



Parish of Hackney

Annual Report and Accounts 2021

Hackney Church

ANNUAL REPORT 2021 (January – December 2021)

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 2021 to 31 December 2021

Rev'd Al Gordon - Rector
Rev'd Mark Nelson - Associate Rector
Rev'd Tosin Oladipo – Curate to May 2021
Rev'd Christa Brodie-Levinsohn from July 2021
Rev'd Naomi Maxwell from July 2021
Annotinette Bramble – Churchwarden
Jennifer Jamie – Churchwarden from May 2021
John Parmiter – Churchwarden to May 2021, Deanery Synod Representative from May 2021
Vera Preedy - Licenced Lay Minister, Lay Vice Chair to May 2021
John Roe – Licenced Lay Minister
Miriam Gallacher – Diocesan Synod Representative to June 2021
Temitope Taiwo – General Synod Member from October 2021
John Geach - Deanery Synod Representative
Tim Last - Deanery Synod Representative
Temi Obembe - Deanery Synod Representative from May 2021, co-opted to May 2021
Peter Ottino - Deanery Synod Representative
Olufisayo Sonuga - Deanery Synod Representative

Elected members
Rebecca Adlington
Yaa Appiah-Badu Martyn Bearfoot
Ruth Best - Secretary
Michelle Fontaine
John Fyson
Linda Harris
Sam Lawson Johnston – Treasurer to May 2021, Lay Vice Chair from 2021
Dave Lochhead
Rachel Millar from May 2021
James Mumford to May 2021
Patricia Musgrave
Laura Napper from May 2021

Nerine O'Connor
Richard Walters to May 2021
Mike Woods from May 2021, co-opted to May 2021

Co-opted members
Danna Brown
Kate Hampton from May 2021
Joshua Olomolaiye – co-opted from May 2021, Treasurer

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.

The Parish of Hackney

The Parish of Hackney consists of two church buildings, St. John at Hackney and St. Luke's of Homerton. St. John at Hackney has extensive grounds including a front garden area with parking, and a rear walled garden which is open to the community. The church offices and halls are located adjacent to the St. John at Hackney within the newly developed Spiller House. The objectives and activities of Hackney Church take place in all locations within the Parish.

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 the trading entity are also trustees of Hackney Church and any profits generated by HCEL are to 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.

SAINT

Hackney Church belongs to a collaboration of four parishes where the Rev'd Al Gordon is the incumbent. The concept of SAINT is for all parishes to deliver ministry with a collaborative approach to content, excellence and outreach objectives. Each parish is encouraged to press into the needs of their individual local parish, whilst also displaying the SAINT logo so that people moving around East London know that the churches operate with similar standards.

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

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

Clergy and Church Staff

The management of the church is overseen by the PCC and delegated to Rev'd Al Gordon. During 2021, the church clergy team consisted of Rev'd Mark Nelson, Rev'd Tosin Oladipo (through May 2021), Christa Brodie-Levinsohn (from July 2021) and Naomi Maxwell (from July 2021) whose roles are to look after the internal ministries and community outreaches of the church. Other clergy in training are Ordinands: Nate Hayes; Robin Talbot; Temi Obembe; Christa Brodie-Levinsohn (through June 2021); Naomi Maxwell (through June 2021); and Shawn Woods (from September 2021). As of December 2021, the lay staff team consisted of 33 staff members operating within various ministries including Kids, Youth, Worship, Outreach, Discipleship, Evangelism and Central Services. In addition, many on the lay staff team also serve as Pastors within their ministry and support the work of other SAINT parishes.

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 434 names on the Electoral Roll at the end of the revision process in 2021 (296 in 2020).

Services and Attendance

At the start of 2021, due to government restrictions cancelling in-person services, our congregation met online across three services. These were: 10am Communion; Online 11am; and Online 6pm. We continued to meet solely online until restrictions were lifted in March 2021 and had on average 1,450 weekly unique viewings. All of our digital services included sermons, worship and engagement with our community and were streamed on YouTube. This was a 40% increase from the same figure taken from the end of 2020.

As the government guidelines changed, we were once again able to meet in-person following the same format of the services already mentioned. The church has now developed a wider audience than Hackney and appreciates individuals' concerns about attending a public gathering due to the on-going pandemic. We therefore have continued our online services and, throughout 2021, these services have become a digital space for community to thrive and connect, especially for people who would otherwise be isolated.

