own public profession of faith.

Governance and Management

The activities of the charity are governed by:

- A Trust Deed dated 12 March 1907 (revised 3 July 1994), which governs the use of the church building.
- A Constitution adopted by the Church Members on 30 January 2013, which governs the rest of the charity's activities.

The charity registered as a charity with the Charity Commission on 15 August 2013. Prior to this date the charity was an excepted from the obligation to register because the charity is a member of the Baptist Union and its income was less than £100,000.

Meetings of church members take place from time to time. Such meetings have responsibility for the overall governance of the Church. The Managing Trustees are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church Meeting by the Managing Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Managing Trustees.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2022 (continued)

Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

During the year the Finance Team comprised Rev Rob May, Anne Kemp and Elizabeth Brown.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service.

The Church has considered the Charity Commission guidance on public benefit and is satisfied that the activities outlined in this report demonstrate that the charity is providing a benefit to the public.

Statement of Trustees' Responsibilities

The Managing Trustees are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Herne Hill Baptist Church at the year end and of its incoming resources and resources expended during that year. In preparing these financial statements, the Managing Trustees are required to

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

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

Review of the year

This has been an encouraging year for us as a church and we are grateful that we have been able to worship together in the building for a full year. Most people have returned in some way to worship although a small number remain cautious. Regular Sunday attendance is still not back to pre-Covid levels, but we continue to maintain contact with as many people as we can.

Half Moon Stitchers, Singing Mamas and the Chess Club have continued to use the church throughout the year. Playball have also used the building during the winter months. The church is used by a diaspora Nigerian Christian Group – The Kalabari Christian Organisation – which holds occasional meetings in the building throughout the year. We hosted a one-day worship event in April, a Herne Hill Free Film Festival evening in May, a Herne Hill Music Festival event in October and a pop choir in November. In September we started a "*Who let the dads out?*" group which meets monthly on Saturday mornings.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2022 (continued)

Our midweek programme has been relatively settled. Mustard Seed, our Christian Pre-School, has continued to provide Christian pre-school education to our community this year, our spring and summer terms were very successful culminating in an end of year leavers celebration in June when not only did we say goodbye to our children going on to school but also said farewell to Kaylan Hall, our pre-school manager of 12 years. However, in September the number of children attending was low and despite the best efforts of staff, parents, and church members it was decided to close the preschool at the end of December 2022. This was not an easy decision. Mustard Seed has been part of the life of the church for nearly 50 years and has seen numerous children receive a Christian-based preschool education. We give thanks to God for the significant part it has played in the life of the church and the local community.

Our much appreciated Monday prayer meeting has continued to meet on Zoom. Knit and Natter, our Tuesday social gathering, has continued to meet and grow throughout the year. Moonbeams, our midweek toddler group, has had a good year with attendance nearly back to maximum numbers. We also hosted a very successful 7-week CAP Job Club at the church in partnership with one of the local Anglican Churches. It was a privilege to help with this project. We restarted our monthly mid-week communion in September – a real blessing to those who attended. Our children's, youth, and families' worker continues to work hard building up the church's programme amongst school aged children. Our main midweek youth meeting continues to be on a Friday evening in the church building. This has grown steadily in numbers. On Sunday mornings there is still a full range of groups for children and young people although numbers are lower than pre-Covid attendance. Messy church activities returned post-Covid with fewer numbers attending, leading us to develop other family activities. We continue to support a local primary school with weekly assemblies.

We have maintained our financial commitment to several organisations including BMS World Mission, Baptist Home Mission, Spurgeon's College and Christians Against Poverty. We also supported Ukraine through BMS.

During the summer, the first phase of works identified in the Quinquennial review were completed. We also upgraded and replaced some key circuit boards as well as replacing the boiler at the manse. The 30 years old main boilers at the church will be replaced next year. Regular servicing and testing of the boilers, lift, lightning conductor and other appliances took place. PAT testing was carried out this year. We continue to give thanks for the generous financial provision from church members that has enabled this work to take place and the church members who help practically in maintaining the building.

We have seen some reduction in church membership this year. Two life long church members sadly died this year. Both had wonderful celebrations of their lives.. The church has been pastored throughout the year by the minister (Rev. Rob May) and a team of elders and deacons. However, the minister announced at the end of October that he would be leaving to take up the role of regional minister for the South Wales Baptist Association in early 2023. The church will therefore prepare for a time of pastoral vacancy.

Our office manager has worked hard this year to oversee the running of the church programme. These include use of the building both by church groups and external hires, responding to numerous other enquiries that come into the church office every day. We still have a part-time finance officer who does the church's book-keeping one day a week, and one other part time person who helps with the church finances. We are planning to upgrade the software we use for the church finances early next year.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2022 (continued)

Anne Kemp and Beatrice Stevens were reappointed as elders of the church in September and Tim Tree became a new elder of the church. Our four deacons remain unchanged. Our Minister in Training since 2019 from Spurgeon's College successfully completed her training in the summer and has now moved on to other things. We were blessed by her ministry both in church and working with our young people.

Throughout a very challenging year we have remained committed to enabling the church to support one another, to remain outward looking and to flourish, helping people find their place in the life of the church, and to support them in their journey of faith. We remain committed to participating in the life of our local community, sharing the resources that we have and seeking to work together for the common good while being a witness to the life of Christ within us despite the challenges of the pandemic. We again give thanks to God for the year that has passed and, despite some continuing uncertainty, look forward to the coming year.

Reserves policy

The trustees consider that a reserve of at least three months normal operating costs would be the ideal so that the charity would be able to continue operating smoothly should income and / or expenditure, vary adversely. As a result of this year's significant expenditure on urgent building repairs, the General Fund balance carried forward at 30 September 2022 (£28,686) falls a little short of this target. The trustees are satisfied that the charity can continue to operate with this level of reserves for the time being and plan to try to rebuild reserves over the medium term.

The liquid funds of the church are all held on accounts with the bank, with as much as is practical held in deposit accounts earning interest at a currently available commercial rate. The church does not invest in securities.

Risk policy

The trustees are aware that they need to regularly update a risk management strategy comprising

- An annual review of risks;
- Establishment and review of systems and procedures to mitigate those risks;
- Establishment and review of procedures to minimize the potential impact should any of those risks materialize.

Financial statements for the year

The financial results for the year, together with a summary of the accounting policies adopted, are set out in pages 8 to 16 of this document.

During the year income increased by £4,268 to £218,214. Pre-School income recovered following the easing of pandemic restrictions but this was to a large extent offset by a reduction in church donation income. The charity continues to raise the funds which it needs to carry on its activities from within its own membership and congregation and from the Pre-School. No wider public appeal was made for funds during the year.

Expenditure increased by £79,944 to £312,735. This increase was largely due to major property repairs undertaken in response to the Quinquennial review. The Church expressed its part in the life of the wider church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purposes.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2022 (continued)

Overall, the charity has reported a deficit of £94,521 (2021: £18,846) and the charity's net assets decreased by that amount to £224,161. This comprises property with a carrying value of £174,251 and net current assets of £49,910. Net current assets includes cash of £69,538 of which £38,038 is held for restricted purposes.

Herne Hill Baptist Church is, by its nature, a voluntary organisation and no set of financial statements can do justice to all the work done in pursuit of its purposes. In addition, many hours are spent by unpaid volunteer members and associates performing many regular tasks without which Herne Hill Baptist Church would be ineffective. The financial statements do not record the value of such unpaid activities.

Approved by the Managing Trustees and signed on their behalf by:

Lesley Morrison

LESLEY MORRISON

Chair of Trustees

Date of approval: 24 April 2023

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HERNE HILL BAPTIST CHURCH
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 30 September 2022 on pages 8 to 16 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 11.

Responsibilities and basis of report

As the charity's trustees of the Trust 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 Charity'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

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

1. accounting records were not kept in respect of the Charity 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.

Ajay Rajani

Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 24 April 2023

HERNE HILL BAPTIST CHUCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	116,309	-	116,309	141,761
Charitable activities					
Mustard Seed Christian Pre-School	4	-	89,735	89,735	64,481
Letting of facilities for community use	4	12,110	-	12,110	7,688
Investments		42	18	60	16
Total income and endowments		128,461	89,753	218,214	213,946
EXPENDITURE ON:					
Charitable activities					
Church activities	5a	145,248	3,182	148,430	155,245
Major property repairs	5b	69,404	-	69,404	-
Mustard Seed Christian Pre-School	5c	-	94,902	94,902	77,547
Total expenditure		214,651	98,084	312,735	232,792
Net income/(expenditure)		(86,190)	(8,331)	(94,521)	(18,846)
Transfers between funds	12	-	-	-	-
Net movement in funds		(86,190)	(8,331)	(94,521)	(18,846)
Reconciliation of funds:					
Total funds brought forward		114,878	203,804	318,682	337,528
Total funds carried forward	12	28,687	195,474	224,161	318,682

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on pages 10 to 16 form part of these accounts.

