



Parish of Hackney

Annual Report and Accounts 2020

Hackney Church

ANNUAL REPORT 2020 (January – December 2020)

REFERENCE AND ADMINISTRATIVE INFORMATION

CHARITY NAME The Parochial Church Council of the Parish of Hackney (also known as Hackney Church)

CHARITY NUMBER 1158545

CORRESPONDENCE Hackney Church House
ADDRESS 1 Spiller House, Prodigal Square
 London E8 1FX

TRUSTEES Members of the Parish Church Council (PCC) who served from 1 January 2020 to 31 December 2020

Rev'd Al Gordon - Rector
Rev'd Mark Nelson - Associate Rector
Rev'd Tosin Oladipo - Curate
Annotinette Bramble – Churchwarden
John Parmiter – Churchwarden
Vera Preedy - Licenced Lay Minister, Lay Vice Chair
John Roe – Licenced Lay Minister, Deanery Synod Representative
Miriam Gallacher – Diocesan Synod Representative, Deanery Synod Representative
John Geach - Deanery Synod Representative
Tim Last - Deanery Synod Representative
Peter Ottino - Deanery Synod Representative
Olufisayo Sonuga - Deanery Synod Representative

Elected members
Rebecca Adlington (from October 2020, co-opted to October 2020)
Yaa Appiah-Badu (from October 2020)
Martyn Bearfoot
Ruth Best - Secretary
Ellen Donnelley (to October 2020)
Michelle Fontaine
John Fyson
Rachel Greeneklee (to October 2020)
Linda Harris
Jenny Jamie
Sam Lawson Johnston - Treasurer
Dave Lochhead
James Mumford
Patricia Musgrave
Graeme Nicoll - Treasurer
Nerine O'Connor
Richard Walters

Co-opted members
Danna Brown (from October 2020)
Temi Obembe
Mike Woods

PRIMARY BANKERS HSBC Bank Plc, 69 Pall Mall, London, SW1Y 5EY
AUDITOR Mazars LLP, 2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1
 4FS

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objectives and activities of Hackney Church

The objective and vision of Hackney Church is to bring hope to the people of East London.

Hackney Church Experiences Limited

Hackney Church Experience Limited (HCEL), a related party consolidated in the financial accounts attached to this report, was incorporated in October 2020 to promote and manage events held within the church building of St. John at Hackney. The directors of trading entity are also trustees of Hackney Church and any profits generated by HCEL will be donated to Hackney Church.

St. John's Housing Trust

St. John's Housing Trust (SJHT) is a charitable entity whereby the trustees are also trustees of Hackney Church and therefore SJHT is consolidated in the financial accounts attached to this report. The objectives of the trust are to provide, through two Leasehold properties held in the Hackney Gardens housing development, reasonably priced accommodation to church clergy and/or employees or to other people in need. Any profits generated by the trust are to provide support to people in need in the Hackney community and to assist with the advancement of Christianity through the maintenance of accommodation for the Church of England.

Responsibilities of the PCC

The Parochial Church Council (PCC) has the responsibility, with the Rector, of promoting in the parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical; maintenance, care and upkeep of the church and churchyard; financial responsibilities and duties as Charity Trustees. As a Church of England Parish, the PCC and Rector follow the requirements of Church of England Canon Law.

The PCC consists of Clergy, Churchwardens, Diocesan Synod Representatives and Deanery Synod Representatives as ex-officio members and elected lay representatives from the congregation. PCC members are elected at the APCM, having been nominated by people entitled to attend the annual meeting.

At each full meeting, the PCC received reports on Finance, Building and Churchyard, Deanery Synod, Safeguarding and other items as necessary.

Matters relating particularly to the Church Building Project, Churchyard and redevelopment of the Old Rectory site have usually been attended to by the Hackney Church Standing Committee, as empowered by the PCC.

Incoming Trustees receive an induction explaining both the trustee and PCC responsibilities. The induction includes a detailed discussion of the vision and objectives of the Charity, as well as the operation of the businesses.

Clergy and Church Staff

The management of the church is overseen by the PCC and delegated to Rev'd Al Gordon. During 2020, the church clergy team consisted of Rev'd Mark Nelson and Rev'd Tosin Oladipo whose roles are to look after the internal ministries and community outreaches of the church. Other clergy in training are Ordinands: Nate Hayes; Christa Brodie-Levinsohn; Naomi Maxwell; Robin Talbot and Toby Thomas. As of December 2020, the staff team consisted of 24 staff members and 11 Interns operating within various ministries including Kids, Youth, Worship, Outreach, Discipleship, Evangelism and Central Services. In addition, many on the staff team also serve as Pastors within their ministry.

The salaries for key management personnel are commensurate with similar positions in other charitable entities of a similar size and economic location.

Public Benefit

The PCC members confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit. Hackney Church benefits the community by the activities described in this report.

Safeguarding

The PCC has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016, in relation to having due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has in place a Safeguarding Policy which is reviewed each year and appointed Safeguarding Officers and Children's Champions. The Policy is displayed in the church and available from the Parish Office.

ACHIEVEMENTS AND PERFORMANCE

Parish electoral roll

There were 296 names on the Electoral Roll at the end of the revision process in 2020 (297 in 2019).

Services and Attendance

At the start of 2020, five weekly services took place at St Luke, Homerton until government restrictions cancelled in-person services. These were: Wednesday morning 10am Eucharist service; Sunday 9am Choral Eucharist; two family worship services at 10am and 11:30am, and an evening service at 6pm.

In March 2020, when the nationwide lockdown began, we broadcast our first online service. The online presence grew from a single weekly service to a full spectrum of online services including 'live' Sundays, mid-week bible studies and the ability to catch up via the podcasts and YouTube channels. By the end of 2020, there were regularly over 1,000 unique viewings of the weekly digital sermons.

