

Charity Registration No. 219876

HACKNEY PAROCHIAL CHARITIES
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2021

HACKNEY PAROCHIAL CHARITIES

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HACKNEY PAROCHIAL CHARITIES

LEGAL AND ADMINISTRATIVE INFORMATION

Governing Instrument	Charity Commission Scheme dated 27 May 1904, as varied by Scheme 3 May 1957
Trustees	Rev'd A Gordon (Chair) Ms M Cannon (Vice Chair) Councillor C Kennedy Ms N Baboneau Mr A Hilton Mr I Malik Councillor R Chapman Mr J Parmiter - retired 29 April 2020 Councillor S Patrick Rev'd T Oladipo – retired 27 June 2021 Ms J Driver
Charity registered number	219876
Clerk to the Trustees	The Trust Partnership 6 Trull Farm Buildings Tetbury Gloucestershire GL8 8SQ
Principal office	Celia Fiennes House 8 – 20 Well Street Hackney E8 7PX
Independent Auditor	Dunkley's Woodlands Grange Woodlands Lane Bradley Stoke Bristol BS32 4YJ
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment Managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

HACKNEY PAROCHIAL CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

History, objectives and activities of the charities

The Hackney Parochial Charities were constituted under a trust deed dated 27 May 1904 as varied by a Scheme dated 3 May 1957.

The charities are constituted to receive from Hackney Joint Estates Charity (HJEC) 50% of its funds available for distribution. During the year a distribution of £130,000 was received from HJEC (2020: £130,000).

On 1 April 1994, following agreement with HJEC and the other constituent charities, it was agreed the charities should assume custody and control of their proportion of the investments representing the proceeds of the sale by HJEC of a proportion of its property portfolio. The transfer of investments was £3,605,775. These investments are being held as capital as instructed by the Trustees. This treatment was ratified by the Charity Commission.

The objective of the charities is relief of poverty in the former ecclesiastical parish of St John at Hackney, as per the scheme dated 1957. The Trustees currently have a policy of supporting individuals and organisations within the area of benefit.

On 16 October 2008 the Trustees took over the Hackney District Nursing Association and replaced the previous Board. It was agreed with the Charity Commission that the Hackney Parochial Charities would administer the affairs of the Hackney District Nursing Association. The Trustees act in accordance with the terms set out in the constitution of the Hackney District Nursing Association revised on 22 October 1980.

The objectives of the Hackney District Nursing Association are the training, education and support of nurses and midwives, the provision of equipment and services to support them, and to relieve the poverty of persons resident within the London Borough of Hackney.

During 2009 and 2010 all assets and liabilities of the Hackney District Nursing Association were transferred to the Hackney Parochial Charities and are administered as a restricted fund.

In May 2019 the charity received a donation from the Eliza Shepherd Charitable Trust (ES) which is restricted to fund the relief of poverty in children and young people.

Management and governance arrangements

The Trust Deed provides for eleven Trustees; three ex-officio Trustees, three representative Trustees and five co-opted Trustees. The ex-officio Trustees are the Rector and Church Wardens of the Ecclesiastical Parish of Hackney. The representative Trustees are appointed by the London Borough of Hackney and the co-opted Trustees are persons living or working in or near the Ecclesiastical Parish of Hackney. Hackney District Nursing Association has scope to provide grants to the whole of the London Borough of Hackney area and such grants are not restricted to the above constraints.

Were there a requirement for new co-opted Trustees, these would be identified and appointed by the remaining Trustees. The Chair of Trustees and the Clerk of the Trustees are responsible for the induction of any new Trustees which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charities. A number of Trustees have held office for over ten years. All Trustees provide their services free of charge.

The Hackney Parochial Charities are empowered to appoint up to six directors to the Board of Hackney Endowed Trustee Limited, trustee of HJEC.

The Trustees regularly review the risks that the charities face. To date these have mainly related to investment management and these have been ameliorated by diversified portfolio management.

In looking to the future, the Trustees will continue to monitor the risks associated with the trust's investments and continue to be vigilant as to other risks that might be associated to a grant making charity.

Key management personnel

The charities consider the Trustees comprise the key management personnel of the charity, in charge of directing, controlling, running and operating the charities.