HERNE HILL BAPTIST CHUCH
BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
FIXED ASSETS					
Tangible assets	7	-	174,251	174,251	174,251
		<u>-</u>	<u>174,251</u>	<u>174,251</u>	<u>174,251</u>
CURRENT ASSETS					
Debtors	8	2,530	-	2,530	5,225
Cash at bank and in hand	9	31,501	38,037	69,538	145,146
		34,031	38,037	72,068	150,371
CREDITORS: Amounts falling due within one year	10	(5,344)	(16,814)	(22,158)	(5,940)
		<u>28,687</u>	<u>21,223</u>	<u>49,910</u>	<u>144,431</u>
Net current assets / (liabilities)					
		<u>28,687</u>	<u>195,474</u>	<u>224,161</u>	<u>318,682</u>
TOTAL NET ASSETS					
		<u>28,687</u>	<u>195,474</u>	<u>224,161</u>	<u>318,682</u>
FUND BALANCES					
Unrestricted Funds	12				
General funds		28,687	-	28,687	83,878
Designated funds		-	-	-	31,000
Restricted Funds		-	195,474	195,474	203,804
		<u>28,687</u>	<u>195,474</u>	<u>224,161</u>	<u>318,682</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Elizabeth Brown

Lesley Morrison

Elizabeth Brown - Trustee and Treasurer

Lesley Morrison - Chair of Trustees

Date: 24 April 2023

Charity number: 1153419

The notes on pages 10 to 16 form part of these accounts.

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Statutory Information

The charity is a Trust registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with 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 trustees 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 trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees 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 including investment income 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. 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 recoverable gift aid, which 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.

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 operating the Mustard Seed Christian Pre-School and from occasionally letting the church building to organisations that operate to benefit the local community.

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.

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.

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Accounting Policies continued

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees 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

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 £5,000 and the item is expected to benefit the charity over more than one accounting period. Except for the charity's properties, the charity has no other assets in use that need to be capitalised.

The properties owned by the charity comprise the church building (and related land) and a manse. These are held for the charity by the London Baptist Property Board Limited who act as custodian trustees.

The church building is situated on land leased from Dulwich Estates. The land is held under a separate Trust Deed that only allows the land to be used as a public place of worship. The building has been depreciated fully and the cost of the land is not considered to be material therefore the whole property is being carried in these accounts at a nominal value of £1. The property's insurance value is in excess of £6m.

The manse was purchased in 1998 and is included in the accounts at historic cost (being the amount paid by the charity to purchase the property). In the opinion of the Managing Trustees the residual value of the property is very high and, as it would not be material, no depreciation has been charged on this property.

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) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive).

i) Exemption from preparing a cashflow 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

The trustees 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.

3 Donations and legacies

	2022	2021
	£	£
Donations of cash and similar	95,567	114,457
Income tax recoverable	20,743	27,304
	116,309	141,761

4 Income from charitable activities

	2022	2021
	£	£
The Mustard Seed Christian Pre-School		
Local authority funding	66,954	42,539
Fees received from parents	21,281	21,942
Apprenticeship incentive	1,500	-
	89,735	64,481
Letting of facilities to groups that benefit the local community	12,110	7,688
	101,845	72,169

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

5 Charitable expenditure

	2022	2021
	£	£
a Expenses incurred by the church		
Staff costs	83,895	86,280
Church expenses	11,019	5,263
Electricity and gas	9,510	4,745
Equipment	815	17,473
Training and conferences	1,010	400
Routine maintenance and repairs	9,750	4,936
Insurance	6,011	5,456
Manse expenses	7,487	5,490
Worship equipment and expenses	354	840
Youth and children's work	4,732	797
Bank charges and interest	286	162
Governance costs:		
Independent examiner's fee for preparing and examining the accounts	1,560	1,320
	136,430	133,163
Grants payable (note 5d)	12,000	22,082
	148,430	155,245
b Major property repairs	69,404	-
c Expenses incurred by The Mustard Seed Christian Pre-School		
Staff costs	86,760	71,182
Premises expenses	2,760	1,631
Operational expenses	3,522	3,617
Administrative expenses	1,140	1,117
Governance costs:		
Independent examiner's fee for preparing and examining the accounts	720	-
	94,902	77,547
Total expenditure	312,735	232,792

The fee payable to the independent examiner for preparing and examining the accounts was £1,800 (2021: £1,800).

d Grants payable

The charity's grants comprised:

	2022	2021
	£	£
<u>Grants to institutions</u>		
Baptist Home Mission for mission	3,300	3,300
Baptist Word Mission for mission (in particular this year Ukraine)	2,500	1,600
Dnipro Hope Mission for mission	1,500	-
Spurgeons College for mission	1,000	2,000
Tearfund for the relief of poverty	-	4,991
Beacon CAP partnership for the relief of poverty	1,500	3,841
Compassion for the relief of poverty	-	1,600
Little Hearts Matter to help those suffering from illness	-	2,750
L'Arche to help those with learning disabilities	1,200	-
<u>Grants to individuals</u>		
Support for those engaged in, or training for, UK and overseas mission	1,000	2,000
	12,000	22,082

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 11 (2021: 13). 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.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Employer pension contributions	2022 £
Trustees:			
Revd Rob May	27,610	3,737	31,347
Anne Kemp	1,502	-	<u>1,502</u>
			<u><u>32,849</u></u>

The following amounts were payable in the previous year:

	Wages & salaries	Employer pension contributions	2021 £
Trustees:			
Revd Rob May	27,200	3,675	30,875
Anne Kemp	1,480	-	<u>1,480</u>
			<u><u>32,355</u></u>

Revd Rob May serves as a church leader and Anne Kemp helps look after the charity's finances. They received the above payments for serving in these capacities, not for serving as trustees; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £7,487 (2021: £5,490) in respect of the customary provision of accommodation to Revd Rob May, who is a trustee, so that he could better perform his duties.

7 Tangible fixed assets

	Freehold Property £	Long Leasehold Property £	Total 2022 £
Cost			
At 1 October 2021	174,250	1	174,251
Additions	-	-	-
At 30 September 2022	<u>174,250</u>	<u>1</u>	<u>174,251</u>
Accumulated depreciation			
At 1 October 2021	-	-	-
Charge for the year	-	-	-
At 30 September 2022	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 30 September 2022	<u>174,250</u>	<u>1</u>	<u>174,251</u>
At 30 September 2021	<u>174,250</u>	<u>1</u>	<u>174,251</u>

Further information about the charity's properties can be found in note 2e 'Tangible fixed assets'.

8 Debtors

	2022 £	2021 £
Gift aid recoverable	1,758	3,104
Staff loans	-	579
Debtors for letting facilities	432	1,543
Prepayments	340	-
	<u>2,530</u>	<u>5,225</u>

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

9 Cash at Bank and in Hand

	2022	2021
	£	£
Church current account	5,663	6,385
Church deposit account	25,981	110,939
Pre-School current account	2,224	2,689
Pre-School deposit account	35,503	24,984
Petty cash	167	150
	69,538	145,146

10 Creditors: liabilities falling due within one year

	2022	2021
	£	£
Taxation and social security	17,688	2,906
Other creditors	470	1,713
Accruals	2,800	1,320
Grant obligations	1,200	-
	22,158	5,940

The church and the pre-school run separate payrolls. Clarification is being sought from HMRC as to whether they are both eligible to claim the Employment Allowance. This year's creditor for taxation and social security includes a provision of £15,500 to cover a possible repayment of allowances.

11 Pension commitments

During the year employer's pension contributions totalling £6,209 were payable to defined contribution personal pension schemes. At the balance sheet date no pension contributions were owed (2021: £1,299).

12 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
<i>Designated Funds</i>					
Major Works fund	31,000	-	(34,000)	3,000	-
<i>General Unrestricted Funds</i>					
	83,878	128,461	(180,651)	(3,000)	28,687
Total Unrestricted Funds	114,878	128,461	(214,651)	-	28,687
<i>Restricted Funds</i>					
Building fund	1	-	-	-	1
Manse fund	174,250	-	-	-	174,250
C Willis Housing fund	3,181	-	(3,181)	-	-
Youth Equipment fund	270	-	-	-	270
Mustard Seed Pre-School fund	26,102	89,753	(94,902)	-	20,953
	203,804	89,753	(98,083)	-	195,474
Aggregate of funds	318,682	218,214	(312,735)	-	224,161

During the year the Managing Trustees increased the amount set aside for works to the charity's properties by making a transfer of £3,000 (2021: £13,000) from general unrestricted funds to the designated Major Works fund.