The Church was able to re-open for in-person services in March 2021. In October, the average in-person Sunday attendance across SAINT parishes was 659 (October 2020: 590), with an attendance of 329 in the parish of Hackney (October 2020: 318). Average online Sunday service attendance per week in October 2021 was 304 (October 2020 386).

At the end of the year, there were 2,080 adults (2020: 1,601) and 1,133 children (2020: 862) within the church

Register of occasional services

In 2021 there were five weddings, fifteen baptisms and four funerals officiated.

Worship

The contemporary worshipping life has continued to thrive in 2021. Hackney Church has focused on creating cohesive and capable volunteer teams. The church continues to invest in equipment, team nights and recording sessions for recorded online services. In addition to contemporary worship for Sunday services, the worship teams provide music for midweek events such as Alpha, Kingdom Come, and Parochial services.

In early 2021, the choir and choral scholars of Hackney Church collaborated with the other parishes of SAINT to produce musical contributions to the 10AM Online Communion service that ran until April 2021. When services restarted, the rules were very restrictive for choral singing, but the choir continued singing as much as possible, with as many volunteers working alongside the choral scholars. From September the choir returned to normal service, singing for the Choral Eucharist at 10AM each week, gradually reintroducing choral elements that had been excluded during the pandemic restrictions.

Highlights for 2021 include the memorial service for the Duke of Edinburgh, where the choral scholars provided all music for reflection and worship, the re-dedication of St John at Hackney, where the choir ended the service with a resounding chorus of 'Thine be the glory', All Souls in October, where the ladies of the choir led took the lead, highlighting music from female composers, Remembrance Sunday, where choral music provided the atmosphere at the main morning service, and the Carols by Candlelight service in December, where a large choir led the traditional service of lessons and carols for one of the largest congregations ever to gather in Hackney Church.

Hey Baby and Kids

Hey Baby is our baby group that meets on Monday mornings in the church with the purpose of forming a community in a safe place. Hey Baby was relaunched in September 2021 and we have seen it continue to grow with many families coming along. Every week we have over 90 children, all under the age of four, attending with their parent or guardian. The feedback has been positive with attendees taking to social media to tell other families about it. Some families have even made a transition and started attending our Sunday services as well.

From March 2021, the Kids ministry on Sundays restarted during our morning service times. We have begun to see familiar families returning to church along with the privilege of welcoming many new families who have joined post the lockdowns.

Youth

The youth ministry (11-18 year olds) began a Youth Sunday Service in 2021 within our St Luke's, Homerton site. On a Sunday morning we gather all our youth for worship, games, teaching, and prayer. We also had our first Youth East Gathering which brought together youth groups from churches across East London for encountering God and evangelism. In December 2021, we had a winter themed Youth East event covering the church building in artificial snow and served hot chocolate and gingerbread men where we welcomed 117 people. Hackney Church Youth in 2021 grew to 114 participants (2020: 80).

Rhythms and 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 took place from Ascension through Pentecost in 2021. In addition, the church held two Prayer events including "21 Days of Prayer" in January 2021 and 24 Hours of Prayer over Easter.

Communications

2021 was a year of significant change for Hackney Church. The church has been through a period of significant change, with the pandemic restrictions and the resulting impact on our community. However, we have seen a strong commitment to our mission and a desire to continue to serve our community in a meaningful way. We have seen a strong commitment to our mission and a desire to continue to serve our community in a meaningful way.

to recording studios with very positive results, as Covid-19 restrictions changed throughout the year. 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, four students attended HTB Leadership College one day a week and then assist Hackney Church within different ministries and Sundays four days per week. This has been an excellent program to attract vibrant young people into the church staff team as they discern their future calling.

Alpha

The Alpha course ran three times in 2021; once online via zoom and twice "in-person". We also ran our first Youth Alpha in the Autumn term. Alpha has been instrumental in growing the church, with a significant number of those attending joining the church by attending on a Sunday, volunteering on one of our crews or joining a connect group where they continue to study scripture and form community. Alpha continues to be a key area of focus going forward.

Lighthouse

Lighthouse is the ministry of Hackney Church which works with vulnerable and marginalised people, helping to alleviate need through our pioneering Drop-in Lunch and Emergency Food Distribution. We focus on building lasting relationships with our guests, providing practical assistance, restoring dignity and guiding individuals toward relevant services so they can build a future filled with hope.

