

Charity number: 1130900

**The Parochial Church Council Of The Ecclesiastical Parish Of Hope
Church Islington**

Trustees' report and financial statements

for the year ended 31 December 2022

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

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The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 December 2022

Trustees	J Denniss (appointed 15 May 2023) R Chambers (appointed 15 May 2023) P Quail (appointed 15 May 2023) K Buraimoh G Algie (resigned 15 May 2023) S Moss Rev M Way R Pryce (resigned 22 May 2022) S Bull S Bunce (resigned 22 May 2022) L Clare (resigned 22 May 2022) R Symmons (resigned 22 May 2022) B Jones (resigned 22 May 2022) S Evelyn (resigned 22 May 2022) J Booth (resigned 22 May 2022) P Grayham (appointed 22 May 2022)
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Charity registered number	1130900
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Principal office	St Mary Magdalene Church Holloway Road London N7 8LT
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Accountants	Accountability Europe Ltd Chartered Accountants Omnibus Workspace 39-41 North Road London N7 9DP
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The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Trustees' report for the year ended 31 December 2022

The Trustees present their annual report together with the financial statements of the Charity for the 1 January 2022 to 31 December 2022.

Objectives and activities

a. Policies and objectives

The parish's object is to build communities that grow followers of Jesus by gathering for weekly worship services, running various events and facilitating regular meetings for the community with special focus on children and young people as well as raising funds to assist worthy community projects and engaging with issues of poverty and inequality, particularly in the local area.

The PCC members have paid due regard to guidance issued by the Charity Commission in deciding what activities the parish should undertake.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Volunteers

The Parish is dependent on volunteers for several aspects of its ministry, some of which would be severely curtailed if volunteers were not available. For example, volunteers are key for the running of Sunday school, holiday events, night shelter, various courses and other activities. Volunteers are estimated to provide the equivalent of 25 person-hours per week.

Achievements and performance

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

It is the policy of the parish that free unrestricted funds which have not been designated for a specific use should be maintained at or above a level of £25,000, which is equal to one month's expenditure. The PCC members considers that reserves at this level are sufficient as the charity receives income through two main streams, rental income and donations, which are received monthly from numerous properties and many individuals respectively. Therefore if income ceased temporarily from a property or an individual stopped a standing order, it wouldn't have a significant impact on the income of the charity.

At the year end, the charity free reserves are greater than £25,000.

c. Summary

The PCC members consider that the performance of the parish has been satisfactory.

Total income for the year as shown on page 6 was £488,159 (2021: £320,976), which included a one off donation of £220,920. Total expenditure was £298,521 (2021: £283,733) and total fund reserves at 31 December 2022 were £2,397,538 (2021: £2,207,900).

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Trustees' report (continued) for the year ended 31 December 2022

d. Investments policy

The parish invests surplus liquid funds in various interest bearing deposit accounts. Investment decisions are made at the discretion of the PCC members.

e. Principal risks and uncertainties

The PCC members have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error, the safety and well being of children and vulnerable adults.

The PCC members have policies covering safeguarding of children and vulnerable adults in line with the requirements of the Diocese of London, child abuse and inappropriate behaviour of church employees and volunteers.

Structure, governance and management

a. Constitution

The Parochial Church Council Of The Ecclesiastical Parish Of St Mary Magdalene & St David, Holloway is a body established by the Church of England. It operates under the Parochial Church Council (Powers) Measure 1956 (as amended) and the Church Representation Rules. The Parochial Church Council Of The Ecclesiastical Parish Of St Mary Magdalene & St David, Holloway is also a registered charity, operating under the requirements of The Charities Act 2011.

b. Methods of appointment or election of Trustees

New PCC members are elected at the annual parochial church meeting. The incumbent is inducted by the Bishop and installed by the Archdeacon. Churchwardens are elected at the annual parish meeting.

c. Policies adopted for the induction and training of Trustees

Any training required is very basic. The parish does not therefore consider it necessary to have any formal induction or training programme in place. PCC members are made aware of the handbook for churchwarden and the parish church councilors of the Canons of the Church of England (kept on site) and of safeguarding policy and DBS requirements.

d. Related party relationships

The parish has a relationship with The Urban Revival Foundation, a company limited by guarantee and under the control of four of the PCC members. The company was established for charitable purposes aiming to work in conjunction with the parish to promote community cohesion and other social activities. The company is currently seeking registration as a charity with the Charities Commission and HM Revenue and Customs.