Average Sunday attendance at the Church in 2020 prior to the lockdown was 540 (2019: 480). At the end of the year, there were 1,455 adults (2019: 1,135) and 758 children (2019: 686) within the church database.

Register of occasional services

In 2020 there were two weddings, one baptism and no funerals officiated.

Worship

In early 2020, the Hackney Church Choir was singing at the 9am Choral Eucharist in St Luke's, Homerton. Along with our Director of Music, our four choral scholars were regularly joined by around twelve members of the congregation. Many plans for development and singing were unfortunately delayed due to the COVID-19 restrictions.

When church re-opened in September, some choral activity resumed, with the choral scholars and individual choir members singing anthems and hymns (or playing instruments) with organ accompaniment.

Choral highlights of 2020 include the performance of Faure's Requiem for the All Souls Service, with 20 singers socially distanced around the St John at Hackney balcony, the Carol Services in St John at Hackney and Leyton Church, and singing carols from the balcony for Midnight Mass. The choir also joined with the musicians of Shoreditch Church and the Choir of West Ham Church in providing pre-recorded hymns and anthems for online and in-person services.

Hackney Church's contemporary musical life continues to flourish. We saw the worship, production and creative crew grow from 60 volunteers to over 90 volunteers consisting of a wide diversity of ethnicity, gender and age. Additionally, due to the global pandemic, the team has adapted to recording worship songs for the Hackney Church online services as well as leading worship for our in person services. The contemporary worship team has begun to write original worship songs and performs those songs within the live and digital services.

Hey Baby and Kids

The 'Hey Baby' Monday hang was operating in full capacity in early 2020 but was unfortunately put on hold during the pandemic. Due to the popularity of Hey Baby and the ability to reach out to so many young mothers, we plan to relaunch when the pandemic situation subsides. The Kids ministry continued through the lockdown period with specific kids activities that were supplied via post, online via youtube and zoom groups, plus 'fun slots' for kids on the Hackney Church Everywhere service.

Youth

The Youth ministry (11-18 years old) launched "Midweek", a weekly Thursday evening specifically for the youth of Hackney Church. The service moved into an online format from March 2020 onwards. The youth gathered online via a Youtube Livestream for 30 minutes guided by two leaders for engagement, community and encouragement in faith. Smaller groups would then follow via zoom for further fellowship and an opportunity to go deeper in discipleship. We have over 40 young people signed up for our weekly small groups and the youth ministry has grown to almost 80 active participants (2019: 55).

Rhythms & Kingdom Come

The 'Rhythms prayer gathering' is held every Tuesday morning from 8-9am, for an hour of informal prayer and worship. Our weekly Eucharist service was held on Wednesdays and led by clergy. Seasonal 'Kingdom Come' prayer events are powerful evenings of encounter with God and take place from Ascension through Pentecost.

Communications

2020 was an exceptionally dynamic year for communication at Hackney Church. We successfully pivoted all of our services and ministries to online platforms and navigated our way from in-person Sundays to recording studios with very positive results. We strived to keep everyone updated through various digital communication channels along with diligently posting and hand-delivering service sheets to those not online. We believe that excellent communication helps build a stronger community within the Hackney Parish.

Form

Hackney Church continued with the internship program called 'Form'. Beginning annually in September, the eleven students attend HTB Leadership College one day a week and then assist Hackney Church within different ministries and Sundays two and a half days per week. This has been an excellent program to attract vibrant young people into the church staff team.

Alpha

The Alpha course ran three times in 2020; once 'in-person' and twice online via zoom. Alpha has been instrumental in growing the church. A significant number of those that attend the course decide, during the course or at the end, to join the church. Alpha continues to be a key area of focus going forward.

Lighthouse

Hackney Church's Lighthouse project works with vulnerable people by helping to alleviate need through our pioneering Drop-In Lunch, building lasting relationships, restoring dignity and guiding individuals toward relevant social services so they can build a future filled with hope. The past year saw unprecedented demand such that Lighthouse expanded from distributing 10,000 meals per year from one location in Hackney to delivering 300,000 meals per year on four locations in three East London boroughs.

During the year, the Lighthouse completely changed in its output, capacity, presence and mode of operation to ensure safety and compliance with Covid regulations. We now provide a "takeaway" for hot meals and weekly food parcels. As of September 2020, Lighthouse operates a self-run foodbank service that has freedom to provide pastoral support to the people in need.

Alongside changes to the operation, we have seen the number of those accessing our services increase by almost 600% over the last year. Much of the increases are a result of the pandemic. The food distribution point at St Luke's Homerton Terrace, which runs on Tuesdays and has continued to operate as the main

Lighthouse hub. The Lighthouse at St Mary's Leyton launched in April 2020, All Saint's West Ham and St. Leonard's Shoreditch both launched in November 2020.

Lighthouse was part of the Love Your Neighbour initiative which is a network of churches committed to providing for those in need. This initiative provided £54,000 of matched government funding that went directly toward supporting those with food poverty. At Christmas 2020, a grant from the nationwide Love Christmas campaign (also part of Love Your Neighbour) allowed us to deliver 5000 mini-hampers of Christmas treats and supplies to over 50 groups and churches in Hackney, Waltham Forest and Newham.

We have developed new partnerships over the last 12 months with a number of organisations including FareShare, Felix Project, City Harvest, Deliver Aid, Toiletries Amnesty, Bloody Good Period, Edible London. We work with the Hackney Food Justice Alliance and receive ongoing funding from Hackney Parochial Charities. Local bakeries such as Pophams and Gails regularly donate bread and baked good for our food parcels.

We plan to open our fifth distribution point using the kiosk space on the grounds of St John at Hackney to distribute hot takeaway food in early 2021.