During 2021, with the impact of the pandemic in full force, Lighthouse responded to the needs of the East London community and to those people for whom we normally provide support. From January - September 2021, we offered an emergency foodbank which provided food supplies for five days to those in crisis. Hackney Church operated the offering from four separate locations including St Luke's Homerton, St Mary's Leyton, All Saints West Ham and St Leonard's Shoreditch, making a significant impact in each of those communities. Alongside this we continued to provide hot food (including at a new site in the Kiosk in the grounds of St John at Hackney), a lifeline to so many and a weekly touch point to people in isolation. We also pioneered our garden empowerment course, focusing on teaching vulnerable adults a new skill of gardening to help with their mental wellbeing and re-entering into employment. Across the year of 2021 we served 239,512 meals to people in need all across East London.

In September 2021, with restrictions lifted, we chose to press into the relational element, which the lack of had a significant impact on our guests mental, physical and emotional well-being. We re-opened our services for a sit down meal at St Luke's Homerton, St Mary's Leyton, All Saints West Ham and St Leonard's Shoreditch and have seen the significant benefit of this: a highlight being the 197 people who were able to have a full Christmas dinner with us. Lighthouse also distributed 500 Christmas boxes to children, families, hostels and vulnerable adults, bringing joy to a difficult season for many.

We continue to work in partnership with FareShare, Felix Project, City Harvest, Deliver Aid, Toiletries Amnesty, Bloody Good Period, The Hygiene Bank. Lighthouse is connected with our local and nearby councils through the Hackney Food Justice Alliance, Waltham Forest Local Welfare and Compost Newham and receive ongoing funding from Hackney Parochial Charities and Church Revitalisation Trust amongst others who enable our work to thrive.

Community Engagement

Throughout 2021, the Community Engagement Team delivered several exciting projects and activities that provided people in the local area to participate in a range of church related activities. The NLHF-funded Activity & Interpretation plans concluded at the end of 2021.

Building a Cathedral of Creativity

In November 2021, the parish hosted the first Renaissance Conference. The conference was a weekend event designed to bring together entrepreneurs, creatives, artists and musicians to be inspired and engaged within a Christian setting. Over 700 people attended the event, which was well received, and is now planned annually in November.

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, Homerton have been made and are in the process of being implemented.

Use of Church Building by Hackney Church Experiences Limited

Hackney Church Experiences Limited (HCEL), was launched in October 2020 for the purpose of hosting large scale events and gatherings such as concerts and assemblies. As the pandemic restrictions eased throughout 2021, HCEL was able to host 12 sold-out concerts culminating with Ed Sheeran debuting his new album. As many people who attended these events had never been to a church, Hackney Church provided the 'welcome team' and hosts so that everyone attending experienced a positive welcome. These events provided excellent promotional benefit and help bring the Church back to the forefront of the community.

Other land and property arrangements:

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 has been available for Lighthouse and our extensive garden improvements. The church permits the usage of cabling under the footpaths for additional church revenues.

FINANCIAL REVIEW 2021

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 2021 was £998,968 (2020: £840,932). 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 £146,815 (2020: £166,329).

In 2021, Hackney Church Experiences Limited generated a small profit of £9,847. The accumulated net liabilities of £48,717 remain which arose from start-up expenditures and the 2020 restrictions on events due to the pandemic. We expect this deficit to reduce throughout 2022 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 2021 amounted to £(353)

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 2022 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 war in Ukraine has impacted the UK with increases in the cost of utilities and general inflation. Hackney Church has considered the utility costs and general inflation in the financial budgets. The trustees and management are making operational changes, where appropriate, to minimise the impact of the increases.

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 COVID crisis and impact of the war in Ukraine. 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

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 26 May 2022 and signed on their behalf on by Rev'd Al Gordon, Rector.

A handwritten signature in black ink, appearing to read 'Al Gordon', is written over a faint, circular embossed seal. The seal contains text that is mostly illegible but appears to include 'HACKNEY PARISH' and 'PCC'.