HACKNEY PAROCHIAL CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Procedure and policy for grant making

The Trustees normally meet two times a year to consider what grants they will make and to review any feedback they have received. The Trustees consider formal written applications for grants and funding for projects which are usually directed to the Clerk's office. The Trustees expect the applicant to say how the funds will be used and what would be achieved. The Trustees have a policy that they make only one off grants with no guarantee of future funding.

The Trustees always seek feedback on the actual use of the grants given and the achievements (where relevant) made, including those given to individuals. The explanations and feedback received are sufficient for monitoring the quality of the grants made. The Trustees make visits to organisations to which grants are made and to organisations being considered for payment of grants.

The Clerk to the Trustees handles the correspondence relating to grants. In the case of individuals, personal identification is checked before grants are paid. The Clerk's office looks after the financial affairs of the charities on a day to day basis.

The Trustees consider applications at their regular meetings, when they also decide whether to allocate successful applications to their own funds or those of the Hackney District Nursing Association. Individual applications are dealt with in-between meetings, by email

Ministers' Discretionary Grants

The Trustees also make regular small grants to the local ministers' discretionary sick and needy funds to enable the local Clergy of Church of England parochial church councils to assist poor local people, who are in urgent need, without having to make a formal application for a grant each time. These grants are dependent upon annual reports written to the satisfaction of the Trustees.

Achievements and performance of the charities

During the year the Charities have been able to make grants of £236,634 (2020: £272,828). The majority being £4,000 each, or less, to a diverse range of projects to assist the local community and individuals in hardship.

Two Trustee meetings are held each year to consider grants from organisations. Hardship grants for individuals will be considered by Trustees by email, on a monthly or bi-monthly basis. In 2021 the Charities made 72 hardship grants with a total value of £33,490 (2020: 113 grants totaling £59,758).

When grants are made to individuals they are mainly to assist in the purchase of clothing and essential household equipment. During 2021 the Trustees made grants of £5,690 out of the Hackney District Nursing Association's funds (2020: £5,492).

The Hackney Parochial Charities, South Hackney Parochial Charity, West Hackney Parochial Charity and the Hackney Joint Estate Charity launched a joint website in early 2014, which draws together all three of the Hackney Parochial grant making charities in one place. The joint website will make it easier for applicants to access information on the charities, assess their eligibility and apply for a grant.

The Trustees held a strategy day in March 2015 and agreed that they will prioritise projects supporting advice and support organisations, young people, families with no recourse to public funds and the isolated elderly.

Financial review, investment policy and reserves

The Trustees have set a policy that the endowment funds should be invested so as to maximise the total return (capital growth plus income) with a medium level of risk. The income from investments for the year was £239,404 (2020: £236,774).

The endowment funds have been diversified between equities, bonds, cash and property funds. This has been designed to give protection to the portfolio.

HACKNEY PAROCHIAL CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Financial review, investment policy and reserves (continued)

At 31 March 2021 the investment portfolio showed an increase on the prior year of 21% (2020: decrease of 3.3%). This increase includes £110,732 funds from the Eliza Shepherd Charitable Trust received in the previous year.

The Trust employs Sarasin & Partners LLP as investment advisers and managers. They charge a fee based on the value of the portfolio under their management.

Total income for the year was £369,404 (2020: £477,506). The net incoming resources, after grants and operation expenses of £276,451 (2020: £302,653) for the year was £92,953 (2020: £174,853). At the end of the financial year unrestricted reserves were £349,498 (2020: £274,924), around 16 months (2020: 8 months) of grant expenditure (based on average of previous two years). It is the Trustees intention to distribute net incoming resources on an annual basis.

Reserves Policy

Trustees are confident that sufficient funds are held to cover current commitments and have taken into account the potential impact of the 2020/21 pandemic.

The adequacy of the reserves policy is reviewed annually. In addition, the Trustees have also agreed upon an ethical investment policy.

Safeguarding statement

The Charity has no requirement for any direct contact with its individual beneficiaries. All applications are considered via email or online and all applicants are required to submit an application through a third-party organisation.

The Charity does occasionally visit organisations that it has supported through project or strategic applications and, when on site, Trustees always adhere to the safeguarding policy in place at that particular organisation.

The Charity, when reviewing applications from organisations, as part of the project or strategic application process, always requests that organisations provide details of their safeguarding policies which, are then filed together with the application on Salesforce. It is the organisation's responsibility to ensure that their policy is up to date and in compliance with the relevant regulations.