Action Crew and "Outward Care"

Throughout the pandemic, we gathered almost 200 volunteers, called the "Action Crew", that were instrumental in delivering food parcels, prescription, shopping and making phone calls to those in need. This was particularly positive as many of the volunteers were not previously associated with the church. These volunteers continue to operate, though with reduced numbers, as the pandemic situation stabilises.

The Hackney Winter Night Shelter was a long term partner with both St John at Hackney and St Luke's Homerton. Although they no longer operate at our church buildings, we continue to support them with volunteers and coordinators.

Community Engagement

The National Lottery Heritage Fund plan included Funding for a Community Engagement Officer with a remit to deliver an Activity and Interpretation plan as part of the Restoration project.

As part of delivering these plans we have met with many key people at Hackney Council, made connections with local organisations and churches, and attended a number of forums led by community groups such as London Citizens and others.

The NLHF contribution has enabled Hackney Church to be a 'founder member' and accredited employer with the Hackney Apprenticeship Network; a council body seeking to promote apprenticeships within the Borough.

Throughout 2020, the Community Engagement Team delivered a number of exciting projects and activities that provided people in the local area to participate in a range of church related activities.

All the courses, activities and events outlined above could not take place without the much-appreciated help of volunteers from the congregation.

FABRIC AND FACILITIES REPORT

Quinquennial Inspection Report

The Quinquennial inspection for St. John at Hackney Church was carried out in March 2017 with a number of recommendations that were actioned through the Restoration project. The Quinquennial inspection recommendations for St. Luke's of Homerton are also being completed and the property is due for a new inspection in 2021.

Hackney Church Restoration Project

The restoration project began in 2018 and the structural renovation was completed in summer of 2020. The restoration funds were provided by the Heritage Lottery Fund, the London Diocese and the ongoing support of the congregation. The updated church building was opened to the congregation in September and was very positively received by the church members and promoters that could use the space for external events via Hackney Church Experiences Limited.

Investments to launch Hackney Church Experiences

Hackney Church renovated the church building so that it can be utilised for both religious purposes and for large scale events and gatherings such as concerts and assemblies. Significant investments were made to the sound systems, lighting and other PA equipment. Hackney Church Experiences Limited, a related party consolidated in the financial accounts attached to this report, the business was launched in October 2020 and started to promote events.

Other land and property arrangements:

Hackney Gardens development was completed in late summer 2020. The Parish of Hackney was granted the use of a working space that includes a front office, meeting rooms, two new halls plus a full catering kitchen. The larger hall will seat approximately 230 people, and the lower hall 130.

Pay and Display car park continues to operate via a contract with JustPark.

The cafe in the churchyard is no longer let out and therefore available for church use. In 2020, the kiosk was used to promote the gardens St. John at Hackney and the floristry activity of Hackney Church Experiences Limited. The kiosk is also being set up to host the weekly Lighthouse drop in hot lunch. The church permits the usage of cabling under the footpaths for additional church revenues.

FINANCIAL REVIEW 2020

Funding

The principal source of funding is from the congregation members and other supporters in the form of regular donations and collections, standing orders and direct debits. The total amount raised in this way for the ministries of Hackney Church in 2020 was £840,932 (2019: £594,826). We are immensely grateful to God and to all those who gave so generously. Other funding was from grants.

Income was also generated from the rental of the churchyard and parking areas. These activities were able to generate income of £166,329 (2019: £108,303).

In 2020, Hackney Church Experiences Limited accumulated net liabilities of £58,674 which arise from start-up expenditures and the restrictions on events due to the pandemic. We expect this deficit to reduce throughout 2021 as the ability to generate revenues increases with the easing of lockdown.

Expenditure in support of the key objectives

All expenditure was in support of the key objectives. It is analysed into different church activities in note 3 of the financial statements. Most of the spending meets more than one of the key objectives.

Policy on reserves

PCC policy is to not deliberately build up reserves. Any reserves that may exist, result from accumulated giving at any one time. Total unrestricted and undesignated reserves at 31 December 2020 amounted to £48,156 (2019: £396,697).

Risk assessment and mitigation

The risks which the organisation faces have been considered and measures will be implemented to ensure that appropriate systems, policies and procedures are in place to manage and mitigate the risks. Specifically, where there is financial risk this is managed by strong financial systems and controls. These risks, including health and safety and employment, are being mitigated through modern management systems and practices. As a matter of general policy, independent professional advice is taken where appropriate.

In response to the Coronavirus pandemic, the PCC have considered the likely impact on 2021 finances and have taken steps to review the ongoing income and expenditures. The trustees are reassessing the situation regularly and will take appropriate action as the situation develops. The trustees are confident that with the continued support of the congregation and appropriate management of expenditure, the church is a going concern and will continue to be financially viable during the ongoing crisis. The budgets will continue to be prepared in line with the financial circumstances and trustees are confident that they will be able to prepare a balanced budget given the continued support of the congregation.

Investments

Hackney Church has investments that are held with CCLA. These investments are held at market value.

Grant making policy

The task of deciding how to distribute grants is done by the Rector with reference to the Treasurer. Grants are awarded to organisations, church members and community members based on an evaluation of each case. All giving follows Hackney Church's mission policy of the promotion of the Christian gospel in proclamation and social action throughout the world.

Sustainability policy

Hackney Church encourages the adoption of sustainable practice in all areas of church life and work, to contribute to the overall reduction in carbon emissions and dealing with the growing evidence for man-made climate change. Measures taken include recycling, energy audits, solar panels, encouraging the use of public transport, cycling and walking.

Plans for future periods

The short and medium term plan is to continue with the same objectives and activities in support of them.

PCC TRUSTEE RESPONSIBILITIES

Charity law requires the PCC, the charity trustees, to prepare a statement of financial activities and statement of assets and liabilities for each financial year, which gives a true and fair view of the state of affairs of the church and of its financial activities for that year and adequately distinguishes any material special trust or other restricted fund of the church. In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue to operate.

