THE PAROCHIAL CHURCH COUNCIL OF ST HILDAS CROFTON PARK LONDON SE23 1PL.
STATEMENT OF FINANCIAL ACTIVITIES

For the year ending 31 December 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME AND ENDOWMENTS					
Donations and legacies	2(a)	36,989.84	3,473.18	40,463.02	56,354.39
Church activities	2(b)	13,317.78	3,123.30	16,441.08	37,035.91
Trading activities	2©	45,519.00	129,719.44	175,238.44	208,194.95
Short-term deposit interest	2(d)	22,370.28	14,557.16	36,927.44	32,555.50
TOTAL INCOME		**118,196.90**	**150,873.08**	**269,069.98**	**334,140.75**
EXPENDITURE					
Fund raising	3 (a)	1,729.22	-	1,729.22	534.86
Church activities	3 (b)	86,336.60	207,095.92	293,432.52	236,913.04
TOTAL EXPENDITURE		**88,065.82**	**207,095.92**	**295,161.74**	**237,447.90**
NET INCOME Surplus/(Deficit)		**30,131.08**	(56,223)	(26,092)	**96,693**
TRANSFER BETWEEN FUNDS		20,150.00	(20,150)	- -	
NET MOVEMENT IN FUNDS		50,281.08	(76,373)	(26,092)	96,693
Total funds brought forward		537,225.97	382,532.61	919,758.58	823,065.73
Total funds carried forward		581,557.05	328,969.78	910,526.83	919,758.58

THE PAROCHIAL CHURCH COUNCIL OF ST HILDAS CROFTON PARK LONDON			
SE23 1PL.			
BALANCE SHEET AS AT 31 DECEMBER 2025			
		2025	**2024**
	Notes	**£**	**£**
CURRENT ASSETS			
Short-term deposits		824,278	816,407
Cash at bank and in hand		86,249	103,352
Total Current Assets		**910,527**	**919,759**
LIABILITIES			
Creditors – amounts falling due within one year		-	-
NET CURRENT ASSETS/(LIABILITIES)			
Parish Funds			
Unrestricted Funds			
General Funds		(35,820)	808
Building Fund (Designated)		563,189	485,303
Warm Roof & Rest Fund (Designated)		54,189	51,115
Total Unrestricted Funds		**581,557**	**537,226**
Restricted Funds			
Charities Relief & Development		725	558
Church Warden's Fund		1,272	988
Crofton Park Community Link		288,973	346,487
Garden Fund		(41)	(41)
Memorials		13,918	13,017
Organ Fund		530	430
Retreat & Miscellaneous Fund		11,966	11,500
Vicar's Discretionary Fund		6,791	6,791
Warm Roof & Rest Fund (Restricted)		4,836	2,801
Total Restricted Funds		**328,970**	**382,533**
Total Funds Held		**910,527**	919,759

Charities Act 2011.

Independent Examiner's Report.

It is my responsibility to :

examine the accounts under section 145 of the 2011 Act;

follow the procedures laid down in the general Directions given by the Charity.

Commissioner under section 145 (5) (b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of the independent examiner's report.

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view', and the report is limited to those matters as set out in the statement below.

Independent examiner's statement.

In connection with my examination, no other matters have come to my attention:

1. **which gives me reasonable cause to believe that in any material respect the requirement to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met,**

2. **to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.**

Signed. C Finigan 21/4/2026 Charles Finigan.

St. Hilda's Parochial Church Council Annual Accounts for the year ended

31st December 2025

Treasurer
Signed Omovbea Ghanede.

Date 21/4/2026

Chairman

Notes to the accounts

Year ended 31 December 2025

Note 1 Accounting policies.

a Basis of preparation

The accounts are voluntarily prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP 2015), FRS102 and with the Charities Act 2011 which were implemented by the charity from 1st January 2020 and necessitated restating the 31 December 2019 accounts.

St Hilda's Church, is an excepted charity and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

c Donations

Donations are accounted for gross when received. Fixed asset gifts in kind are recognized when receivable and are included at fair value.

d Legacies

Legacies are accounted for when probate has been completed, the amount of the legacy can be reliably quantified, and the conditions of the legacy are within the control of the Chapel.

e Investment Income

Investment income is included in the accounts in the year in which it is receivable.

f Expenditure recognition

All expenditure is accounted for on an accrual's basis. Expenditure is recognized where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

g Costs of raising funds

The Church does not make formal appeals for funds, and expenditure on these items is therefore not material, limited to giving envelopes and donations software costs.

h Fixed assets

Tangible fixed assets are capitalized if they can be used for more than one year and cost at least £1,000. They are initially recognized at cost, or for donated assets, at a reasonable estimate of their value on receipt.