Trustees' report (continued)
for the year ended 31 December 2022

Statement of Trustees' responsibilities

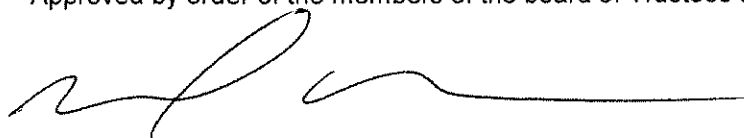
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Parochial Church Council Powers Measure. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



M Way
Trustee

Date: 30 October 2023

INDEPENDENT EXAMINER'S REPORT
YEAR ENDED 31 December 2022

I report to the Trustees on my examination of the accounts of the Charity for the year ended 31st December 2022.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

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



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Aamer Shehzad, FCA
Accountability Europe Ltd
Omnibus Workspace
39-41 North Road
London
N7 9DP

Date: 30 October 2023

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

**Statement of financial activities
for the year ended 31 December 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	294,990	31,397	326,387	182,293
Charitable activities	4	157,605	-	157,605	138,680
Other income		4,167	-	4,167	3
Total income		456,762	31,397	488,159	320,976
Expenditure on:					
Charitable activities		269,223	29,298	298,521	283,733
Total expenditure		269,223	29,298	298,521	283,733
Net movement in funds		187,539	2,099	189,638	37,243
Reconciliation of funds:					
Total funds brought forward		2,190,112	17,788	2,207,900	2,170,657
Net movement in funds		187,539	2,099	189,638	37,243
Total funds carried forward		2,377,651	19,887	2,397,538	2,207,900

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

The notes on pages 8 to 18 form part of these financial statements.

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Balance sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	2,174,798	2,179,490
		<u>2,174,798</u>	<u>2,179,490</u>
Current assets			
Debtors	10	62,319	27,469
Cash at bank and in hand		165,926	17,086
		<u>228,245</u>	<u>44,555</u>
Creditors: amounts falling due within one year	11	(5,505)	(16,145)
		<u>222,740</u>	<u>28,410</u>
Net current assets		<u>222,740</u>	<u>28,410</u>
Total net assets		<u><u>2,397,538</u></u>	<u><u>2,207,900</u></u>
Charity funds			
Restricted funds	12	19,887	17,788
Unrestricted funds	12	2,377,651	2,190,112
		<u>2,397,538</u>	<u>2,207,900</u>
Total funds		<u><u>2,397,538</u></u>	<u><u>2,207,900</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



M Way
Trustee
Date: 30 October 2023

The notes on pages 8 to 18 form part of these financial statements.

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements for the year ended 31 December 2022

1. General information

The Parish Of Hope Church Islington is an unincorporated charity registered in England. The charity's principal place of business is St Mary Magdalene Church, Holloway Road, London, N7 8LT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity is exempted from preparing a cash flow statement due to exemption available to charities with income of less than £500,000.

2.2 Going concern

The PCC members have, at the time of approving the financial statements, a reasonable expectation that the Charity has adequate resources to continue in operational existence or the foreseeable future.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Notes to the financial statements
for the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	Not depreciated or revalued
Fixtures and fittings	-	20%
Computer equipment	-	33%

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Notes to the financial statements
for the year ended 31 December 2022**

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 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 and which have not been designated for other purposes.

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

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements
for the year ended 31 December 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	292,349	2,930	295,279
Grants	2,641	28,467	31,108
	<u>294,990</u>	<u>31,397</u>	<u>326,387</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	154,293	-	154,293
Grants	-	28,000	28,000
	<u>154,293</u>	<u>28,000</u>	<u>182,293</u>

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Service fees	194	194
Property income	157,411	157,411
Total 2022	<u>157,605</u>	<u>157,605</u>
	Unrestricted funds 2021 £	Total funds 2021 £
Service fees	2,786	2,786
Property income	135,894	135,894
Total 2021	<u>138,680</u>	<u>138,680</u>

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements
for the year ended 31 December 2022

5. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Expenses	10,323	288,198	298,521

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Expenses	6,216	277,517	283,733

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements
for the year ended 31 December 2022