The PCC is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the church, and to enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and PCC members of Hackney Parish on 11 May 2021 and signed on their behalf on by Rev'd Al Gordon, Rector.



Date: 18/10/21

Independent auditor's report to the trustees of Parochial Church Council of Hackney Church

Opinion

We have audited the financial statements of Parochial Church Council of Hackney Church (the 'charity') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, The Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity and the group's affairs as at 31 December 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of

the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Date: 19 October 2021

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Parochial Church Council of Hackney Church
Consolidated Statement of Financial Activities
For the year ended 31 December 2020

		Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2020	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment funds	TOTAL FUNDS 2019
	Note	£	£	£	£	£	£	£	£	£
INCOME FROM:										
Congregation Giving	2(a)	833,559	70	7,303	840,932	591,183	2,730	913	-	594,826
Charitable Activities	2(b)	393	-	-	393	3,377	-	-	-	3,377
Other Funds Generated	2(c)	225,970	392,632	780,910	1,399,512	213,115	392,889	1,416,776	-	2,022,780
Events Income	2(d)	-	-	-	-	80	-	-	-	80
Investments	2(e)	5,161	-	-	5,161	9,181	-	-	293	9,474
Other Income	2(f)	17,732	18,401	10,000	46,133	678	-	-	-	678
Other Trading Activities	2(g)	-	22,437	-	22,437	-	-	-	-	-
TOTAL INCOME		1,082,815	433,540	798,213	2,314,568	817,614	395,619	1,417,689	293	2,631,215
EXPENDITURE ON:										
Church activities	3(a)	1,008,800	30,716	340,116	1,379,632	751,533	19,991	79,419	-	850,943
Events	3(b)	-	-	-	-	-	61,233	-	-	61,233
Building Projects	3(c)	91,961	1,490,119	459,580	2,041,660	13,815	121,541	3,122,623	-	3,257,979
Other Trading Activities	3(d)	-	81,001	8,894	89,895	-	-	-	-	-
TOTAL EXPENDITURE		1,100,761	1,601,836	808,591	3,511,187	765,348	202,765	3,202,042	-	4,170,155
NET (EXPENDITURE)/INCOME before separately stated items										
		(17,946)	(1,168,296)	(10,378)	(1,196,619)	52,266	192,854	(1,784,353)	293	(1,538,940)
Gift of Leasehold Properties	4(b)	-	-	450,000	450,000	-	-	-	-	-
Merger of St. Luke's Church at Net Book Value		-	-	-	-	4,011	50,701	14,153	-	68,865
NET INCOME/(EXPENDITURE)		(17,946)	(1,168,296)	439,622	(746,619)	56,277	243,555	(1,770,200)	293	(1,470,075)
Write off of deficit on designated and restricted funds	9	(337,170)	337,170	-	-	-	(1,846,312)	1,846,312	-	-
Transfers between Funds		-	-	-	-	-	44,663	-	(44,663)	-
Gains on Investment assets		6,574	-	-	6,574	12,581	-	-	1,728	14,309
NET MOVEMENT IN FUNDS		(348,542)	(831,126)	439,622	(740,045)	68,858	(1,558,094)	76,112	(42,642)	(1,455,766)
Balances brought forward at 1 January 2020		396,697	938,006	85,324	1,420,027	327,839	2,496,100	9,212	42,642	2,875,792
BALANCES CARRIED FORWARD AT 31 DECEMBER 2020		48,156	106,880	524,946	679,982	396,697	938,006	85,324	-	1,420,027

Parochial Church Council of Hackney Church
Statements of Assets and Liabilities
For the year ended 31 December 2020

	Note	GROUP		Hackney Church	
		2020	2019	2020	2019
		£	£	£	£
FIXED ASSETS					
Investments	12	81,600	75,013	81,600	75,013
Tangible assets	8	1,030,864	24,665	586,114	24,665
		1,112,464	99,678	667,714	99,678
CURRENT ASSETS					
Current account & Cash on Hand		212,831	600,579	185,805	600,524
Church of England Cash Deposit fund		502,839	1,352,839	502,839	1,352,839
Debtors	11	143,121	854,011	232,397	854,011
Prepayments	11	15,872	253,209	16,872	253,209
		874,662	3,060,638	937,913	3,060,583
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR	13(a)	(307,143)	(740,289)	(328,242)	(740,289)
NET CURRENT ASSETS		567,519	2,320,349	609,671	2,320,294
LIABILITIES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13(b)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
NET ASSETS		679,982	1,420,027	277,385	1,419,972
FUNDS	9				
Unrestricted		48,156	396,697	48,156	396,697
Designated		165,444	938,006	165,444	938,006
Restricted		63,785	85,269	63,785	85,269
Designated Non-Charitable Trading Reserves		(58,564)	-	-	-
Restricted Reserves of the Consolidated Charity		461,161	55	-	-
		679,982	1,420,027	277,385	1,419,972

Approved by the Parochial Church Council on 11 May 2021 and signed on its behalf by:



Rev'd Al Gordon
Rector of the Parish of Hackney

The notes on the subsequent pages form part of these financial statements.