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			Restricted funds £	2022 £
	General funds £	Designated funds £			
Tangible fixed assets	-	-	174,251	174,251	
Debtors	2,530	-	-	2,530	
Cash at bank and in hand	31,501	-	38,037	69,538	
Creditors falling due within one year	(5,344)	-	(16,814)	(22,158)	
	28,687	-	195,474	224,161	

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

12 Funds continued

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>Designated Funds</i>					
Major Works fund	18,000	-	-	13,000	31,000
<i>General Unrestricted Funds</i>	97,207	149,461	(149,790)	(13,000)	83,878
<i>Total Unrestricted Funds</i>	<u>115,207</u>	<u>149,461</u>	<u>(149,790)</u>	<u>-</u>	<u>114,878</u>
<i>Restricted Funds</i>					
Building fund	1	-	-	-	1
Manse fund	174,250	-	-	-	174,250
C Willis Housing fund	8,636	-	(5,455)	-	3,181
Youth Equipment fund	270	-	-	-	270
Mustard Seed Pre-School fund	39,164	64,485	(77,547)	-	26,102
	<u>222,321</u>	<u>64,485</u>	<u>(83,002)</u>	<u>-</u>	<u>203,804</u>
<i>Aggregate of funds</i>	<u>337,528</u>	<u>213,946</u>	<u>(232,792)</u>	<u>-</u>	<u>318,682</u>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2021 £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	-	-	174,251	174,251
Debtors	5,225	-	-	5,225
Cash at bank and in hand	82,985	31,000	31,161	145,146
Creditors falling due within one year	(4,332)	-	(1,608)	(5,940)
	<u>83,878</u>	<u>31,000</u>	<u>203,804</u>	<u>318,682</u>

The designated **Major Works** fund represents funds set aside by the Managing Trustees to help maintain the charity's properties.

The restricted **Building** fund was created by the restriction on use placed on the church building land and the brought forward and carried forward balance on the fund represents the nominal value placed on this property by the Managing Trustees (see note 2e 'Tangible Fixed Assets').

The restricted **Manse** fund was created by donations received to purchase the manse and the carrying value on this fund represents the cost of the manse at the time of purchase.

The restricted **C Willis Housing** fund was created by donations received to help meet accommodation expenses incurred by a youth and families worker recruited in the previous year.

The restricted **Youth Equipment** fund was created by donations received to help purchase equipment for use in the church's youth ministry.

The restricted **Mustard Seed Pre-School** fund was created by parent fees and local authority funding received to help fund the pre-school.

13 Transactions with related parties

During the year the charity received donations totalling £17,650 (2021: £19,616) from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

Except for the reimbursement of expenses incurred when acting as agent for the charity, or incurred when undertaking employment duties, no expenses were paid to (or for) the trustees.

Except as disclosed in note 6 'Analysis of staff costs', there have been no other transactions with related parties during the year.

14 Events since the year end

Due to falling pupil numbers shortly after the year end the charity decided to close its pre-school and the closure, including related staff redundancies, was completed by 31 December 2022. The Pre-school held funds totalling £20,953 at 30 September 2022 (see note 12 'Funds') and this is expected to reduce to about £7,000 after all costs associated its closure have been incurred.

Since the year-end the charity has held a gift day, which raised about £30,000. It is anticipated that the proceeds will largely cover the cost of replacing the church boilers (hopefully in Spring 2023).

HERNE HILL BAPTIST CHURCH
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Unrestricted funds				Unrestricted funds				
		General	Designated	Restricted	Total	General	Designated	Restricted	Total	
		2022	2022	2022	2022	2021	2021	2021	2021	
		£	£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:										
Donations and legacies	3	116,309	-	-	116,309	141,761	-	-	141,761	
Charitable activities										
Mustard Seed Christian Pre-School	4	-	-	89,735	89,735	-	-	64,481	64,481	
Letting of facilities for community use	4	12,110	-	-	12,110	7,688	-	-	7,688	
Investments		42	-	18	60	12	-	4	16	
Total income and endowments		128,461	-	89,753	218,214	149,461	-	64,485	213,946	
EXPENDITURE ON:										
Charitable activities:										
Church activities	5a	145,248	-	3,182	148,430	149,790	-	5,455	155,245	
Major property repairs	5b	35,404	34,000	-	69,404	-	-	-	-	
Mustard Seed Christian Pre-School	5c	-	-	94,902	94,902	-	-	77,547	77,547	
Total Expenditure		180,651	34,000	98,084	312,735	149,790	-	83,002	232,792	
Net income/(expenditure)		(52,190)	(34,000)	(8,331)	(94,521)	(329)	-	(18,517)	(18,846)	
Transfers between funds	12	(3,000)	3,000	-	-	(13,000)	13,000	-	-	
Net movement in funds		(55,190)	(31,000)	(8,331)	(94,521)	(13,329)	13,000	(18,517)	(18,846)	
Reconciliation of funds:										
Total funds brought forward		83,878	31,000	203,804	318,682	97,207	18,000	222,321	337,528	
Total funds carried forward	12	28,687	-	195,474	224,161	83,878	31,000	203,804	318,682	

HERNE HILL BAPTIST CHURCH

England & Wales - Charity number 1153419

Accounts

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

**Half Moon Lane (corner of Winterbrook Road)
Herne Hill, London, SE24 9HU**

Report and Financial Statements for the year ended 30 September 2021

HERNE HILL BAPTIST CHUCH
CHARITY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Trustees	Revd Rob May (Pastor) Andrew Symonds (Treasurer) retired 21 April 2021 Elizabeth Brown (Treasurer) appointed 21 April 2021 Samantha Joseph (appointed 21 April 2021) Lynn Kellers - retired 3 November 2020 Anne Kemp (Elder) Lesley Morrison (Chair of Deacons) Fiona Reid - retired 12 May 2022 Beatrice Stevens (Elder)
Custodian Trustee	The London Baptist Property Board Limited 235 Shaftsbury Avenue London WC2H 8EP
Governing Document	Trust Deed dated 12 March 1907 (revised 3 July 1994) that governs the use of a church building. Constitution for a Trust dated 30 January 2013, which governs the charity's other activities.
Charity Registration Number	1153419
Principal Address	Half Moon Lane (corner of Winterbrook Road) Herne Hill London SE24 9HU
Independent Examiner	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
Bankers	Barclays Bank PLC, Peckham Rye Branch

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HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2021

The Trustees present their Report and the Financial Statements for the year ended 30 September 2021.

Purpose

The principal purpose of Herne Hill Baptist Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Herne Hill Baptist Church is a member of The Baptist Union of Great Britain and the London Baptist Association.

As a member of The Baptist Union of Great Britain the Church subscribes to the Union's Declaration of Principle:

That our Lord and Saviour, Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.

That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

Herne Hill Baptist Church is an 'open membership' church. Baptism by immersion upon personal profession of faith is the normal mode of entry into membership of the church. Persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may, at the discretion of the Church Members' Meeting, be accepted for full membership based on their own public profession of faith.

Governance and Management

The activities of the charity are governed by:

- A Trust Deed dated 12 March 1907 (revised 3 July 1994), which governs the use of the church building.
- A Constitution adopted by the Church Members on 30 January 2013, which governs the rest of the charity's activities.

The charity registered as a charity with the Charity Commission on 15 August 2013. Prior to this date the charity was an excepted from the obligation to register because the charity is a member of the Baptist Union and its income was less than £100,000.

Meetings of church members take place from time to time. Such meetings have responsibility for the overall governance of the Church. The Managing Trustees are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church Meeting by the Managing Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Managing Trustees.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2021 (continued)

Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

With effect from 2017, a Finance Team comprising Rev Rob May, Andrew Symonds and Anne Kemp was in place. Andrew stepped down in April 2021 and was replaced by Elizabeth Brown.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service.

The Church has considered the Charity Commission guidance on public benefit and is satisfied that the activities outlined in this report demonstrate that the charity is providing a benefit to the public.

Statement of Trustees' Responsibilities

The Managing Trustees are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Herne Hill Baptist Church at the year end and of its incoming resources and resources expended during that year. In preparing these financial statements, the Managing Trustees are required to

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

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

Review of the year

This has been another challenging year for us as a church, but we are thankful for what we have been able to maintain, and we end the year with much of church life restored in some shape or form. We have been able to stay in contact with most people directly connected with the church as well as others. We have also said farewell to two families who have relocated to other churches. Most people have now returned on Sundays or at other times although we are still yet to return to pre-covid levels of attendance.

Due to covid restrictions most of the church programme has been either suspended or limited for the first part of the year. Sunday services were initially held on Zoom only but as restrictions eased, we were able to move first to a Zoom hybrid service and then from May to being fully back in the building.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2021 (continued)

Half Moon Stitchers have now returned. Singing Mamas is also a new and regular addition to our midweek programme. The Chess Club has continued but Boppin Tots and Monkey Music will not be returning having closed down. We remain in conversation with Guy's and St Thomas's hospital about the possibility of their physiotherapy group returning. Most other occasional users are yet to return but we are hopeful and expect that this will change in the coming year.

Mustard Seed, our Christian Pre-School, continued to run from Monday to Friday, from 9am to 3pm. There have been a number of changes to the staff in the last 12 months, but it remains a well-run, well liked and a well-supported pre-school.