Public benefit

As stated above, the objectives of the charity are the relief of poverty in the former ecclesiastical parish of St John at Hackney. The provisions of grants by the trustees to relieve poverty and the provision of grants to larger organisations allows those organisations to undertake further charitable work to the community, which would otherwise not be available.

Future plans

The Trustees intend to continue providing grants in a similar way to the recent past continuing the emphasis on smaller grants to local organisations and individuals in hardship.

In May 2019 the charity received £110,732 from the Eliza Shepherd Charitable Trust. This donation is ring-fenced to be used for the relief of poverty in children and young people.

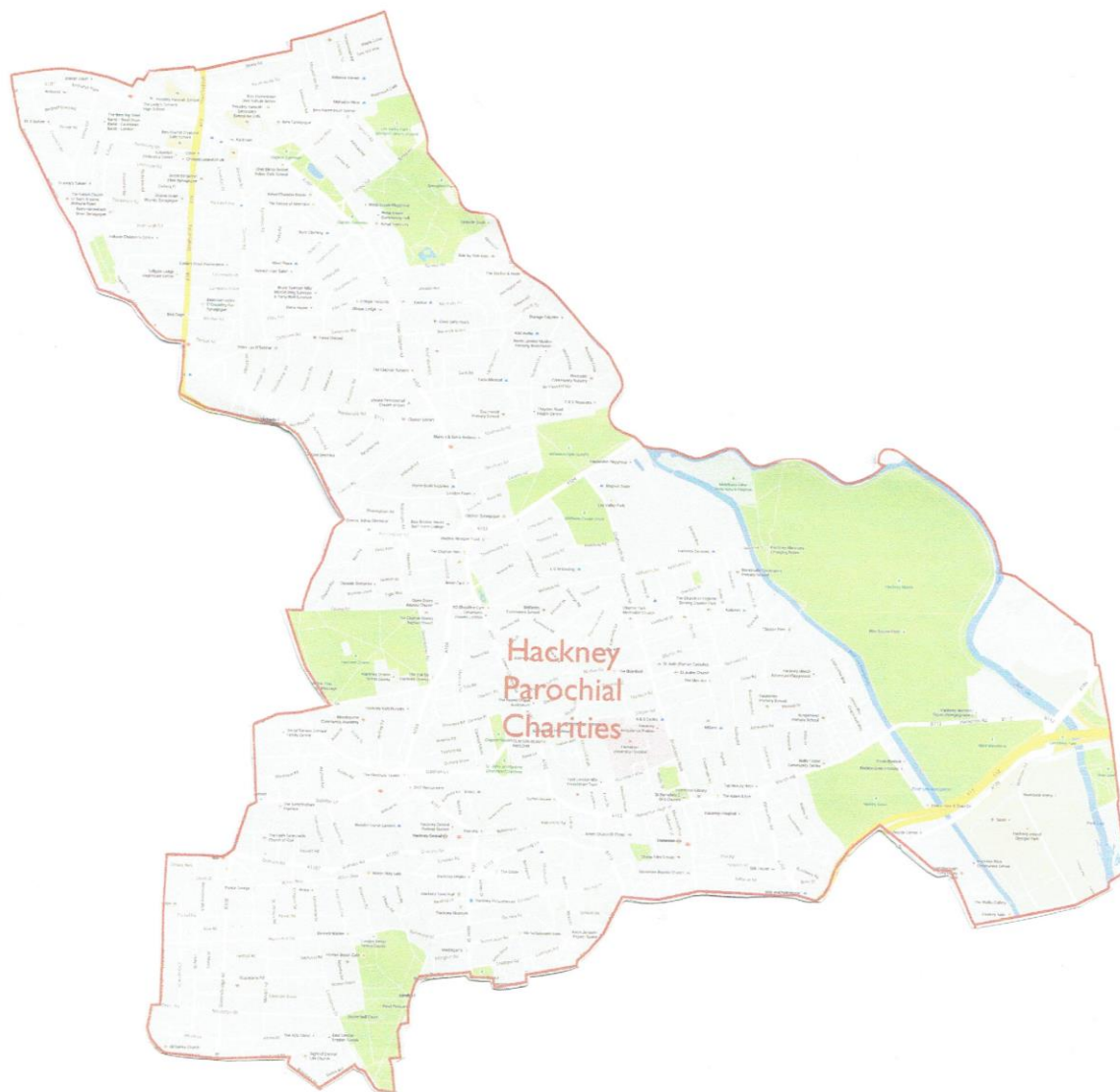
The Trustees will continue to monitor the redevelopment programme being undertaken by HJEC and its effects on the distributable funds available to the constituent charities. The Trustees are represented on the board of directors of Hackney Endowed Trustees Limited (trustee of HJEC) by five of the nine directors.