Parochial Church Council of Hackney Church
Consolidated Cash Flow Statement
For the year ended 31 December 2020

		Group	
		2020	2019
		£	£
<i>Cash Flows from Operating Activities:</i>	Note		
Net Expenditure for the Year		(740,045)	(1,455,766)
Adjustments for:			
Depreciation	8	133,946	31,828
Dividend and Interest Income from Investment Activities	2(e)	(5,161)	(9,474)
(Increase) in Equity due to merger of St. Luke's		-	(68,865)
Unrealised (Gains) on Investment Assets		(6,574)	(12,581)
Net expenditures on Building Restoration Project		2,041,660	1,782,706
Less Grants Received as Financing Activities		(594,890)	(343,554)
Decrease / (Increase) in operating activity debtors	11	155,015	(38,771)
(Increase)/Decrease in operating activity prepayments	11	(2,903)	30,151
(Decrease)/Increase in operating activity creditors	13	(191,431)	7,084
Net Cash Flow from Operating Activities:		789,617	(77,242)
<i>Cash Flows from Building Restoration Project:</i>			
Net expenditures from Building Restoration Project	3(c)	(2,041,660)	(1,782,706)
Decrease / (Increase) in Building Restoration debtors		555,865	(484,470)
Decrease / (Increase) in Building Restoration prepayments	11	240,240	(240,240)
(Decrease) / Increase in Building Restoration creditors	13a	(241,715)	185,527
Net Cash from Building Project Activities:		(1,487,271)	(2,321,889)
<i>Cash Flows from Investing Activities:</i>			
Sale/Disposal of property	8	-	363
Purchase of other fixed assets	8	(690,145)	(10,550)
Gift of Leasehold Property	8	(450,000)	-
Changes in Cash, Debtors, and Creditors as a result of Merger		-	(469)
Liquidation of Investment Assets to cash		-	34,883
Decrease in Investment Interest Receivable		-	3,977
Interest received on Investment Activities	2(e)	5,161	9,474
Net Cash from Investing Activities:		(1,134,984)	37,678
<i>Cash Flows from Financing activities:</i>			
Grants received in Current Year from Financing Activities		594,890	343,554
Loans received in Current Year from Financing Activities		-	1,300,000
Net Cash Flows from Financing activities:		594,890	1,643,554
Net Decrease in Cash and Cash equivalents		(1,237,748)	(717,899)
Movement in cash and cash equivalents:			
Net Decrease in cash and cash equivalent		(1,237,748)	(717,899)
Cash and cash equivalents at beginning of period		1,953,418	2,671,317
Cash and cash equivalent as at end of Period		715,670	1,953,418

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The PCC 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 notes.

The consolidated financial statements includes the results, assets and liabilities, including that of Hackney Church Experiences Limited and St. John's Housing Trust, for which the PCC is responsible in law. They do not include the accounts of other charities or Church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members over which the PCC does not have operation or financial control.

Hackney Church Experiences Limited was incorporated and began trading in 2020 and therefore was not consolidated in the prior years. St. John's Housing Trust had began activities in June 2020. The charity was dormant in prior years and also therefore were not consolidated.

The PCC considers that Hackney Church is a going concern as it has prepared what it considers a viable budget that shows that the current level of unrestricted reserves it is appropriate to support the activities planned for 2021 and for the foreseeable future. Therefore, the accounts are prepared based on Hackney Church being a going concern. The PCC are fully aware of the impacts due to the COVID-19 pandemic and are taking precautionary measures with budgeted expenditures in order to be flexible if the situation arises.

Funds

Unrestricted and designated funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Restricted funds are those endowments, legacies, donations or grants for specific purposes. The funds may only be expended on the specific object for which they are given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The details of the funds are set out in note 9.

Income

Voluntary income

Planned giving, collections and donations are recognised when received. An estimate of income tax recoverable is recognised when the related donations are recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is probable. Sales of books and magazines from the church bookstall are accounted for gross.

Income from investments

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Other income

Rental income from the letting of church premises is recognised when the rental is due. Other income is recognised when received.

1. ACCOUNTING POLICIES (continued)

Expenditure

Grants

Grants and donations are accounted for when paid over, or when the award has been notified to the recipient, whichever is sooner, if the award creates a binding obligation on the PCC.

Church activities

The diocesan Common Fund is accounted for when paid. Any Common Fund unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated property and moveable church furnishings

The properties within this class are the church building. Consecrated and beneficed property of any kind is excluded from the accounts by s.10 of the Charities Act 2011.

Moveable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory, which can be inspected (at any reasonable time). All expenditure incurred in the year on consecrated or beneficed buildings or on the repair of movable church furnishings is written off.

Other fixtures, fittings and office equipment

Only items of greater than £500 are capitalised. Church production equipment comprises a number of electrical and other items connected with sound, vision and worship. They will be depreciated over three years from date of first use.

Computer and office equipment and furnishings are depreciated over three years from date of first use.

Vehicles are depreciated over 6 years using the reducing balance method.

Leasehold Properties

Leasehold properties are depreciated over 50 years from date of acquisition.

Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Investments

Except where otherwise indicated in the notes to the financial statements, investments are valued at market value as of 31 December.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

2 CONSOLIDATED INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
2(a) Congregation Giving					
Regular donations	376,078	-	630	376,708	263,641
One-off donations	314,280	70	6,673	321,023	218,759
Collections (open plate) at all services	10,840	-	-	10,840	33,080
Gift Aid from HMRC	132,361	-	-	132,361	79,346
	833,559	70	7,303	840,932	594,826
2(b) Charitable activities					
Church Events	289	-	-	289	2,332
Wedding, baptism and Funeral Fees	104	-	-	104	1,045
	393	-	-	393	3,377
2(c) Other Funds Generated:					
Property income	136,375	-	29,954	166,329	108,303
Grants	64,276	300,000	294,890	659,166	446,400
Bursary and Support Income	-	-	500	500	1,650
Resource Church Income	25,319	-	-	25,319	8,266
Listed Places of Worship Tax Refund	-	92,632	-	92,632	181,849
Heritage Lottery Fund Grant	-	-	455,566	455,566	1,276,312
	225,970	392,632	780,910	1,399,512	2,022,780
2(d) Event Income:					
Event income	-	-	-	-	80
2(e) Investments					
Investment Interest	13	-	-	13	293
Dividend Income	711	-	-	711	529
Bank interest	4,437	-	-	4,437	8,652
	5,161	-	-	5,161	9,474
2(f) Other Income					
Other Income	17,732	18,401	10,000	46,133	678
2(g) Trading Activity Income					
Trading Activity Income	-	22,437	-	22,437	-
Total Consolidated Income	1,082,815	433,540	798,213	2,314,568	2,631,215