Our new children's, youth and families' worker has settled in well to the challenges of church life. He has been able to provide both online and in-person meetings for our young people. He also organized an afternoon activity event in Brockwell Park. Our main youth meeting continues to be on a Friday in the church building. This has been growing in numbers recently. There is also a full range of groups for children and young people on Sunday mornings. We were also able to run our Messy Church gatherings although they were slightly reduced in number. We continue to support a local primary school with help with assemblies in person and pre-recorded talks. Moonbeams, our toddler group, was finally able to return in September and has seen the numbers attending slowly increasing. Knit and Natter have continued to meet throughout the year observing covid restrictions where necessary. Again, there has been growth with this group with new people joining. Sadly, our au pairs and nannies' group has yet to restart but we have plans in place to resume meetings in 2022.

We continued to support one church member working with the Christian broadcaster UCB until they left UCB later in the year. We have maintained our financial commitment to several organisations including Baptist World Mission, Baptist Home Mission, Spurgeon's College and Christians Against Poverty.

During the year a quinquennial inspection of the building was carried out. We expect to begin work on the more urgent needs identified in 2022. Regular servicing and testing of the boilers, lift, lightning conductor and other appliances took place. PAT testing was carried out this year on all relevant electrical equipment. We continue to give thanks for the generous financial provision from church members that has enabled this work to take place and the church members who help practically in maintaining the building.

We have seen little change again in the church membership this year. The church continues to be overseen by the minister (Rev. Rob May) and a team of elders and deacons. Our office manager changed during the year. We were thankful that there was no gap during the transition enabling us to seamlessly move on. Our new office manager brings significant HR experience and will help strengthen our processes in this area along with building and maintaining relationships with our external users and our wider community. We still have a part-time finance officer who does the church's book-keeping one day a week, and one other part time person who helps with the church finances.

Anne Kemp and Beatrice Stevens have continued to serve as elders of the church working alongside our four deacons, one of whom is the church treasurer. Our Minister in Training from Spurgeon's College is now in her final year and helps in a variety of areas of church life.

Throughout a very challenging year we have remained committed to enabling the church to support one another, to remain outward looking and to flourish, to helping people find their place in the life of the church, and to support them in their journey of faith. We remain committed to participating in the life of our local community, sharing the resources that we have and seeking to work together for the common good while being a witness to the life of Christ within us despite the challenges of the pandemic. We again give thanks to God for the year that has passed and despite some continuing uncertainty, look forward to the coming year.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2021 (continued)

Reserves policy

The trustees consider that a reserve of at least three months operating costs would be the ideal so that the charity would be able to continue operating smoothly should income and / or expenditure, vary adversely. The General Fund balance carried forward at 30 September 2021 (£83,878) meets this the criteria.

The liquid funds of the church are all held on accounts with the bank, with as much as is practical held in deposit accounts earning interest at a currently available commercial rate. The church does not invest in securities.

Risk policy

The trustees are aware that they need to regularly update a risk management strategy comprising

- An annual review of risks;
- Establishment and review of systems and procedures to mitigate those risks;
- Establishment and review of procedures to minimize the potential impact should any of those risks materialize.

Financial statements for the year

The financial results for the year, together with a summary of the accounting policies adopted, are set out in pages 8 to 17 of this document.

During the year the Managing Trustees concluded that the charity was legally responsible for the Mustard Seed Pre-School and that its income, expenditure and net assets should be included in the charity's Statement of Financial Activities and Balance Sheet. The results reported for 2021 in these financial statements include the Pre-School and the results for 2020, which are comparatives quoted in these accounts, have been restated so that they also include the Pre-School. Further information about the restatement is provided in the notes to the accounts.

During the year income fell by £10,200 to £213,946. Pre-School income fell due to covid but the church received some large donations, which mitigated the impact. The charity continues to raise the funds which it needs to carry on its activities from within its own membership and congregation and from the Pre-School. No wider public appeal was made for funds during the year.

Expenditure increased by £15,138 to £232,792. The Church expressed its part in the life of the wider church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purposes.

Overall, the charity has reported a deficit of £18,846 (2020: a surplus of £6,492) and the charity's net assets decreased by that amount to £318,682. This comprises property with a carrying value of £174,251 and net current assets of £144,431. Net current assets includes cash of £145,146, of which £31,161 is held for restricted purposes.

Herne Hill Baptist Church is, by its nature, a voluntary organisation and no set of financial statements can do justice to all the work done in pursuit of its purposes. In addition, many hours are spent by unpaid volunteer members and associates performing many regular tasks without which Herne Hill Baptist Church would be ineffective. The financial statements do not record the value of such unpaid activities.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2021 (continued)

Approved by the Managing Trustees and signed on their behalf by:

Lesley Morrison

LESLEY MORRISON

Chair of Trustees

24 July 2022

Date of approval

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
HERNE HILL BAPTIST CHURCH
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 30 September 2021 on pages 8 to 17 following, which have been prepared on the basis of the accounting policies set out on pages 10 to 11.

Responsibilities and basis of report

As the charity's trustees of the Trust 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 Charity'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

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

1. accounting records were not kept in respect of the Charity 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.

Ajay Rajani

Ajay Rajani FCIE
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 25 July 2022

HERNE HILL BAPTIST CHUCH
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	141,761	-	141,761	123,659
Charitable activities					
Mustard Seed Christian Pre-School	4	-	64,481	64,481	87,889
Letting of facilities for community use	4	7,688	-	7,688	12,153
Investments		12	4	16	445
Total income and endowments		149,461	64,485	213,946	224,146
EXPENDITURE ON:					
Charitable activities					
Church activities	5a	149,790	5,455	155,245	132,599
Mustard Seed Christian Pre-School	5b	-	77,547	77,547	85,055
Total expenditure		149,790	83,002	232,792	217,654
Net income/(expenditure)		(329)	(18,517)	(18,846)	6,492
Transfers between funds	12	-	-	-	-
Net movement in funds		(329)	(18,517)	(18,846)	6,492
Reconciliation of funds:					
Total funds brought forward		115,207	222,321	337,528	331,036
Total funds carried forward	12	114,878	203,804	318,682	337,528

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

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

HERNE HILL BAPTIST CHUCH
BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	7	-	174,251	174,251	174,251
		<u>-</u>	<u>174,251</u>	<u>174,251</u>	<u>174,251</u>
CURRENT ASSETS					
Debtors	8	5,225	-	5,225	2,277
Cash at bank and in hand	9	113,985	31,161	145,146	174,975
		119,210	31,161	150,371	177,252
CREDITORS: Amounts falling due within one year	10	(4,332)	(1,608)	(5,940)	(13,975)
Net current assets / (liabilities)		<u>114,878</u>	<u>29,553</u>	<u>144,431</u>	<u>163,277</u>
TOTAL NET ASSETS		<u>114,878</u>	<u>203,804</u>	<u>318,682</u>	<u>337,528</u>
FUND BALANCES					
Unrestricted Funds	12				
General funds		83,878	-	83,878	97,207
Designated funds		31,000	-	31,000	18,000
Restricted Funds		-	203,804	203,804	222,321
		<u>114,878</u>	<u>203,804</u>	<u>318,682</u>	<u>337,528</u>

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Elizabeth Brown

Lesley Morrison

Elizabeth Brown - Trustee and Treasurer

Lesley Morrison - Chair of Trustees

Date 24 July 2022

Charity number: 1153419

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

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Statutory Information

The charity is a Trust registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with 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'.

Previously the financial results of The Mustard Seed Christian Pre-school were excluded from the charity's Statement of Financial Activities and Balance Sheet. However the Managing Trustees noted that the charity was legally responsible for the Pre-School and had ultimate control over its activities. For these reasons the Managing Trustees concluded that, in accordance with the Charities SORP, the results for the Pre-School should be included in the charity's overall results. The results reported for 2021 in these financial statements include the Pre-School and the results for 2020, which are comparatives quoted in these accounts, have been restated so that they also include the Pre-School. Further information about the restatement is provided in note 15 'Reconciliation with previously reported funds'.

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

a) Going concern

The trustees 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 trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees 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 including investment income 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. 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 recoverable gift aid, which 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.

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 operating the Mustard Seed Christian Pre-School and from occasionally letting the church building to organisations that operate to benefit the local community.

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.

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.

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 Accounting Policies continued

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees 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

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 £5,000 and the item is expected to benefit the charity over more than one accounting period. Except for the charity's properties, the charity has no other assets in use that need to be capitalised.

The properties owned by the charity comprise the church building (and related land) and a manse. These are held for the charity by the London Baptist Property Board Limited who act as custodian trustees.

The church building is situated on land leased from Dulwich Estates. The land is held under a separate Trust Deed that only allows the land to be used as a public place of worship. The building has been depreciated fully and the cost of the land is not considered to be material therefore the whole property is being carried in these accounts at a nominal value of £1. The property's insurance value is in excess of £6m.