HACKNEY PAROCHIAL CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Area of benefit

The map below illustrates the Hackney Parochial Charities area of benefit.



Source: Hackney Parochial Charities
Website: www.hackneyparochialcharities.org.uk

HACKNEY PAROCHIAL CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Charity law requires the Trustees to prepare financial statements for each financial year, which show a true and fair view of the state of affairs of the Charities and of the incoming resources and application of resources of the Charities for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (The Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis, unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charities and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charities' constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on its behalf

Rev'd Alexander Gordon

.....
Chair

Date

HACKNEY PAROCHIAL CHARITIES

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES

Opinion

We have audited the financial statements of Hackney Parochial Charities (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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 these financial statements.

HACKNEY PAROCHIAL CHARITIES

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES (continued)

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the charitable sector, control environment and performance including the design of the organisation's remuneration policies;
- Any matters we identified, having obtained and reviewed the organisation's documentation of their policies and procedures relating to:
 - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas of management override of controls, going concern, revenue recognition, and the appropriateness of expenditure.

We also obtained an understanding of the legal and regulatory framework that the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- Enquiring of management, concerning actual and potential litigation and claims;
- Substantive testing to vouch source records to the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Enquiring of management the internal controls in, evaluating each control for weakness and vouching to evidence of the control taking place;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Independent Auditors.

Use of our 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 auditors' 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.

Dunkley's Statutory Auditors Chartered Accountants
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

Date:

HACKNEY PAROCHIAL CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Notes	Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:						
Distribution from connected Charity		130,000	-	-	130,000	130,000
Donation	3	-	-	-	-	110,732
Investment income	4	214,817	8,169	16,418	239,404	236,774
Total Income		<u>344,817</u>	<u>8,169</u>	<u>16,418</u>	<u>369,404</u>	<u>477,506</u>
Expenditure on						
Charitable activities:						
Grants and support costs	5	270,243	6,208	-	276,451	302,653
Total Expenditure		<u>270,243</u>	<u>6,208</u>	<u>-</u>	<u>276,451</u>	<u>302,653</u>
Net gains / (losses) on investments		-	4,462	1,317,028	1,321,490	(231,107)
Net income/(expenditure) and net movement in funds for the year	7	<u>74,574</u>	<u>6,423</u>	<u>1,333,446</u>	<u>1,414,443</u>	<u>(56,254)</u>
Reconciliation of funds						
Total funds brought Forward		274,924	112,756	6,246,790	6,634,470	6,690,724
Total funds carried Forward		<u>349,498</u>	<u>119,179</u>	<u>7,580,236</u>	<u>8,048,913</u>	<u>6,634,470</u>

The notes on pages 12 to 20 form part of these accounts.

All of the charities' activities derived from continuing activities during the above two financial periods.

HACKNEY PAROCHIAL CHARITIES

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

	Unrestricted Notes Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Income from:				
Distribution from connected Charity	130,000	-	-	130,000
Donation	-	110,732	-	110,732
Investment income	214,786	6,415	15,573	236,774
Total Income	<u>344,786</u>	<u>117,147</u>	<u>15,573</u>	<u>477,506</u>
Expenditure				
Charitable activities: Grants and support costs	296,774	5,879	-	302,653
Total Expenditure	<u>296,774</u>	<u>5,879</u>	<u>-</u>	<u>302,653</u>
Net losses on investments	-	-	(231,107)	(231,107)
Net income and net movement in funds for the year	<u>48,012</u>	<u>111,268</u>	<u>(215,534)</u>	<u>(56,254)</u>
Reconciliation of funds				
Total funds brought Forward	226,912	1,488	6,462,324	6,690,724
Total funds carried Forward	<u>274,924</u>	<u>112,756</u>	<u>6,246,790</u>	<u>6,634,470</u>