3 CONSOLIDATED EXPENDITURE

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
3(a) Church Activities					
Mission Outreach / Giving to other Organisations	4,183	-	210,247	214,429	42,173
Mission Evangelism	27,853	-	1,933	29,786	59,364
Wider Christian Community Support Incl. Church Planting	89,224	-	17,260	106,484	107,827
Sunday. Digital and Special Services	235,047	13,670	13,965	262,682	91,269
Clergy costs	2,807	-	3,438	6,245	9,899
Premises, Building and Maintenance costs	246,759	3,778	39,800	290,337	117,685
Administration and Central Costs	235,286	13,267	13,164	261,717	165,508
Worship and Prayer Ministry	81,166	-	6,349	87,515	103,447
Families, Youth and Children	52,577	-	31,638	84,215	69,650
Discipleship Expenses	16,749	-	1,335	18,083	28,774
Church Event Expenses	13,185	-	987	14,173	52,696
Miscellaneous expenses	3,966	-	-	3,966	2,651
Total Church Activities	1,008,800	30,716	340,116	1,379,632	850,943
3(b) Event Activities					
Event Activities	-	-	-	-	61,233
3(c) Building and Property Expenditures					
Church Building Restoration Project	91,961	1,490,119	459,580	2,041,660	3,244,164
Expenses Incurred for Property Income	-	-	-	-	6,414
Church Site Development	-	-	-	-	7,401
3(d) Trading Activities					
Trading Activity Expenditures	-	81,001	8,894	89,895	-
Total Consolidated Expenditure	1,100,761	1,601,836	808,591	3,511,187	4,170,155

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

4 Related Parties

4(a) Hackney Church Experiences Limited

The PCC, through nominees, manages 100% of the issued share capital of Hackney Church Experiences Limited (registered number: 12470018) ("HCEL"), whose principal activities during the year were those of operating as a venue coordinator for gigs, music events and other hiring of the church spaces. HCEL also operates a Floristry business that sells flowers to the local community and offers floristry services to events held at church buildings.

The Parish of Hackney and HCEL transact as independent entities. All distributions from trading reserves are donated to the Parish of Hackney.

	2020 £	2019 £
Turnover		
Venue Hire	625	-
Music Event Income	20,000	-
Floristry Sales	1,714	-
Other Income	98	-
Total Turnover	22,437	-
Operating Expenditures		
General Expenses	466	-
Legal Costs	3,350	-
Music Consultants	7,000	-
Event Marketing and Communications	1,097	-
Floristry Marketing and Communications	2,582	-
Floristry Materials	1,076	-
Use of Hackney Church staff	65,430	-
Total Operating Expenditures	81,001	-
Net (Loss)/Profit Retained in HCEL	(58,564)	-
Distributions to the Parish of Hackney	-	
Accumulated Profit/(Loss) Brought Forward	-	
Non-Charitable Trading Reserves	(58,564)	

4(b) St. John's Housing Trust

The PCC, through trustees, manages 100% of St. John's Housing Trust (Registered Charity number 1172228) ("SJHT"), whose principal activities during the year were to supply affordable housing to Hackney Church employees.

Although the objectives of the charity are aligned to the church, the Parish of Hackney and SJHT transact as independent entities.

	2020 £	2019 £
Income		
Donations	-	100
Rental Income	20,000	-
Gift of Leasehold Property	450,000	-
Total Income	470,000	100
Expenditures		
Administration Expenses	60	60
Repairs and Maintenance	3,584	-
Deprecation of Leasehold Buildings	5,250	-
Total Expenditures	8,894	60
Net (Deficit)/Surplus Retained in SJHT	461,106	40
Accumulated Surplus/(Deficit) Brought Forward	55	15
Charitable Trading Reserves	461,161	55

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

5 GOVERNANCE COSTS

The remuneration to the auditors for the audit of the 2020 accounts was £12,950. (2019: £9,500)

6 STAFF COSTS

	2020	2019
	£	£
Wages and salaries (incl. PAYE)	608,050	417,530
Employers Social security costs	44,923	31,255
Employers Pension Costs	10,779	9,467
	663,752	458,252

During the year the PCC employed the full time equivalent ("FTE") of 21.75 people (2019: 14.76) and on the basis of actual number of people employed regardless of FTE the number of people employed in the year 33.33 (2019: 22.16). HCEL and SJHT did not have any direct employees in 2020 (2019:nil).

One employee earned in excess of £60,000 in the year 2020 (2019: One) with nil of Employers Pension Cost (2019: nil).

Total remuneration for key management personnel was £65,000 in the year. (2019: £65,000)

The above salary amounts include a remuneration for redundancy in the amount of £800. (2019: nil)

Clergy members are employed by the Diocese of London and not by Hackney Church so their costs have not been included in the salary figures shown above. Hackney Church is also obliged to provide accommodation to its ordained staff and its policy is to provide similar accommodation to its off-Common Fund clergy as to that provided by the Diocese to the rector. As clergy are ex-officio members of the PCC they are in effect related parties in relation to their accommodation, but the details of this benefit provided by Hackney Church has not been separately analysed in these statements.

7 RELATED PARTY TRANSACTIONS

	2020	2019
	£	£
Paid Bursaries of PCC Members	-	470
Received from Hackney Parochial Council	7,000	14,000
Received from South Hackney Parochial Council	-	1,500
Donated to St. John's Housing Trust	-	100
Paid to St. John's Housing Trust for accommodation	20,000	-
Received from Hackney Church Experiences Limited for services rendered and supplies	76,086	-

Two members of the PCC are also trustees of the Hackney Parochial Council. Hackney Parochial Council charity is not a related party as defined by the Charities Commission however, the transactions are disclosed in the interest of transparency.