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 2021 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 2021 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. 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 sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;

- Communicating identified laws and regulations to the 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.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Charities Act 2011 and the Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

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: 31st October 2022

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 2021

Note	Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL FUNDS 2021	Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL FUNDS	2021	Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL FUNDS
	£	£	£	£	£	£	£	£	£	£	£	£	£
INCOME FROM:													
2(a)	893,889	-	105,079	998,968	833,559	70	7,303	840,9					
2(b)	24,605	-	53	24,658	393	-	-	3					
2(c)	281,561	-	261,564	543,125	225,970	392,632	780,910	1,399,5					
2(d)	1,224	-	-	1,224	5,161	-	-	5,1					
2(e)	20,590	-	-	20,590	17,732	18,401	10,000	46,1					
2(f)	-	356,544	9,800	366,344	-	22,437	-	22,4					
	1,221,869	356,544	376,496	1,954,909	1,082,815	433,540	798,213	2,314,5					
EXPENDITURE ON:													
3(a)	1,413,497	54,319	379,084	1,846,900	1,008,800	30,716	340,116	1,379,6					
3(b)	22,379	-	-	22,379	91,961	1,490,119	459,580	2,041,6					
3(c)	-	346,697	13,795	360,492	-	81,001	8,894	89,8					
	1,435,876	401,016	392,879	2,229,771	1,100,761	1,601,836	808,591	3,511,1					
NET (EXPENDITURE)/INCOME before separately stated items													
4(b)	(214,007)	(44,472)	(16,383)	(274,862)	(17,946)	(1,168,296)	(10,378)	(1,196,6					
	-	-	-	-	-	-	450,000	450,0					
	(214,007)	(44,472)	(16,383)	(274,862)	(17,946)	(1,168,296)	439,622	(746,6					
9	-	-	-	-	(337,170)	337,170	-	-					
	12,973	-	-	12,973	6,574	-	-	6,5					
	(201,034)	(44,472)	(16,383)	(261,889)	(348,542)	(831,126)	439,622	(740,0					
NET MOVEMENT IN FUNDS													
	48,156	106,880	524,946	679,982	396,697	938,006	85,324	1,420,0					
	(152,878)	62,408	508,564	418,094	48,156	106,880	524,946	679,9					
BALANCES BROUGHT FORWARD AT 1 JANUARY 2021													
BALANCES CARRIED FORWARD AT 31 DECEMBER 2021													

Parochial Church Council of Hackney Church
Statements of Assets and Liabilities
For the year ended 31 December 2021

	Note	GROUP		Hackney Church	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Investments	12	94,575	81,600	94,575	81,600
Tangible assets	8	827,789	1,030,864	376,167	586,114
		922,364	1,112,464	470,742	667,714
CURRENT ASSETS					
Current account & Cash on Hand		348,684	212,831	317,991	185,805
Church of England Cash Deposit fund		252,839	502,839	252,839	502,839
Debtors	11	227,425	143,121	263,701	232,397
Prepayments	11	7,622	15,872	8,122	16,872
		836,570	874,662	842,653	937,913
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	13(a)	(340,840)	(307,143)	(288,750)	(328,242)
NET CURRENT ASSETS		495,730	567,519	553,903	609,671
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		418,094	679,982	24,645	277,385
FUNDS					
	9				
Unrestricted		(152,878)	48,156	(111,478)	48,156
Designated		111,125	165,444	111,125	165,444
Restricted		66,398	63,785	24,998	63,785
Designated Non-Charitable Trading Reserves		(48,717)	(58,564)	-	-
Restricted Reserves of the Consolidated Charity		442,166	461,161	-	-
		418,094	679,982	24,645	277,385

Approved by the Parochial Church Council on 26 May 2022 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 2021

		Group	
		2021	2020
		£	£
<i>Cash Flows from Operating Activities:</i>			
Net Expenditure for the Year	Note		
Adjustments for:		(261,889)	(740,045)
Depreciation	8	245,781	133,946
Dividend and Interest Income from Investment Activities	2(d)	(1,224)	(5,161)
Unrealised (Gains) on Investment Assets		(12,973)	(6,574)
Net expenditures on Building Restoration Project		22,379	2,041,660
Less Grants Received as Financing Activities		(240,233)	(594,890)
(Increase)/Decrease in operating activity debtors	11	(141,044)	155,015
Decrease/(Increase) in operating activity prepayments	11	8,250	(2,903)
Increase/(Decrease) in operating activity creditors	13	62,373	(191,431)
Net Cash Flow from Operating Activities:		(318,582)	789,617
<i>Cash Flows from Building Restoration Project:</i>			
Net expenditures from Building Restoration Project	3(b)	(22,379)	(2,041,660)
Decrease in Building Restoration debtors		56,739	555,865
Decrease in Building Restoration prepayments	11	-	240,240
(Decrease) in Building Restoration creditors	13a	(28,676)	(241,715)
Net Cash from Building Project Activities:		5,683	(1,487,271)
<i>Cash Flows from Investing Activities:</i>			
Purchase of other fixed assets	8	(42,705)	(690,145)
Gift of Leasehold Property	8	-	(450,000)
Interest received on Investment Activities	2(d)	1,224	5,161
Net Cash from Investing Activities:		(41,481)	(1,134,984)
<i>Cash Flows from Financing activities:</i>			
Grants received in Current Year from Financing Activities		240,233	594,890
Net Cash Flows from Financing activities:		240,233	594,890
Net Decrease in Cash and Cash equivalents		(114,147)	(1,237,748)
Movement in cash and cash equivalents:			
Net Decrease in cash and cash equivalent		(114,147)	(1,237,748)
Cash and cash equivalents at beginning of period		715,670	1,953,418
Cash and cash equivalent as at end of Period		601,523	715,670