The manse was purchased in 1998 and is included in the accounts at historic cost (being the amount paid by the charity to purchase the property). In the opinion of the Managing Trustees the residual value of the property is very high and, as it would not be material, no depreciation has been charged on this property.

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) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive).

i) Exemption from preparing a cashflow 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

The trustees 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.

3 Donations and legacies

	2021	2020
	£	£
Donations of cash and similar	114,457	102,261
Income tax recoverable	27,304	21,398
	141,761	123,659

4 Income from charitable activities

	2021	2020
	£	£
The Mustard Seed Christian Pre-School		
Local authority funding	42,539	76,687
Fees received from parents	21,942	11,202
	64,481	87,889
Letting of facilities to groups that benefit the local community	7,688	12,153
	136,650	100,042

HERNE HILL BAPTIST CHUCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Charitable expenditure

	2021	2020
	£	£
a Expenses incurred by the church		
Staff costs	86,280	67,724
Church expenses	5,263	7,847
Electricity and gas	4,745	5,659
Equipment	17,473	8,625
Training and conferences	400	440
Other maintenance and repairs	4,936	10,328
Insurance	5,456	7,865
Manse expenses	5,490	6,087
Evangelism expenses	-	1,274
Worship equipment	840	11
Youth and children's work	797	360
Bank charges and interest	162	169
Visiting speakers	-	90
Church weekend away	-	1,923
Governance costs:		
Independent examiner's fee for preparing and examining the accounts	1,320	300
	133,163	118,702
Grants payable (note 5c)	22,082	13,897
	155,245	132,599
b Expenses incurred by The Mustard Seed Christian Pre-School		
Staff costs	71,182	74,247
Premises expenses	1,631	3,117
Operational expenses	3,617	6,583
Administrative expenses	1,117	1,108
	77,547	85,055
Total expenditure	232,792	217,654

The fee payable to the independent examiner for preparing and examining the accounts was £1,320 (2020: £300).

c Grants payable

The charity's grants comprised:

	2021	2020
	£	£
<u>Grants to institutions</u>		
Baptist Home Mission	3,300	3,300
Baptist Word Mission	1,600	-
Operation Mobilisation	-	1,159
Spurgeons College	2,000	1,000
Tearfund	4,991	-
Beacon CAP partnership	3,841	-
Compassion	1,600	-
Little Hearts Matter	2,750	-
<u>Grants to individuals</u>		
Support for those engaged in, or training for, UK and overseas mission	2,000	8,053
Grants made to help relieve poverty	-	385
	22,082	13,897

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Analysis of staff costs, the cost of key management personnel and trustee remuneration

The average monthly number of employees during the year was 13 (2020: 13). 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.

The charity's key management comprise the trustees and the key staff named on the Charity Information page. Total employment benefits payable to key management for the year were as follows:

	Wages & salaries	Employer pension contributions	2021 £
Trustees:			
Revd Rob May	27,200	3,675	30,875
Anne Kemp	1,480	-	1,480
			<u>32,355</u>

In the previous year Revd Rob May received employment benefits totalling £30,832.

Revd Rob May serves as a church leader and Anne Kemp helps look after the charity's finances. They received the above payments for serving in these capacities, not for serving as trustees; these payments are permitted by the charity's governing document.

In addition the charity incurred expenditure totalling £5,490 (2020: £6,087) in respect of the customary provision of accommodation to Revd Rob May, who is a trustee, so that he could better perform his duties.

7 Tangible fixed assets

	Freehold Property £	Long Leasehold Property £	Total 2021 £
Cost			
At 1 October 2020	174,250	1	174,251
Additions	-	-	-
At 30 September 2021	<u>174,250</u>	<u>1</u>	<u>174,251</u>
Accumulated depreciation			
At 1 October 2020	-	-	-
Charge for the year	-	-	-
At 30 September 2021	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 30 September 2021	<u>174,250</u>	<u>1</u>	<u>174,251</u>
At 30 September 2020	<u>174,250</u>	<u>1</u>	<u>174,251</u>

Further information about the charity's properties can be found in note 2e 'Tangible fixed assets'.

8 Debtors

	2021 £	2020 £
Gift aid recoverable	3,104	1,698
Staff loans	579	579
Debtors for letting facilities	1,543	-
	<u>5,225</u>	<u>2,277</u>

9 Cash at Bank and in Hand

	2021 £	2020 £
Church current account	6,385	4,022
Church deposit account	110,939	118,427
Pre-School current account	2,689	1,339
Pre-School deposit account	24,984	50,481
Petty cash	150	706
	<u>145,146</u>	<u>174,975</u>

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

10 Creditors: liabilities falling due within one year

	2021	2020
	£	£
Taxation and social security	2,906	2,970
Other creditors	1,713	-
Accruals	1,320	300
Deferred income	-	10,705
	5,940	13,975

Deferred income represent Local Authority funding received in advance by the charity's Pre-School and has been released to income in the next financial year ending on 30 September 2021.

11 Pension commitments

During the year employer's pension contributions totalling £7,002 were payable to defined contribution personal pension schemes. At the balance sheet date pension contributions totalling £1,299 were owed.

12 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>Designated Funds</i>					
Major Works fund	18,000	-	-	13,000	31,000
<i>General Unrestricted Funds</i>					
Total Unrestricted Funds	115,207	149,461	(149,790)	-	114,878
<i>Restricted Funds</i>					
Building fund	1	-	-	-	1
Manse fund	174,250	-	-	-	174,250
C Willis Housing fund	8,636	-	(5,455)	-	3,181
Youth Equipment fund	270	-	-	-	270
Mustard Seed Pre-School fund	39,164	64,485	(77,547)	-	26,102
	222,321	64,485	(83,002)	-	203,804
Aggregate of funds	337,528	213,946	(232,792)	-	318,682

During the year the Managing Trustees increased the amount set aside for works to the charity's properties by making a transfer of £13,000 (2020: £6,000) from general unrestricted funds to the designated Major Works fund.

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			
	General funds £	Designated funds £	Restricted funds £	
	2021 £	2021 £	2021 £	
Tangible fixed assets	-	-	174,251	174,251
Debtors	5,225	-	-	5,225
Cash at bank and in hand	82,985	31,000	31,161	145,146
Creditors falling due within one year	(4,332)	-	(1,608)	(5,940)
	83,878	31,000	203,804	318,682

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Funds

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Closing balance 2020 £
<i>Designated Funds</i>					
Major Works fund	12,000	-	-	6,000	18,000
<i>General Unrestricted Funds</i>					
	108,413	126,029	(131,235)	(6,000)	97,207
Total Unrestricted Funds	120,413	126,029	(131,235)	-	115,207
<i>Restricted Funds</i>					
Building fund	1	-	-	-	1
Manse fund	174,250	-	-	-	174,250
C Willis Housing fund	-	10,000	(1,364)	-	8,636
Youth Equipment fund	270	-	-	-	270
Mustard Seed Pre-School fund	36,102	88,117	(85,055)	-	39,164
	210,623	98,117	(86,419)	-	222,321
Aggregate of funds	331,036	224,146	(217,654)	-	337,528

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2020 £
	General funds £	Designated funds £	Restricted funds £	
Tangible fixed assets	-	-	174,251	174,251
Debtors	2,277	-	-	2,277
Cash at bank and in hand	96,216	18,000	60,759	174,975
Creditors falling due within one year	(1,286)	-	(12,689)	(13,975)
	97,207	18,000	222,321	337,528

The designated **Major Works** fund represents funds set aside by the Managing Trustees to help maintain the charity's properties.

The restricted **Building** fund was created by the restriction on use placed on the church building land and the brought forward and carried forward balance on the fund represents the nominal value placed on this property by the Managing Trustees (see note 2e 'Tangible Fixed Assets').

The restricted **Manse** fund was created by donations received to purchase the manse and the carrying value on this fund represents the cost of the manse at the time of purchase.

The restricted **C Willis Housing** fund was created by donations received to help meet accommodation expenses incurred by a youth and families worker recruited in the previous year.

The restricted **Youth Equipment** fund was created by donations received to help purchase equipment for use in the church's youth ministry.

The restricted **Mustard Seed Pre-School** fund was created by parent fees and local authority funding received to help fund the pre-school.

13 Transactions with related parties

During the year the charity received donations totalling £19,616 from related parties (which includes trustees, any other members of key management and anyone closely connected to them).

Except for the reimbursement of expenses incurred when acting as agent for the charity, or incurred when undertaking employment duties, no expenses were paid to (or for) the trustees.

Except as disclosed in note 6 'Analysis of staff costs', there have been no other transactions with related parties during the year.

14 Plans for major expenditure

The charity has recently undertaken a quinquennial inspection of the church building, which has identified some work that will need to be undertaken in the near future; this initial work is expected to cost in the region of £50,000. In addition in the relatively near future the charity will need to replace the boilers in the church building, which may cost about £25,000.