The known amount given to the church by the members of the PCC and Clergy during their time in office in 2020 is £117,705 (2019: £61,323).

There were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

No remuneration amounts were paid to Trustees during their time in office during the year. In addition, no amounts in regards to expenses were reimbursed that were not incurred directly on behalf, and for the benefit of, the Church.

8 TANGIBLE FIXED ASSETS

HCEL held no tangible fixed assets as of 31 December 2020. Tangible fixed assets below are fully held by the PCC. Leasehold Property is fully held by SJHT.

	PCC IT and Computer Equipment £	PCC Furniture and Fixtures £	PCC Production Equipment £	PCC Vehicles £	PCC Subtotal £	SJHT Leasehold Property £	Total 2020 £
Cost at 1 January 2020	16,305	23,710	67,297	-	107,312	-	107,312
Additions during year	9,058	144,455	517,114	19,518	690,145	450,000	1,140,145
Disposals during year	-	-	-	-	-	-	-
Cost at 31 December 2020	25,363	168,165	584,411	19,518	797,457	450,000	1,247,457
Depreciation at 1 January 2020	12,528	10,594	59,525	-	82,647	-	82,647
Charge for the year	3,981	31,912	91,447	1,355	128,696	5,250	133,946
Disposals during year	-	-	-	-	-	-	-
Depreciation at 31 December 2020	16,509	42,506	150,972	1,355	211,343	5,250	216,593
Net Book Value at 1 January 2020	3,777	13,116	7,772	-	24,665	-	24,665
Net Book Value at 31 December 2020	8,854	125,659	433,439	18,163	586,114	444,750	1,030,864

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

9 STATEMENT OF FUNDS

	At 1st January 2020 £	Income £	Gains from Investments £	Gifts of Property £	Expenditures £	Transfer to Other Funds £	At 31st December 2020 £
Unrestricted Funds							
Unrestricted Fund	396,697	1,082,815	6,574	-	(1,100,761)	(337,170)	48,156
Total Unrestricted Funds	396,697	1,082,815	6,574	-	(1,100,761)	(337,170)	48,156
Designated Funds							
Experiences Fund	144,507	16,030	-	-	(26,757)	-	133,780
St. Luke's Garden Fund	1,085	-	-	-	(278)	-	807
London Aged Christian Society	120	-	-	-	-	-	120
St. Luke's Quinquennial Fund	30,737	-	-	-	-	-	30,737
St. Luke's Building Fund	3,500	-	-	-	(3,500)	-	-
Building Restoration Fund	758,057	395,073	-	-	(1,490,300)	337,170	-
HCEL Trading Activities	-	22,437	-	-	(81,001)	-	(58,564)
Total Designated Funds	938,006	433,540	-	-	(1,601,836)	337,170	106,880
Restricted Funds							
Lighthouse Project (Previously Open Doors)	68,635	134,019	-	-	(150,055)	-	52,599
Lighthouse LYN Christmas	-	51,984	-	-	(51,360)	-	624
National Lottery Heritage Emergency Fund	-	46,600	-	-	(40,038)	-	6,562
Hackney Parochial Charity	1,435	5,500	-	-	(6,935)	-	-
St. John's Housing Fund	-	-	-	-	(20,000)	-	(20,000)
Vicar's Discretionary Fund	3,423	-	-	-	(3,423)	-	-
Infrastructure Grant Fund	7,197	-	-	-	(5,690)	-	1,507
Festival Bursaries and Support	-	500	-	-	-	-	500
Ouseley Choir Grant	1,340	-	-	-	(990)	-	350
Retirement Fund	169	-	-	-	-	-	169
All Saints Church West Ham	-	10,000	-	-	(10,000)	-	-
St. Leonard's Church Shoreditch	-	25,000	-	-	(17,885)	-	7,115
St. Mary's Church Leyton	3,070	40,567	-	-	(32,653)	-	10,984
Youth BLMF	-	11,666	-	-	(11,666)	-	-
Youth Minster	-	16,811	-	-	(13,437)	-	3,374
Heritage Lottery Fund	-	455,566	-	-	(455,566)	-	-
SJHT Charity Activities	55	20,000	-	450,000	(8,894)	-	461,161
	85,324	818,213	-	450,000	(828,591)	-	524,946
Consolidated Eliminations in Restricted Funds							
St. John's Housing Fund			-	-	20,000	-	20,000
SJHT Charity Activities		(20,000)	-	-	-	-	(20,000)
		(20,000)	-	-	20,000	-	-
Total Restricted Funds	85,324	798,213	-	450,000	(808,591)	-	524,946
Total Funds	1,420,027	2,314,568	6,574	450,000	(3,511,187)	-	679,982

Restricted Funds of the PCC

The Lighthouse Project (previously named Open Doors) is to support local people in need within the local community.
The Lighthouse LYN Christmas fund is a grant from Love Your Neighbour for delivering Christmas essential food and supply boxes for Christmas 2020
The National Lottery Heritage Emergency Fund is a grant to help cover the costs of the heritage building during lockdown and re-openings
The Hackney Parochial Charity Fund supports local people living below the poverty line and is used for Night shelter & Foodbank.
The St. John's Housing Fund represents the support from and paid housing costs to St. John's Housing Trust.
The Vicar's Discretionary Fund is for use by the Vicar for Pastoral and support of the congregation and community
The Infrastructure Grant Fund is a anonymous gift for purchases of office furniture and equipment.
The Festival Bursaries and Support Fund represents grants and monies received for the support of congregation to attend Church and religious events.
The Ouseley Choir Grant is to support upcoming worship staff within the church.
The Retirement Fund has been in place for some time and is from special retirement collections.
The All Saint's Church West Ham is for monies received and incurred for the support of All Saint's Church in West Ham
The St. Leonard's Church Shoreditch is for monies received and incurred for the support of St. Leonard's Church in Shoreditch
The St. Mary's Church Leyton Trust is for monies received and incurred for the support of St. Mary's Church in Leyton.
The Youth BLMF (Bishop of London's Mission Fund) is a grant toward the employment of a youth pastor.
The Youth Minster is a restricted grant toward expanding Youth ministry across the Stepney area.
The Heritage Lottery Fund grant is for extensive refurbishment of the church building.