Financial Review for the Year Ended 31 December 2025

Overview

The results for the year show a **net deficit of £26,091** (2024: surplus of £96,693), representing a significant adverse movement of £122,785 year-on-year. This change reflects a combination of **reduced income levels** and **increased expenditure**, particularly within church activities funded by restricted income.

Income and Endowments

Total incoming resources for the year were **£269,070** (2024: £334,141), a decrease of £65,071.

- **Donations and legacies** totalled £40,463 (2024: £56,354), reflecting a reduction in voluntary income.
- **Church activities income** decreased significantly to £16,441 (2024: £37,036), indicating lower participation or reduced fee-based activity.
- **Trading activities** generated £175,238 (2024: £208,195), representing a notable decline in performance.
- **Investment income** from short-term deposits increased to £36,927 (2024: £32,556), reflecting improved interest rates and treasury management.

Overall, the reduction in income is broad-based across multiple streams, with the most pronounced decreases in trading and church-related activities.

Expenditure

Total expenditure increased to **£295,162** (2024: £237,448), an increase of £57,714.

- **Fundraising costs** remained relatively low at £1,729 (2024: £535).
- **Church activities expenditure** rose substantially to £293,433 (2024: £236,913), accounting for the majority of the increase.

This rise in costs, without a corresponding increase in income, has materially impacted the overall financial position.

Net Income/(Expenditure) by Fund

- **Unrestricted funds** generated a surplus of **£30,131**, demonstrating that core operations remain financially positive.

- **Restricted funds** recorded a deficit of **£56,223**, indicating that expenditure on restricted activities exceeded the income received for those purposes.

This imbalance highlights a key issue in the financial structure, where restricted activities are not currently self-funding.

Transfers Between Funds

A transfer of **£20,150** was made from unrestricted to restricted funds (2024: £nil) to support restricted activities.

While this transfer mitigates the deficit on restricted funds, it represents a **reallocation of general reserves** and is not a sustainable long-term solution if deficits persist.

Net Movement in Funds

The overall net movement in funds for the year was a **deficit of £26,092** (2024: surplus of £96,693).

- Unrestricted funds increased by £50,281.
- Restricted funds decreased by £76,373.

Reserves Position

Total funds carried forward at 31 December 2025 were **£910,527** (2024: £919,759).

- **Unrestricted funds** increased to £581,557 (2024: £537,226), strengthening general reserves.
- **Restricted funds** decreased to £328,970 (2024: £382,533), reflecting the deficit incurred.

The overall reduction in total funds is modest; however, the **decline in restricted reserves is significant** and may impact the charity's ability to deliver specific funded activities in the future.

Key Financial Risks and Considerations

1. **Sustainability of Restricted Activities**
   The deficit on restricted funds suggests that activities funded by restricted income are operating at a loss. Continued overspending could lead to depletion of restricted reserves and potential compliance concerns regarding fund usage.

2. **Income Volatility**
   The reduction across multiple income streams, particularly trading and church activities, indicates potential vulnerability to external factors such as participation levels or economic conditions.

3. **Cost Pressures**
   The increase in church activity expenditure requires further review to ensure costs remain aligned with strategic priorities and available funding.

4. **Reliance on Unrestricted Funds**
   Transfers from unrestricted funds to support restricted activities, while permissible, may erode financial flexibility if continued over time.

Outlook

While the organisation retains a **strong overall reserves position**, the results for 2025 highlight emerging financial pressures.

Priority should be given to:

- Aligning restricted expenditure with income,
- Strengthening income generation across key streams, and
- Ensuring cost control within church activities.

Failure to address these areas may result in continued deficits and a gradual weakening of the charity's financial position.

Conclusion

The charity remains financially stable, with adequate reserves and a positive unrestricted position. However, the shift from a substantial surplus in 2024 to a deficit in 2025 represents a **clear warning signal.**

Active financial management and strategic adjustments will be required to restore balance and ensure long-term sustainability.