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2021

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 operational or financial control.

Saint Music Collective Limited (SMC), Company Number 13448340, was formed in June 2021 for the purpose of recording and promoting Christian worship music. The majority of SMC's directors are also trustees of Hackney Church. At this time, the activities of SMC are immaterial. In 2021, the accounts of SMC were not consolidated as the amounts are immaterial. Transactions made between Hackney Church and SMC are disclosed in Note 7.

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 income and unrestricted reserves are sufficient to support the activities planned for 2022 and for the foreseeable future. The trustees are confident that with the continued support of the congregation and appropriate management of expenditure, the negative unrestricted fund position will be managed without adversity. Therefore, the accounts are prepared based on Hackney Church being a going concern. The PCC are aware of the impacts due to the COVID-19 pandemic and the current economic position and are taking precautionary measures with budgeted expenditures in order to be flexible if the situation arises.

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 COVID crisis and impact of the war in Ukraine. 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.

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.

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2021

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 2021

2 CONSOLIDATED INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
2(a) Congregation Giving					
Regular donations	465,041	-	51,159	516,200	376,708
One-off donations	293,158	-	40,650	333,808	321,023
Collections (open plate) at all services	8,223	-	-	8,223	10,840
Gift Aid from HMRC	127,467	-	13,270	140,737	132,361
	893,889	-	105,079	998,968	840,932
2(b) Charitable activities					
Church Events	19,411	-	53	19,464	289
Wedding, baptism and Funeral Fees	5,194	-	-	5,194	104
	24,605	-	53	24,658	393
2(c) Other Funds Generated:					
Property income	126,257	-	20,558	146,815	166,329
Grants	127,220	-	240,233	367,453	659,166
Bursary and Support Income	-	-	-	-	500
Resource Church Income	25,969	-	-	25,969	25,319
Listed Places of Worship Tax Refund	2,115	-	773	2,888	92,632
Heritage Lottery Fund Grant	-	-	-	-	455,566
	281,561	-	261,564	543,125	1,399,512
2(d) Investments					
Investment Interest	2	-	-	2	13
Dividend Income	737	-	-	737	711
Bank interest	485	-	-	485	4,437
	1,224	-	-	1,224	5,161
2(e) Other Income					
Other Income	20,590	-	-	20,590	46,133
2(f) Trading Activity Income					
HCEL	-	356,544	-	356,544	
SJHT	-	-	9,800	9,800	22,437
Total Consolidated Income	1,221,869	356,544	376,496	1,954,909	2,314,568

3 CONSOLIDATED EXPENDITURE

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
3(a) Church Activities					
Outreach / Giving to other Organisations	3,536	-	132,944	136,480	214,429
Evangelism Expenses	30,633	-	-	30,633	29,786
Wider Christian Community Support	80,232	-	-	80,232	106,484
Sunday, Digital and Special Services	347,188	27,341	32,572	407,101	262,682
Clergy Expenses	10,033	-	-	10,033	6,245
Premises, Building and Maintenance costs	365,554	807	58,060	424,421	290,337
Administration and Central Costs	294,300	26,171	59,594	380,065	261,717
Worship and Prayer Ministry	93,414	-	18,028	111,442	87,515
Families, Students, Youth and Children	62,035	-	69,547	131,582	84,215
Discipleship Expenses	34,030	-	7,439	41,469	18,083
Church Event Expenses	83,061	-	-	83,061	14,173
Miscellaneous Expenses	9,481	-	900	10,381	3,966
Total Church Activities	1,413,497	54,319	379,084	1,846,900	1,379,632
3(b) Building and Property Expenditures					
Church Building Restoration Project	22,379	-	-	22,379	2,041,660
3(c) Trading Activities					
HCEL	-	346,697	-	346,697	
SJHT	-	-	13,795	13,795	89,895
Total Consolidated Expenditure	1,435,876	401,016	392,879	2,229,771	3,511,187

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2021

4 Consolidated Entities

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.