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

10 ANALYSIS OF ASSETS BY FUND

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
10(a) Group Assets by Fund				
Leasehold Properties	-	-	444,750	444,750
Fixed Assets for church use	437,120	133,780	15,214	586,114
Fixed asset Investments	49,936	31,664	-	81,600
Current Assets	858,551	(58,564)	74,674	874,662
Liabilities due within one year	(297,451)	-	(9,692)	(307,143)
Liabilities due after one year	(1,000,000)	-	-	(1,000,000)
Total Group Assets by Fund	48,156	106,880	524,946	679,982

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
10(b) PCC Assets by Fund				
Fixed Assets for church use	437,120	133,780	15,214	586,114
Fixed asset investments	49,936	31,664	-	81,600
Current Assets	862,858	-	75,055	937,913
Liabilities due within one year	(301,759)	-	(26,484)	(328,242)
Liabilities due after one year	(1,000,000)	-	-	(1,000,000)
Total PCC Assets by Fund	48,156	165,444	63,785	277,385

11 DEBTORS AND PREPAYMENTS

	Group 2020 £	Group 2019 £	PCC 2020 £	PCC 2019 £
Debtors				
Gift Aid tax recoverable	10,805	56,564	10,805	56,564
Donations and Grants Receivable	-	10,000	-	10,000
Amounts Due from HMRC for VAT Receivable	3,799	127,834	-	127,834
Amounts Due from Listed Places of Worship	6,244	75,868	6,244	75,868
Amounts Due from Heritage Lottery Fund	77,550	542,364	77,550	542,364
Accounts Receivable	31,922	38,420	31,675	38,420
Amounts Receivable from HCEL	-	-	89,172	-
Other Debtors	12,801	2,961	16,951	2,961
Debtors for the year ended 31 December 2020	143,121	854,011	232,397	854,011
Prepayments and Deposits				
Deposits for Curate Housing	-	2,910	-	2,910
Prepayments on Church Building Works and Equipment	-	240,240	-	240,240
Rental Prepayments for Curate Housing	1,573	-	1,573	-
Other Prepayments for Church Activities	14,299	10,059	15,299	10,059
Prepayments for the year ended 31 December 2020	15,872	253,209	16,872	253,209

12 INVESTMENTS

HCEL and SJHT had no investments throughout 2020 (2019: nil). Amounts below represent Investments held by the PCC.

	Market Value as of 1 Jan 2020 £	Unrealised Gains on Investments £	Dividend and Interest Income £	Transfer of Income to other accounts £	Market Value as of 31 Dec 2020 £
Investments Activity					
CCLA - Home Mission Deposit Account	3,052	-	13	-	3,065
CCLA - Investment Account	48,254	4,937	711	(711)	53,191
CCLA - Investment Account	23,707	1,637	-	-	25,344
	75,013	6,574	724	(711)	81,600

	Unrestricted £	Designated £	Restricted £	Total 2020 £	Total 2019 £
Investments by Fund					
CCLA - Home Mission Account	3,065	-	-	3,065	3,052
CCLA - Investment Account	21,527	31,664	-	53,191	48,254
CCLA - Investment Account	25,344	-	-	25,344	23,707
	49,936	31,664	-	81,600	75,013

The historic cost of investments is £53,052.

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2020

13(a) LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		PCC	
	2020	2019	2020	2019
	£	£	£	£
Accounts Payable	78,625	404,071	77,222	404,071
Amounts Payable to SJHT	-	-	17,316	-
Amounts Payable to Employees for Expenses	818	2,661	818	2,661
Other creditors	185,286	7,453	185,286	7,453
PAYE and NI due to HMRC	19,269	(10,081)	19,269	(10,081)
VAT Payable	-	-	5,186	-
Audit Fee	12,950	9,500	12,950	9,500
Rental Deposits held	8,300	4,500	8,300	4,500
London Diocese	-	300,000	-	300,000
Other Accruals	1,895	22,185	1,895	22,185
	307,143	740,289	328,242	740,289

13(b) LIABILITIES: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		PCC	
	2020	2019	2020	2019
	£	£	£	£
Long Term Loan	1,000,000	1,000,000	1,000,000	1,000,000
	1,000,000	1,000,000	1,000,000	1,000,000

A long term drawdown facility was agreed with an unrelated party in late 2019. The full amount of £1,000,000 was drawn in December 2019. The borrower reserves the right to charge interest which, if charged, would be calculated at NatWest Base rate plus 1%. The capital of the loan is repayable in amounts of £250,000 on December 2023, December 2024, December 2025, and December 2026.

14 LEASE COMMITMENTS

Hackney Church has two rental flat lease agreement with St. John's Housing Trust for the accommodation of clergy and a vergers. The agreements extend to the 15th of June 2021 with a total cost per month of £2,800. The amounts are invoiced monthly and the contract can be terminated with one month's notice given on the 15 May 2021. Other rental property agreements can be terminated with one month's notice.

15 COVID-19

The scale and spread of Covid-19 (coronavirus) worldwide has caused and will continue to cause operational variations to the charity's activities. Although the outbreak has not impacted the regular charitable donations, the Church has invested significantly in digital equipment in order to reach the local congregation and beyond. The Trustees continue to monitor the situation very closely and are actively adapting to the restrictions and changes in social gatherings.