HACKNEY PAROCHIAL CHARITIES

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	£	2021	£	£	2020	£
Fixed assets							
Investments	8		7,758,514			6,310,149	
			<u>7,758,514</u>			<u>6,310,149</u>	
Current assets							
Debtors	9	4,337			3,923		
Bank balances		<u>299,852</u>			<u>338,834</u>		
		304,189			342,757		
Creditors: Amounts falling due within one year	10						
		<u>13,790</u>			<u>18,436</u>		
Net current assets			<u>290,399</u>		<u>324,321</u>		
Net assets			<u>8,048,913</u>		<u>6,634,470</u>		
Represented by:							
Unrestricted funds	11		349,498			274,924	
Restricted funds	11						
HDNA			2,119			2,024	
Eliza Shepherd			117,060			110,732	
Endowment funds	11		7,580,236			6,246,790	
			<u>8,048,913</u>			<u>6,634,470</u>	

Approved by the board of Trustees on

and signed on its behalf by:

Rev'd Alexander Gordon)

Trustees

Mary Cannon)

The notes on pages 12 to 20 form part of these accounts.

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with 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 United Kingdom 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 Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

No significant accounting estimates or judgements were required to prepare the financial statements.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of the approval of these accounts. The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. Given the additional challenges of Coronavirus and Covid-19 in 2020 and 2021, the Trustees are of the opinion that the Charity will still have sufficient resources to meet its liabilities as they fall due.

Income

Income comprises investment income and a distribution equivalent to half of the net annual income from Hackney Joint Estates. Income is recorded when receivable.

Expenditure

Expenditure is included in the accounts on an accruals basis. Irrecoverable VAT is charged to the statement of financial activities as incurred.

Expenditure on grants is recorded once the charities have made an unconditional commitment to pay the grant and this is communicated to the beneficiary or the grant has been paid, whichever is earlier. The charities have not made any grant commitments of more than one year. The cost of managing investments is charged against investment capital, reflecting the total return approach to investment management. Any costs associated with the sale or purchase of investments are accounted for as part of the sale or purchase price of the investments.

Investments

Quoted investments have been valued at market value at the balance sheet date.

Unrealised and realised investment gains and losses are shown net in the statement of financial activities.

Fund accounting

Details of the nature and purpose of each fund is set out in note 11.

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt.

Statement of cash flows

The financial statements do not include a statement of cash flows because the charity is considered a small charity and is therefore exempt from the requirement to prepare such a statement under the Charities SORP FRS 102 Update Bulletin 1.

2 Taxation

The Charities are registered charities and accordingly are exempt from taxation on its income and gains where they are applied for charitable purposes.

3 Donation

During the previous year the charity received £110,732 from the Eliza Shepherd Charitable Trust. This donation is ring-fenced to be used for the relief of poverty in children and young people.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total £
Source of investment income					
Listed investments	214,741	8,027	-	222,768	220,637
Fee rebates	-	139	16,418	16,557	15,573
Cash	76	3	-	79	564
	<u>214,817</u>	<u>8,169</u>	<u>16,418</u>	<u>239,404</u>	<u>236,774</u>

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Grants paid	230,944	5,690	236,634	272,828
Professional fees	34,147	450	34,597	26,294
Auditors remuneration	1,184	16	1,200	1,200
Incidental expenses	3,968	52	4,020	2,331
	<u>270,243</u>	<u>6,208</u>	<u>276,451</u>	<u>302,653</u>

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities (continued)

Legal, professional and clerk fees include professional services provided to the Charities in respect of legal, accountancy, bookkeeping, financial advisory, trust administration, clerk fees and general advisory services.

The charities consider their key management personnel comprise the Trustees. The Trustees received no remuneration for their services during the year nor were they reimbursed any out-of-pocket expenditure (2020 - £nil).

6 Analysis of grants made

The charities did not undertake any activity directly but met its charitable purposes by making grants.

The Trustees agreed to continue the practise of making quarterly discretionary grants to the local Ministers in the area of benefit for their use in making small hardship grants to individuals in need.

During the year grants were made to the PCC's of St Mark's Church Dalston, St Matthews Church Upper Clapton, St Barnabas Church PCC, St Bartholomew's Church on Stamford Hill, St James Church Clapton, St Michael and All Angels Church London Fields, All Souls Church Hackney Marsh, St Thomas Church Upper Clapton, St John at Hackney Church, Holy Trinity Dalston Church, St Mary of Eton Church, St Michael's Church Stoke Newington, Christchurch on the Mead Church, and St Luke's Church.