HERNE HILL BAPTIST CHURCH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

15 Reconciliation with previously reported funds

Previously the financial results of The Mustard Seed Christian Pre-school were excluded from the charity's Statement of Financial Activities and Balance Sheet. However the Managing Trustees noted that the charity was legally responsible for the Pre-School and had ultimate control over its activities. For these reasons the Managing Trustees concluded that, in accordance with the Charities SORP, the results of the Pre-School should be included in the charity's overall results. The results reported for 2021 in these financial statements include the Pre-School and the results for 2020, which are comparatives quoted in these accounts, have been restated so that they also include the Pre-School. A reconciliation with the reserves and results reported previously follows:

Reconciliation of reserves

	2020	2019
	£	£
Previously reported reserves, at 30 September	298,364	294,934
Adjustments arising from the inclusion of the Pre-School		
Inclusion of cash held by Pre-School at the year-end	51,853	36,102
Inclusion of amounts owed by the Pre-School at the year end	<u>(1,984)</u>	<u>-</u>
Re-stated reserves, at 30 September	<u><u>348,233</u></u>	<u><u>331,036</u></u>

Reconciliation of results

	2020
	£
Previously reported results	3,430
Adjustments arising from inclusion of the Pre-School	
Pre-School income for the year	88,117
Pre-School expenditure for the year	<u>(85,055)</u>
Re-stated results	<u><u>6,492</u></u>

HERNE HILL BAPTIST CHURCH
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Note	Unrestricted funds				Total	Unrestricted funds				Total
	General	Designated	Restricted	2021		General	Designated	Restricted	2020	
	2021	2021	2021	2021		2020	2020	2020	2020	
	£	£	£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:										
Donations and legacies	3	141,761	-	-	141,761	113,659	-	10,000	123,659	
Charitable activities										
Mustard Seed Christian Pre-School	4	-	-	64,481	64,481	-	-	87,889	87,889	
Letting of facilities for community use	4	7,688	-	-	7,688	12,153	-	-	12,153	
Investments		12	-	4	16	217	-	228	445	
Total income and endowments		149,461	-	64,485	213,946	126,029	-	98,117	224,146	
EXPENDITURE ON:										
Charitable activities:										
Church activities	5a	149,790	-	5,455	155,245	131,235	-	1,364	132,599	
Mustard Seed Christian Pre-School	5b	-	-	77,547	77,547	-	-	85,055	85,055	
Total Expenditure		149,790	-	83,002	232,792	131,235	-	86,419	217,654	
Net income/(expenditure)		(329)	-	(18,517)	(18,846)	(5,206)	-	11,698	6,492	
Transfers between funds	12	(13,000)	13,000	-	-	(6,000)	6,000	-	-	
Net movement in funds		(13,329)	13,000	(18,517)	(18,846)	(11,206)	6,000	11,698	6,492	
Reconciliation of funds:										
Total funds brought forward		97,207	18,000	222,321	337,528	108,413	12,000	210,623	331,036	
Total funds carried forward	12	83,878	31,000	203,804	318,682	97,207	18,000	222,321	337,528	

HERNE HILL BAPTIST CHURCH

England & Wales - Charity number 1153419

Accounts

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

**Half Moon Lane (corner of Winterbrook Road)
Herne Hill, London, SE24 9HU**

Report and Financial Statements for the year ended 30 September 2020

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HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Legal Information

Governing document and Constitution

Herne Hill Baptist Church is a charity regulated by a Deed of Trust dated 12 March 1907. A Deed of Variation was executed on 3 July 1994, deleting the old Constitution which was in a schedule to the Deed of Trust, and bringing into force a new Constitution as contained in a schedule to the Deed of Variation. The Church Rules and Guidelines (as printed in 1994), gathered together such provisions of the Deed of Trust as were likely to be needed for reference in the ordinary course of the life and activities of the Church and fill in various details specifically provided for in the Deed of Trust and Constitution.

A Special Meeting of Church Members held on 30 January 2013 adopted a new Constitution. The registration process with the Charity Commission in England and Wales as a charity with an annual income in excess of £100,000 was completed on 15 August 2013.

Church Address

Half Moon Lane (corner of Winterbrook Road)
Herne Hill
London
SE24 9HU

Custodian Trustees

The London Baptist Property Board Limited
235 Shaftesbury Avenue
London
WC2H 8EP

Managing Trustees

The deacons/leadership team during the year and to the date of this report were as follows:

Revd Rob May (*Pastor*)
Andrew Symonds (*Treasurer*)
Lynn Kellers – to 3 November 2020
Anne Kemp (*Elder*)
Lesley Morrison
Fiona Reid
Beatrice Stevens (*Elder*)

With effect from September 2017, a Finance Team comprising Revd Rob May, Andrew Symonds and Anne Kemp has been in place.

Bankers

Barclays Bank PLC, Peckham Rye Branch

Independent Examiner

Mr Michael Brooks FCA
12 Princethorpe Road
London, SE26 4PF

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2020

The Trustees present their Report and the Financial Statements for the year ended 30 September 2020.

Purpose

The principal purpose of Herne Hill Baptist Church is the advancement of the Christian faith according to the principles of the Baptist denomination. The church may also advance education and carry out other charitable purposes in the United Kingdom and/or other parts of the world.

Herne Hill Baptist Church is a member of The Baptist Union of Great Britain and the London Baptist Association.

As a member of The Baptist Union of Great Britain the Church subscribes to the Union's Declaration of Principle:

That our Lord and Saviour, Jesus Christ, God manifest in the flesh, is the sole and absolute authority in all matters pertaining to faith and practice, as revealed in the Holy Scriptures, and that each church has liberty, under the guidance of the Holy Spirit, to interpret and administer His laws.

That Christian Baptism is the immersion in water into the name of the Father, the Son and Holy Ghost, of those who have professed repentance towards God and faith in our Lord Jesus Christ who died for our sins according to the Scriptures, was buried and rose again on the third day.

That it is the duty of every disciple to bear personal witness to the gospel of Jesus Christ, and to take part in the evangelisation of the world.

Herne Hill Baptist Church is an 'open membership' church. Baptism by immersion upon personal profession of faith is the normal mode of entry into membership of the church. Persons seeking membership who have not been baptised in the manner described in the Union's Declaration of Principle may, at the discretion of the Church Members' Meeting, be accepted for full membership based on their own public profession of faith.

Governance and Management

Meetings of church members take place from time to time. Such meetings have responsibility for the overall governance of the Church. The Managing Trustees are responsible for the day to day running of the Church's work and witness, and the financial and legal aspects of the charity. All members are encouraged to take an appropriate part in the spiritual and practical tasks in the furtherance of the charitable objective.

Relevant matters may be submitted to the Church Meeting by the Managing Trustees for guidance, or may be raised by members in Church Meeting for further consideration by the Managing Trustees. Though the Constitution permits decisions to be made at Church Meetings by appropriate majorities, the Church seeks to work by consensus wherever possible.

The Church operates systems to ensure that all people working with children and vulnerable adults are appropriately vetted with regard to the Disclosure and Barring Service.

The Church is aware of the Charity Commission guidance on public benefit and is satisfied that the activities outlined in this report demonstrate that the charity is providing a benefit to the public.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2020 (continued)

Statement of Trustees' Responsibilities

Charity law requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Herne Hill Baptist Church at the year end and of its incoming resources and resources expended during that year. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going-concern basis

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

Review of the year

This last year can be divided into two halves: pre-Covid and Covid.

In the first part of the year the church programme continued much as before. Outside groups included two pre-school groups (Boppin' Tots and Monkey Music), a physiotherapy group (Guy's and St Thomas'), a chess club, a sewing group (Half Moon Stitchers), Playball and other occasional groups (Dulwich U3A, Herne Hill Forum, Herne Hill Society, local Labour Party). We remain committed to making the building available to the community as much as possible.

Mustard Seeds, our Christian Pre-School, continued to meet every day, Monday to Friday, from 9am to 3pm. It remains a well-run, well liked and a well-supported pre-school. Mustard Seed continued to replace old equipment and add new equipment.

We had to adjust our youth and children's programme once our former youth worker left to work with another church. Our hardworking team of volunteers kept our fortnightly evening youth groups going and thankfully the number of those attending remained fairly steady. We continued to run a youth homegroup. We also continued to run a Messy Church meeting on a two-monthly basis. Sadly, the summer BBQ had to be cancelled due to the pandemic. We continued to support one local primary school helping with assemblies and larger events including their annual Carol Service where they make use of the church building. We also ran a very well attended Light Party enjoyed by many families both in the church and connected with the church. We run a toddler group every Wednesday morning in the church building called Moonbeams. There is also a group called Knit and Natter that meets every Tuesday morning to do various crafts together.

We have a flourishing group for au pairs and nannies. This group met fortnightly during the first part of the year but then had to be suspended during lockdown and was not able to restart.