All distributions from trading reserves are donated to the Parish of Hackney.

	2021 £	2020 £
Turnover		
Venue Hire	32,825	625
Music Event Income	322,895	20,000
Floristry Sales	407	1,714
Other Income	417	98
Total Turnover	356,544	22,437
Operating Expenditures		
General Expenses	4,392	466
Legal Costs	12	3,350
Music Consultants	1,876	7,000
Event Marketing and Communications	2,585	1,097
Music Event Expenses	280,113	-
Floristry Marketing and Communications	-	2,582
Floristry Materials	441	1,076
Use of Hackney Church staff	56,676	65,430
Depreciation	602	-
Total Operating Expenditures	346,697	81,001
Net Profit/(Loss) Retained in HCEL	9,847	(58,564)
Distributions to the Parish of Hackney	-	-
Accumulated (Loss) Brought Forward	(58,564)	-
Non-Charitable Trading Reserves	(48,717)	(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.

	2021 £	2020 £
Income		
Donations	-	-
Rental Income	-	-
Gift of Leasehold Property	36,200	20,000
Total Income	36,200	450,000
Expenditures		
Administration Expenses	2,016	60
Repairs and Maintenance	2,779	3,584
Grants Distributed	41,400	-
Deprecation of Leasehold Buildings	9,000	5,250
Total Expenditures	55,195	8,894
Net (Deficit)/Surplus Retained in SJHT	(18,995)	461,106
Accumulated Surplus Brought Forward	461,161	55
Charitable Trading Reserves	442,166	461,161

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2021

5 GOVERNANCE COSTS

The remuneration to the auditors for the audit of the 2021 accounts was £13,330. (2020: £12,950)

6 STAFF COSTS

	2021 £	2020 £
Wages and salaries (incl. PAYE)	708,156	608,050
Employers Social security costs	46,331	44,923
Employers Pension Costs	13,192	10,779
	<u>767,679</u>	<u>663,752</u>

During the year the PCC employed the full time equivalent ("FTE") of 23.86 people (2020: 21.75) and on the basis of actual number of people employed regardless of FTE the number of people employed in the year 34.83 (2020: 33.33). HCEL and SJHT did not have any direct employees

One employee earned in excess of £60,000 in the year 2021 (2020: One) with nil of Employers Pension Cost (2020: nil).
Total remuneration for key management personnel was £65,000 in the year. (2020: £65,000)

The above salary amounts include a remuneration for redundancy in the amount of £7,000. (2020: £800)

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

	2021 £	2020 £
Received from Hackney Parochial Charity	36,000	7,000
Received from St. John's Housing Trust as a grant	41,400	-
Paid to St. John's Housing Trust for accommodation	36,200	20,000
Received from Hackney Church Experiences Limited for services rendered and supplies	56,676	76,086
Receivable from Saint Music Collective Limited	11,100	-

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 2021 is £96,276 (2020: £117,705).
There were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

In 2021, one trustee received a salary of £8,194 for employment at Hackney Church for work unrelated to the trusteeship. The governing documents of Hackney Church permit a trustee to also be an employee provided that the salary is at fair market and the other trustees of the church are in approval. No other amounts in regards to employment or expenses were reimbursed that were not incurred directly on behalf, and for the benefit of, the Church.

