

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 CHURCH
CHARITY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Trustees	<p>Revd Rob May (Pastor)</p> <p>Andrew Symonds (Treasurer) retired 21 April 2021</p> <p>Elizabeth Brown (Treasurer) appointed 21 April 2021</p> <p>Samantha Joseph (appointed 21 April 2021)</p> <p>Lynn Kellers - retired 3 November 2020</p> <p>Anne Kemp (Elder)</p> <p>Lesley Morrison (Chair of Deacons)</p> <p>Fiona Reid - retired 12 May 2022</p> <p>Beatrice Stevens (Elder)</p>
Custodian Trustee	<p>The London Baptist Property Board Limited</p> <p>235 Shaftsbury Avenue</p> <p>London</p> <p>WC2H 8EP</p>
Governing Document	<p>Trust Deed dated 12 March 1907 (revised 3 July 1994) that governs the use of a church building.</p> <p>Constitution for a Trust dated 30 January 2013, which governs the charity's other activities.</p>
Charity Registration Number	1153419
Principal Address	<p>Half Moon Lane (corner of Winterbrook Road)</p> <p>Herne Hill</p> <p>London</p> <p>SE24 9HU</p>
Independent Examiner	<p>Ajay Rajani FCIE</p> <p>Stewardship</p> <p>1 Lamb's Passage</p> <p>London</p> <p>EC1Y 8AB</p>
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 CHURCH
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 CHURCH
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)
		<u>(4,332)</u>	<u>(1,608)</u>	<u>(5,940)</u>	<u>(13,975)</u>
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	12				
Unrestricted Funds					
General funds		83,878	-	83,878	97,207
Designated funds		31,000	-	31,000	18,000
Restricted Funds		<u>-</u>	<u>203,804</u>	<u>203,804</u>	<u>222,321</u>
		<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
	<u>141,761</u>	<u>123,659</u>

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
	<u>64,481</u>	<u>87,889</u>
Letting of facilities to groups that benefit the local community	7,688	12,153
	<u>136,650</u>	<u>100,042</u>

HERNE HILL BAPTIST CHURCH
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
	<u>133,163</u>	<u>118,702</u>
Grants payable (note 5c)	22,082	13,897
	<u>155,245</u>	<u>132,599</u>
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
	<u>77,547</u>	<u>85,055</u>
Total expenditure	<u>232,792</u>	<u>217,654</u>

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	for mission	3,300	3,300
Baptist Word Mission	for mission	1,600	-
Operation Mobilisation	for mission	-	1,159
Spurgeons College	for mission	2,000	1,000
Tearfund	for the relief of poverty	4,991	-
Beacon CAP partnership	for the relief of poverty	3,841	-
Compassion	for the relief of poverty	1,600	-
Little Hearts Matter	to help those suffering from illness	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
		<u>22,082</u>	<u>13,897</u>

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
	<u>5,940</u>	<u>13,975</u>

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>	97,207	149,461	(149,790)	(13,000)	83,878
Total Unrestricted Funds	<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>
Aggregate of funds	<u>337,528</u>	<u>213,946</u>	<u>(232,792)</u>	<u>-</u>	<u>318,682</u>

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			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>

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
<i>Total Unrestricted Funds</i>	<u>120,413</u>	<u>126,029</u>	<u>(131,235)</u>	<u>-</u>	<u>115,207</u>
<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
	<u>210,623</u>	<u>98,117</u>	<u>(86,419)</u>	<u>-</u>	<u>222,321</u>
<i>Aggregate of funds</i>	<u>331,036</u>	<u>224,146</u>	<u>(217,654)</u>	<u>-</u>	<u>337,528</u>

Analysis of net assets by fund

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

	<u>Unrestricted Funds</u>			
	General funds £	Designated funds £	Restricted funds £	2020 £
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)
	<u>97,207</u>	<u>18,000</u>	<u>222,321</u>	<u>337,528</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 £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	(1,984)	-
Re-stated reserves, at 30 September	<u>348,233</u>	<u>331,036</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	(85,055)
Re-stated results	<u>6,492</u>

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

	Note	Unrestricted funds				Unrestricted funds			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		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