We continued to support one church member who is training with the Christian broadcaster UCB and another former church member who is the ship's doctor on the Logos Hope which is part of OM. However, once the pandemic started the decision was taken to leave the Logos Hope which was in south America to return home and our formal financial support ended soon afterwards.

We have continued our ongoing programme of routine maintenance of the church building. Regular servicing and testing of the boiler, lift, lightning conductor and other appliances. PAT testing was carried out this year on all relevant electrical equipment. A major project removing asbestos from the church basement was completed during the summer. We continue to give thanks for the generous financial provision from church members that has enabled this work to take place and church members who help practically in maintaining the building.

We have seen little change in the church membership this year. The church continues to be overseen by the minister (Rev. Rob May) and a team of elders and deacons. Our new office manager has helped bring much of the church office administration up to date along with improving many of the ways we operate. She has also helped to strengthen the relationships we have with a number of our external users. We welcomed a volunteer worker from Time for God to start with us in January 2020. She was able to stay until May but then had to return home prematurely once it became clear that the restrictions would be ongoing. At the same time we advertised for a new youth worker and we were able to appoint Chris Willis as youth, children's and families' worker in March 2020. We still have a part-time finance officer who does the church's book-keeping one day a week, and one other part time person who provides assistance to the church finances.

Anne Kemp and Beatrice Stevens have continued to serve as elders of the church working alongside our four deacons. Our Minister in Training from Spurgeon's College continues to be placed with us helping in a variety of areas of church life.

Church life changed dramatically once the pandemic began and the government introduced wide-ranging restrictions. I am pleased to say that we have been able to put together a sustainable programme of online meetings across all age groups. At the times when we are not allowed to meet in person, we used Zoom for Sunday services. When we were allowed in-person meetings we used a hybrid service with those at home joining those in the building via Zoom. Our new youth, children's and families' worker did an excellent job creating an online programme for our young people. In the autumn we returned to the building until the end of the year. A small number of activities also returned but most were either not allowed to meet or were no longer viable. Church members were very good at staying in touch with one another and supporting one another embracing much of the technology that everyone was rapidly having to learn. A small handful of church members have struggled to access church online and we have worked hard keeping in touch with them on the phone to support and encourage them. Sunday talks are available on our church YouTube channel for anyone who would like to watch. Mustard Seed reacted to changes in government guidance about pre-schools and has been able to keep much of the pre-school operating through most of the year.

Throughout a very challenging year we have remained committed to enabling the church to grow and to flourish, to helping people find their place in the life of the church, to support them in their journey of faith. We remain committed to participating in the life of our local community, sharing the

resources that we have and seeking to work together for the common good being a witness to the life of Christ within us but this has been severely affected by the pandemic. However, we, again, give thanks to God for the year that has passed and despite much uncertainty, look forward to the coming year.

HERNE HILL BAPTIST CHURCH

Charity Registration No: 1153419

Report of the Trustees for the year ended 30 September 2020 (continued)

Reserves policy

The trustees consider that a reserve of at least three months operating costs would be the ideal. The General Fund balance carried forward at 30 September 2020 (£97,207) meets with the criteria.

The liquid funds of the church are all held on accounts with the bank, with as much as is practical held on a deposit account earning interest at a currently available commercial rate. The church does not invest in securities.

Risk policy

The trustees are aware that they need to regularly carry out a risk management strategy comprising

- An annual review of risks;
- Establishment and review of systems and procedures to mitigate those risks;
- Establishment and review of procedures to minimize the potential impact should any of those risks materialize.

Financial statements for the year

The financial results for the year, together with a summary of the accounting policies adopted, are set out in pages 7 to 12 of this document.

The Church continues to raise the funds which it needs to carry on its activities from within its own membership and congregation. No wider public appeal was made for funds during the year.

The Church expressed its part in the life of the wider church by making grants to national and international Christian organisations and societies with Christian aims and objectives compatible with the Church's own charitable purposes

Herne Hill Baptist Church is, by its nature, a voluntary organisation and no set of financial statements can do justice to all the work done in pursuit of its purposes. In addition, many hours are spent by unpaid volunteer members and associates performing many regular tasks without which Herne Hill Baptist Church would be ineffective. The financial statements do not record the value of such unpaid activities.

Approved by the Managing Trustees on 6 April 2021 and signed on their behalf.

Fiona D A Reid

FIONA REID

Deacon

**Independent Examiner's Report
to the Managing Trustees of Herne Hill Baptist Church
(Charity Registration No: 1153419)**

I report to the Managing Trustees on my examination of the Financial Statements of Herne Hill Baptist Church for the year ended 30 September 2020 which are set out on pages 7 to 12.

Responsibilities and basis of report

As the Managing Trustees, you are responsible for the preparation of the Financial Statements in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect my examination of the Financial Statements 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

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

- the accounting records were not kept in accordance with Section 130 of the Act, or
 - the Financial Statements did not accord with the accounting records, or
 - the Financial Statements did not comply with the applicable requirements concerning the form and content of Financial Statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the Financial Statements 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 Financial Statements to be reached.



Michael Brooks, FCA

6 April 2021

HERNE HILL BAPTIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	General Funds £	Restricted Funds £	Total £	Year to 30.9.2019 £
Income					
Donations and legacies	2	113,659	10,000	123,659	158,773
Investment income	3	13,870	0	13,870	23,181
Total income		127,529	10,000	137,529	181,954
Expenditure					
Charitable activities	4	132,435	1,364	133,799	118,473
Governance costs	5	300	0	300	400
Total expenditure		132,735	1,364	134,099	118,873
Net income (expenditure) before transfers		(5,206)	8,636	3,430	63,081
Transfers between Funds	6	-	-	-	-
Net income (expenditure) after transfers		(5,206)	8,636	3,430	63,081
Reconciliation of Funds					
Total Funds brought forward at 1 October 2019		120,413	174,521	294,934	231,853
Total Funds carried forward at 30 September 2020		£115,207	£183,157	£298,364	£294,934

BALANCE SHEET AT 30 SEPTEMBER 2020

	Notes	30 September 2020		30 September 2019	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	7		174,251		174,251
Current Assets					
Debtors and prepayments	8	2,277		16,334	
Cash at bank and in hand	9	123,122		103,702	
		125,399		125,036	
Current Liabilities					
Creditors and accruals falling due within one year	10	1,286		4,353	
Net Current Assets			124,113		120,683
Total Net Assets			£298,364		£294,934
Charity Funds					
General Funds					
General Fund		97,207		108,413	
Special Projects (Designated) Fund	6	18,000		12,000	
Restricted Funds	11		115,207		120,413
			183,157		174,521
Total Charity Funds			£298,364		£294,934

The Notes on pages 8 to 12 form an integral part of these accounts.

These accounts were approved by the Managing Trustees on 6 April 2021 and are signed on their behalf by

Fiona DA Reid

FIONA REID
Deacon

AS

ANDREW SYMONDS
Treasurer

HERNE HILL BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2020

1 ACCOUNTING POLICIES

a Basis of preparation

These accounts have been prepared on a transitional basis moving from an accruals basis to the receipts and payments basis. Both bases are in accordance with Section 133 Charities Act 2011. No adjustment has been made to the comparatives for the change of accounting policy.

Herne Hill Baptist Church is a registered charity (No: 1153419) and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b Fund-raising and publicity costs

The Church does not make formal appeals for funds and expenditure on these items is therefore not material.

c Grants payable

The Church makes grants to individuals and other organisations whose charitable objects complement its work. They are accounted for in the year in which they are paid.

d Support costs

Support costs are those that assist the work of the Church but do not directly represent charitable activities and include office costs and governance cost. Much of the management is carried out without charge by volunteers. This intangible cost is not included in the Statement of Financial Activities since there is no measurable cost to the volunteers for their services.

e Fixed assets

The Church land and premises and the Manse are held on behalf of the Church by the London Baptist Property Board Limited as Custodian Trustees.

The Church land and premises are the subject of a long lease from Dulwich Estates and the trust deed restricts the use of the land to that of a public place of worship. In these circumstances, it is the opinion of the Managing Trustees that it is inappropriate to attribute a monetary value to a place of worship and, with effect from 1 October 2005, the carrying value has reduced to a nominal value of £1. For the year from 25 February 2020 the insured value of the Church land and buildings was £6,127,700 (2019: £5,972,403).

The Manse, purchased in 1998, is included at original cost as, in the opinion of the Managing Trustees, the property has a high residual value which renders depreciation charges immaterial.

f Depreciation

Provision is made for depreciation of computer and other equipment, fixtures and fittings held for use by the Church at annual rates calculated to spread the cost (less anticipated residual value) of each asset on a straight line basis over the expected useful life of 3 years. However, equipment purchases costing less than £5,000 are written-off in the year in which the expenditure is incurred. Once such assets are fully depreciated, the cost and accumulated depreciation are eliminated from the Financial Statements.

g Funds

The General Fund (unrestricted) is available for use at the discretion of the Managing Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Church for particular purposes. Any costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the Notes to the Financial Statements.