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	99,871	87,556
Depreciation	4,692	4,865
Repairs and maintenance	21,778	11,723
Bank charges	94	-
Legal and professional fees	18,825	(107)
Telephone	2,272	2,916
Computer costs	1,173	4,079
Rates	12,253	10,590
Sundry costs	9,756	8,322
Printing, postage and stationary	3,122	2,145
Services	117	383
Insurance	5,860	6,365
Office costs	296	822
Staff training	1,959	-
Common fund	100,550	96,700
Temporary staff	316	490
Staff entertainment	512	245
Rent	3,192	39,176
Advertising	-	37
Bad debt	600	250
Governance costs	960	960
	288,198	277,517

6. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts, inclusive of VAT	960	960

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements for the year ended 31 December 2022

7. Staff costs

	2022 £	2021 £
Wages and salaries	93,163	82,630
Social security costs	3,893	2,549
Contribution to defined contribution pension schemes	2,815	2,377
	<u>99,871</u>	<u>87,556</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Staff	<u>6</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

9. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2022	2,172,637	11,762	9,707	2,194,106
At 31 December 2022	<u>2,172,637</u>	<u>11,762</u>	<u>9,707</u>	<u>2,194,106</u>
Depreciation				
At 1 January 2022	-	9,409	5,207	14,616
Charge for the year	-	2,353	2,339	4,692
At 31 December 2022	<u>-</u>	<u>11,762</u>	<u>7,546</u>	<u>19,308</u>
Net book value				
At 31 December 2022	<u>2,172,637</u>	<u>-</u>	<u>2,161</u>	<u>2,174,798</u>

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

**Notes to the financial statements
for the year ended 31 December 2022**

10. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	29,108	12,833
Other debtors	14,552	4,695
Prepayments and accrued income	18,659	9,941
	<u>62,319</u>	<u>27,469</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	895
Other creditors	-	7,398
Accruals and deferred income	5,505	7,852
	<u>5,505</u>	<u>16,145</u>

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements
for the year ended 31 December 2022

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General funds	2,190,112	456,762	(269,223)	2,377,651
Restricted funds				
Cloudesley online video grant	6,344	-	(2,322)	4,022
Islington Council	11,444	-	(90)	11,354
Winter Hardship Fund	-	2,930	(450)	2,480
Cloudseley - Boiler	-	2,832	(2,832)	-
Cloudseley - Building maintenance	-	25,635	(23,604)	2,031
	17,788	31,397	(29,298)	19,887
Total of funds	2,207,900	488,159	(298,521)	2,397,538

Cloudesley church maintenance grants - Emergency works to repair the church building.

Cloudesley online video grant - To purchase equipment to enable recording and streaming of videos, and associated computer applications.

Islington Council - To install LED lighting.

Winter Hardship Fund - Funds donated and set aside to help the community with their utility bills during the winter.

The Parochial Church Council Of The Ecclesiastical Parish Of Hope Church Islington

Notes to the financial statements
for the year ended 31 December 2022

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted funds				
General funds	2,155,922	292,976	(258,786)	2,190,112
Restricted funds				
Cloudesley church maintenance grants	-	23,000	(23,000)	-
Cloudesley online video grant	3,291	5,000	(1,947)	6,344
Islington Council	11,444	-	-	11,444
	14,735	28,000	(24,947)	17,788
Total of funds	2,170,657	320,976	(283,733)	2,207,900

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,172,637	2,161	2,174,798
Current assets	210,519	17,726	228,245
Creditors due within one year	(5,505)	-	(5,505)
Total	2,377,651	19,887	2,397,538

Notes to the financial statements
for the year ended 31 December 2022

13. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,175,007	4,483	2,179,490
Current assets	31,250	13,305	44,555
Creditors due within one year	(16,145)	-	(16,145)
Total	2,190,112	17,788	2,207,900

14. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,815 (2021: £2,377). At the balance sheet date, the charity owed £nil to the fund (2021: £nil).

15. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	4,694	4,694
Later than 1 year and not later than 5 years	2,347	7,042
	7,041	11,736

16. Related party transactions

During the year, donations totalling £4,000 (2021: £56,663) were received from The Urban Revival Foundation, a company controlled by Trustees of the charity. The charity also made net payments totalling £33,832 (2021: received net receipts totalling £44,940) to The Urban Revival Foundation. At the balance sheet date, the charity was owed £14,552 (2021: owed £7,398) from The Urban Revival Foundation.