8 TANGIBLE FIXED ASSETS

	PCC IT and Computer Equipment £	PCC Furniture and Fixtures £	PCC Production Equipment £	PCC Vehicles £	PCC Subtotal £	SJHT Leasehold Property £	HCEL Furniture and Fixtures £	Total 2021 £
Cost at 1 January 2021	25,363	168,165	584,411	19,518	797,457	450,000	-	1,247,457
Additions during year	1,528	5,016	19,687	-	26,231	-	16,474	42,705
Disposals during year	-	-	-	-	-	-	-	-
Cost at 31 December 2021	<u>26,891</u>	<u>173,181</u>	<u>604,098</u>	<u>19,518</u>	<u>823,688</u>	<u>450,000</u>	<u>16,474</u>	<u>1,290,162</u>
Depreciation at 1 January 2021	16,509	42,506	150,972	1,355	211,343	5,250	-	216,593
Charge for the year	4,368	53,761	175,022	3,027	236,179	9,000	602	245,781
Disposals during year	-	-	-	-	-	-	-	-
Depreciation at 31 December 2021	<u>20,877</u>	<u>96,267</u>	<u>325,995</u>	<u>4,383</u>	<u>447,522</u>	<u>14,250</u>	<u>602</u>	<u>462,374</u>
Net Book Value at 1 January 2021	<u>8,854</u>	<u>125,659</u>	<u>433,439</u>	<u>18,163</u>	<u>586,114</u>	<u>444,750</u>	<u>-</u>	<u>1,030,864</u>
Net Book Value at 31 December 2021	<u>6,014</u>	<u>76,914</u>	<u>278,103</u>	<u>15,135</u>	<u>376,167</u>	<u>435,750</u>	<u>15,872</u>	<u>827,789</u>

Parochial Church Council of Hackney Church
Notes to the Financial Statements
For the year ended 31 December 2021

9 STATEMENT OF FUNDS

	At 1st January 2021	Income	Gains from Investments	Expenditures	At 31st December 2021
	£	£	£	£	£
Unrestricted Funds					
Unrestricted Fund	48,156	1,221,869	12,973	(1,435,876)	(152,878)
Total Unrestricted Funds	48,156	1,221,869	12,973	(1,435,876)	(152,878)
Designated Funds					
Experiences Fund	133,780	-	-	(53,512)	80,268
St. Luke's Garden Fund	807	-	-	(807)	-
London Aged Christian Society	120	-	-	-	120
St. Luke's Quinquennial Fund	30,737	-	-	-	30,737
HCEL Trading Activities	(58,564)	356,544	-	(346,697)	(48,717)
Total Designated Funds	106,880	356,544	-	(401,016)	62,408
Restricted Funds					
Lighthouse Project (Previously Open Doors)	52,599	150,371	-	(128,510)	74,460
Lighthouse LYN Christmas	624	2,600	-	(3,224)	-
National Lottery Heritage Emergency Fund	6,562	-	-	(6,562)	-
National Lottery Recover Fund Grant	-	19,900	-	(19,900)	-
Hackney Parochial Charity	-	6,000	-	-	6,000
St. John's Housing Fund	(20,000)	-	-	(26,400)	(46,400)
Infrastructure Grant Fund	1,507	-	-	(684)	823
Festival Bursaries and Support	500	-	-	-	500
Ouseley Choir Grant	350	-	-	(350)	-
Retirement Fund	169	-	-	-	169
All Saints Church West Ham	-	52,236	-	(43,870)	8,366
St. Leonard's Church Shoreditch	7,115	16,895	-	(52,570)	(28,560)
St. Mary's Church Leyton	10,984	41,792	-	(49,737)	3,039
Youth BLMF	-	11,666	-	(11,666)	-
Youth Minster	3,374	50,433	-	(50,656)	3,151
Church Bell Tower	-	4,773	-	(4,773)	-
West Ham School Supplies	-	9,582	-	(6,132)	3,450
Special Collections	-	448	-	(448)	-
SJHT Charity Activities	461,161	36,200	-	(55,195)	442,166
	524,946	402,896	-	(460,679)	467,164
Consolidated Eliminations in Restricted Funds					
St. John's Housing Fund	20,000	-	-	26,400	46,400
SJHT Charity Activities	(20,000)	(26,400)	-	41,400	(5,000)
	-	(26,400)	-	67,800	41,400
Total Restricted Funds	524,946	376,496	-	(392,879)	508,564
Total Funds	679,982	1,954,909	12,973	(2,229,771)	418,094

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 Recovery Fund is a grant to help cover the costs of re-openings after COVID
The Hackney Parochial Charity Fund supports local people living below the poverty line and is used for helping people within the Church Ministries.
The St. John's Housing Fund represents the support from and paid housing costs to St. John's Housing Trust.
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 Church Bell Tower fund represents monies received and spent specifically for bell tower improvements.
The West Ham School Supplies fund is for donations within the West Ham area for children in need of school materials and equipment.
The Special Collections fund are monies that are collected on behalf of another charity and are forwarded on accordingly.
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 2021