HERNE HILL BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020 (continued)

2 DONATIONS AND LEGACIES

	General Fund	Restricted Funds	Year to 30.9.2020	Year to 30.9.2019
	£	£	£	£
Offerings	89,008	0	89,008	101,939
Tax refunds	21,398	0	21,398	24,002
Legacies	0	0	0	30,956
General Fund:				
Other income	3,253	0	3,253	433
Restricted Funds:				
Youth Equipment fundraising	0	0	0	0
C Willis - Housing	0	10,000	10,000	0
Special collection and donations	0	0	0	1,443
Lighting Renewal and Replacement	0	0	0	0
Back Kitchen Refurbishment Fund	0	0	0	0
	£113,659	£10,000	£123,659	£158,773

3 INVESTMENT INCOME

	General Fund	Restricted Funds	Year to 30.9.2020	Year to 30.9.2019
	£	£	£	£
Bank interest	217	0	217	136
Rent of Church premises	13,653	0	13,653	23,045
	£13,870	£0	£13,870	£23,181

4 CHARITABLE ACTIVITIES

	General Fund	Restricted Funds	Year to 30.9.2020	Year to 30.9.2019
	£	£	£	£
General Fund:				
Staff costs - see Note 12	66,360	1,364	67,724	60,298
Mission - see Note 13	13,897	0	13,897	17,729
Church expenses	7,847	0	7,847	7,100
Electricity and gas	7,159	0	7,159	7,654
Equipment	8,625	0	8,625	4,251
Training and conferences	440	0	440	1,301
Other maintenance and repairs	10,328	0	10,328	6,586
Insurance	7,865	0	7,865	6,078
Manse expenses	6,087	0	6,087	4,790
Evangelism expenses	1,274	0	1,274	1,190
Worship equipment	11	0	11	0
Youth and Children's work	360	0	360	661
Bank charges and interest	169	0	169	349
Visiting speakers	90	0	90	181
Church weekend away	1,923	0	1,923	0
Church weekend at home	0	0	0	305
	£132,435	£1,364	£133,799	£118,473

5 GOVERNANCE COSTS

	General Fund	Restricted Funds	Year to 30.9.2020	Year to 30.9.2019
	£	£	£	£
Independent examination	300	0	300	400
	£300	£0	£300	£400

HERNE HILL BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020(continued)

6 TRANSFER BETWEEN FUNDS

A further transfer of £6,000 from the General Fund to the Special Projects (Designated) Fund has been made in order to provide a reserve from which future special projects can be financed.

7 TANGIBLE FIXED ASSETS

	Land and buildings	Computers and other equipment	Fixtures & fittings	Total
	£	£	£	£
At cost or revaluation				
At 1 October 2019	174,251	0	0	174,251
Additions	0	0	0	0
Disposals	0	0	0	0
At 30 September 2020	£174,251	£0	£0	£174,251
Depreciation				
At 1 October 2019	0	0	0	0
Charge for the year	0	0	0	0
On disposals	0	0	0	0
At 30 September 2020	£0	£0	£0	£0
Net Book Value				
At 30 September 2020	£174,251	£0	£0	£174,251
At 30 September 2019	£174,251	£0	£0	£174,251

The Fixed Assets are used directly for charitable purposes.

See also Accounting Policy Note 1 (e)

8 DEBTORS and PREPAYMENTS

	At 30.9.2020	At 30.9.2019
	£	£
Gift Aid tax refunds	1,698	1,872
Staff loan	579	644
Other debtors	0	6,141
Prepayments	0	7,677
	£2,277	£16,334

9 CASH AT BANK and IN HAND

	At 30.9.2020	At 30.9.2019
	£	£
Barclays, Peckham Rye Branch:		
Current Account	4,022	7,289
Deposit Account	118,427	100,185
Cash in hand	122,449	107,474
	673	1,228
	£123,122	£108,702

HERNE HILL BAPTIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020 (continued)

10 CREDITORS and ACCRUALS - falling due within one year

	At 30.9.2020	At 30.9.2019
	£	£
Independent examiner's remuneration	300	400
PAYE etc deductions due to HM Revenue & Customs	986	554
Sundry creditors	0	3,321
Accruals	0	78
	<u>£1,286</u>	<u>£4,353</u>

11 RESTRICTED FUNDS

	1 October 2019	Incoming Resources	Resources expended	Transfers	30 September 2020
	£	£	£	£	£
Building Fund - see also Note 1 (e)	1	0	0	0	1
Manse Fund - see also Note 1 (e)	174,250	0	0	0	174,250
C Willis - Housing	0	10,000	1,364	0	8,636
Special collections and donations - see also Note 13	0	0	0	0	0
Youth Equipment fundraising	270	0	0	0	270
	<u>£174,521</u>	<u>£10,000</u>	<u>£1,364</u>	<u>£0</u>	<u>£183,157</u>

12 STAFF COSTS (charged to the General Fund £66,360 and £1,364 to the restricted fund C Willis)

	Year to 30.9.2020	Year to 30.9.2019
	£	£
Minister's stipend, staff salaries and pension costs	67,597	58,867
Employers' National Insurance, less Employment Allowance	76	1,286
Minister's expenses and book allowance	51	145
	<u>£67,724</u>	<u>£60,298</u>

The average number of employees during the year were 6 (2019: 5).

No employee received emoluments in excess of £60,000 during the year (2019: none).

The Minister acts as one of the Church's Managing Trustees in accordance with the Church's Constitution and received gross remuneration and pension contributions of £30,832 (2019: £30,223) and other benefits in respect of his services as Minister, including the provision of manse accommodation owned by the Church.

The Church pays contributions to the Baptist Pension Scheme in respect of its Minister. Since January 2012 the Scheme has been a defined contribution (DC) plan. Part of the employers' contributions are applied to cover Death in Service benefits, administration costs and an associated insurance policy which provides income protection for members in the event that they are unable to work due to long-term incapacity.

No amount was reimbursed to the Managing Trustees in respect of expenses incurred as Managing Trustees (2019: nil).

HERNE HILL BAPTIST CHURCH

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2020 (continued)**

13 MISSION

	General Fund Year to 30.9.2020	Restricted Funds Year to 30.9.2020	General Fund Year to 30.9.2019	Restricted Funds Year to 30.9.2019
	£	£	£	£
Andrew Brown support (UCCF)	0	0	4,500	0
Time for God - Laura Gonzales	2,928	0	0	0
Baptist Union of Great Britain - Home Mission	3,300	0	3,300	0
Michelle Joseph at UCB	2,500	0	0	0
Rob Jameson OM Logos Hope	2,625	0	0	0
Minster's Discretionary payments	385	0	30	0
Operation Mobilisation	1,159	0	6,956	0
Short-term mission	0	0	500	0
Special Collections Fund	0	0	0	1,443
Spurgeon's College	1,000	0	1,000	0
	£13,897	£0	£16,286	£1,443

14 ANALYSIS OF NET ASSETS

	Tangible fixed assets	Net Current assets	Total
	£	£	£
Unrestricted funds:			
General fund	0	97,207	97,207
Special Projects (Designated) Fund	0	18,000	18,000
	0	115,207	115,207
Restricted funds:			
Building Fund	1	0	1
Manse Fund	174,250	0	174,250
C Willis - Housing	0	8,636	8,636
Special collections and donations	0	0	0
Youth Equipment fundraising	0	270	270
	174,251	8,906	183,157
	£174,251	£124,113	£298,364

15 RELATED CHARITIES

The Custodian Trustee of the Church is the London Baptist Property Board Limited (Charity No: 249768) which is a subsidiary of the London Baptist Association.

The Church is also a member of the Baptist Union of Great Britain and the London Baptist Association.

As set out in Note 13, the Church made a donation to the Baptist Union of Great Britain for Home Mission.

The Mustard Seed Christian Pre-School meets on the Church premises and pays a termly rentals to the Church. The Constitution of the Pre-School was recently revised with a view to registration with the Charity Commission of England and Wales as a separate charity. However, the Charity Commission rejected the application for separate registration on the basis that the Pre-School is not fully independent of Herne Hill Baptist Church. The Financial Statements for The Mustard Seed Christian Pre-School are made up to 31 March each year and are subject to Independent Examination. In view of the different accounting dates, it is not possible to meaningfully consolidate the Financial Statements. The latest available Financial Statements, which are prepared on the receipts and payments basis, are summarised as follows:

	Year to 31.3.2020	Year to 31.3.2019
	£	£
General Fund:		
Receipts in the year	85,776	82,098
Payments in the year	80,446	76,029
	5,330	6,069
Surplus for the year	38,717	32,648
Brought forward from the previous year		
	£44,047	£38,717
Represented by:		
Cash at bank and in hand	44,393	38,717
Less : Net liability to HMRC	(346)	0
	£44,047	£38,717