

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 CHURCH
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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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

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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 CHURCH
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 CHURCH
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
		<u>34,031</u>	<u>38,037</u>	<u>72,068</u>	<u>150,371</u>
CREDITORS: Amounts falling due within one year	10	(5,344)	(16,814)	(22,158)	(5,940)
		<u>(5,344)</u>	<u>(16,814)</u>	<u>(22,158)</u>	<u>(5,940)</u>
Net current assets / (liabilities)		<u>28,687</u>	<u>21,223</u>	<u>49,910</u>	<u>144,431</u>
TOTAL NET ASSETS		<u>28,687</u>	<u>195,474</u>	<u>224,161</u>	<u>318,682</u>
FUND BALANCES	12				
Unrestricted Funds					
General funds		28,687	-	28,687	83,878
Designated funds		-	-	-	31,000
Restricted Funds		<u>-</u>	<u>195,474</u>	<u>195,474</u>	<u>203,804</u>
		<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
	<u>116,309</u>	<u>141,761</u>

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	-
	<u>89,735</u>	<u>64,481</u>
Letting of facilities to groups that benefit the local community	12,110	7,688
	<u>101,845</u>	<u>72,169</u>

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
	<u>136,430</u>	<u>133,163</u>
Grants payable (note 5d)	12,000	22,082
	<u><u>148,430</u></u>	<u><u>155,245</u></u>
b Major property repairs	<u>69,404</u>	<u>-</u>
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	-
	<u>94,902</u>	<u>77,547</u>
Total expenditure	<u><u>312,735</u></u>	<u><u>232,792</u></u>

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
	<u><u>12,000</u></u>	<u><u>22,082</u></u>

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	-	1,502
			<u>32,849</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	-	1,480
			<u>32,355</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
	<u>69,538</u>	<u>145,146</u>

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	-
	<u>22,158</u>	<u>5,940</u>

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	<u>114,878</u>	<u>128,461</u>	<u>(214,651)</u>	<u>-</u>	<u>28,687</u>
<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
	<u>203,804</u>	<u>89,753</u>	<u>(98,083)</u>	<u>-</u>	<u>195,474</u>
Aggregate of funds	<u>318,682</u>	<u>218,214</u>	<u>(312,735)</u>	<u>-</u>	<u>224,161</u>

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	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)
	<u>28,687</u>	<u>-</u>	<u>195,474</u>	<u>224,161</u>

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:

	<u>Unrestricted Funds</u>		Restricted	2021
	General funds £	Designated funds £	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 2022 £	Designated 2022 £	Restricted 2022 £	Total 2022 £	General 2021 £	Designated 2021 £	Restricted 2021 £	Total 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