10 ANALYSIS OF ASSETS BY FUND

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
10(a) Group Assets by Fund				
Leasehold Properties	-	-	435,750	435,750
Fixed Assets for church use	282,968	96,140	12,931	392,039
Fixed asset Investments	63,838	30,737	-	94,575
Current Assets	752,315	(13,699)	97,954	836,570
Liabilities due within one year	(251,998)	(50,770)	(38,072)	(340,840)
Liabilities due after one year	(1,000,000)	-	-	(1,000,000)
Total Group Assets by Fund	(152,878)	62,408	508,564	418,094

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
10(b) PCC Assets by Fund				
Fixed Assets for church use	282,968	80,268	12,931	376,167
Fixed asset investments	63,838	30,737	-	94,575
Current Assets	793,714	120	48,819	842,653
Liabilities due within one year	(251,998)	-	(36,752)	(288,750)
Liabilities due after one year	(1,000,000)	-	-	(1,000,000)
Total PCC Assets by Fund	(111,478)	111,125	24,998	24,645

11 DEBTORS AND PREPAYMENTS

	Group 2021 £	Group 2020 £	PCC 2021 £	PCC 2020 £
Debtors				
Gift Aid tax recoverable	11,739	10,805	11,739	10,805
Grants Receivable	69,101	-	69,101	-
Amounts Due from HMRC for VAT Receivable	-	3,799	-	-
Amounts Due from Listed Places of Worship	2,887	6,244	2,887	6,244
Amounts Due from Heritage Lottery Fund	20,811	77,550	20,811	77,550
Amounts Due from Saint Music Collective	11,100	-	11,100	-
Amounts Due from SAINT churches	34,316	-	34,316	-
Accounts Receivable	54,916	31,922	21,283	31,675
Amounts Receivable from HCEL	-	-	69,315	89,172
Amounts Receivable from SJHT	-	-	1,562	-
Other Debtors	22,555	12,801	21,587	16,951
Debtors for the year ended 31 December 2021	227,425	143,121	263,701	232,397
Prepayments and Deposits				
Rental Prepayments for Curate Housing	1,688	1,573	1,688	1,573
Other Prepayments for Church Activities	5,934	14,299	6,434	15,299
Prepayments for the year ended 31 December 2021	7,622	15,872	8,122	16,872

12 INVESTMENTS

HCEL and SJHT had no investments throughout 2021 (2020: nil). Amounts below represent Investments held by the PCC.

	Market Value as of 1 Jan 2021 £	Unrealised Gains on Investments £	Dividend and Interest Income £	Transfer of Income to other accounts £	Market Value as of 31 Dec 2021 £
Investments Activity					
CCLA - Home Mission Deposit Account	3,065	-	2	-	3,067
CCLA - Investment Account	53,191	9,329	737	(737)	62,520
CCLA - Investment Account	25,344	3,644	-	-	28,988
	81,600	12,973	739	(737)	94,575

	Unrestricted £	Designated £	Restricted £	Total 2021 £	Total 2020 £
Investments by Fund					
CCLA - Home Mission Deposit Account	3,067	-	-	3,067	3,065
CCLA - Investment Account	31,783	30,737	-	62,520	53,191
CCLA - Investment Account	28,988	-	-	28,988	25,344
	63,838	30,737	-	94,575	81,600

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 2021

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

	Group		PCC	
	2021	2020	2021	2020
	£	£	£	£
Accounts Payable	74,221	78,625	71,686	77,222
Amounts Payable to SJHT	-	-	-	17,316
Amounts Payable to Employees for Expenses	55	818	55	818
Other Creditors	212,141	185,286	153,090	185,286
PAYE and NI due to HMRC	16,464	19,269	16,464	19,269
VAT Payable	16,329	-	25,825	5,186
Audit Fee	13,330	12,950	13,330	12,950
Rental Deposits held	6,425	8,300	6,425	8,300
Other Accruals	1,875	1,895	1,875	1,895
	340,840	307,143	288,750	328,242

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

	Group		PCC	
	2021	2020	2021	2020
	£	£	£	£
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

At year ended 2021, Hackney Church had one rental flat lease agreement with St. John's Housing Trust for the accommodation of a vergers. The agreement is for a total cost per month of £1,300. The amounts are invoiced monthly and the contract can be terminated with one month's notice. 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.