	2021 HPC £	2021 HDNA £	2021 Total £	2020 Total £
Apollo Music Projects	-	-	-	3,000
African Community School	5,000	-	5,000	-
Bags of Taste Limited	-	-	-	-
Beersheba Living Well	-	-	-	4,985
Christ Apostolic Church - The Harvesters Kitchen	5,000	-	5,000	-
Clapton Common Boys Club	-	-	-	4,000
Clapton Park United Reformed Church	10,000	-	10,000	5,000
Claudia Jones Organisation	2,806	-	2,806	-
CPU London	5,000	-	5,000	-
East End Citizens Advice Bureau - Welfare Benefits Debt	21,000	-	21,000	-
East End Citizens Advice Bureau (Covid-19 Emergency Grant)	9,000	-	9,000	-
Frampton Baptist Church	-	-	-	10,000
Greenhouse Sports	-	-	-	3,000
Hackney Community Law Centre	-	-	-	30,000
Hackney Doorways	20,000	-	20,000	20,000
Hackney Migrant Centre	10,000	-	10,000	10,000
Hackney Playbus	10,462	-	10,462	7,500
Hackney Quest	15,000	-	15,000	15,000
Hackney Wick Football Club	-	-	-	3,000
Total carried forward	<u>113,268</u>	<u>-</u>	<u>113,268</u>	<u>115,485</u>

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

6 Analysis of grants made (continued)

	2021	2021	2021	2020
	HPC	HDNA	Total	Total
	£	£	£	£
Total brought forward	113,268	-	113,268	115,485
Luminary	-	-	-	5,000
Misgav	-	-	-	4,200
Moorland Estate Blanchard	-	-	-	5,000
Parent Club	-	-	-	3,750
Reachout Youth	-	-	-	5,000
St John at Hackney Church (Lighthouse Project)	-	-	-	10,000
St Joseph's Hospice Hackney	-	-	-	10,000
Sunbeams London Ltd	-	-	-	5,064
The Wickers Charity	-	-	-	6,000
The ZSV Trust	10,000	-	10,000	5,000
Womans Trust	15,007	-	15,007	-
Other grants under £2,500	92,669	5,690	98,359	98,329
	<u>230,944</u>	<u>5,690</u>	<u>236,634</u>	<u>272,828</u>

The Trustees aim to match grants and distributions payments with the income after governance costs on an annual basis.

HACKNEY PAROCHIAL CHARITIES

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

7 Analysis of the net movement in funds

Details are provided of the movement on the individual funds during the year and the balance of funds available to finance future charitable expenditure.

	Unrestricted Funds	Restricted Funds		Endowment Funds		2021 Total Funds	2020 Total Funds
	HPC £	HDNA £	ES £	HPC £	HDNA £		
Incoming resources							
Distributions HJEC	130,000	-	-	-	-	130,000	130,000
Donations	-	-	-	-	-	-	110,732
Investment income receivable	<u>214,817</u>	<u>6,303</u>	<u>1,866</u>	<u>15,950</u>	<u>468</u>	<u>239,404</u>	<u>236,774</u>
	344,817	6,303	1,866	15,950	468	369,404	477,506
Resources expended							
Grants made	230,944	5,690	-	-	-	236,634	272,828
Support costs	<u>39,299</u>	<u>518</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,817</u>	<u>29,825</u>
Net incoming resources	74,574	95	1,866	15,950	468	92,4953	174,853
Unrealised gains / (losses) on investment assets	<u>-</u>	<u>-</u>	<u>4,462</u>	<u>1,248,824</u>	<u>68,204</u>	<u>1,321,490</u>	<u>(231,107)</u>
Net movement in funds	74,574	95	6,328	1,264,774	68,672	1,414,443	(56,254)

HACKNEY PAROCHIAL CHARITIES

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

8 Investments	Unrestricted Funds HPC	Restricted Funds ES	Endowment Funds		2021 Total Funds	2020 Total Funds
	£	£	HPC	HDNA	£	£
			£	£		
Investments held						
Stocks and shares	-	81,591	5,086,882	276,199	5,444,672	4,147,711
Bonds	-	12,874	802,661	43,582	859,117	865,537
Property funds	-	2,773	172,901	9,388	185,062	152,301
Alternative investments	-	9,100	567,362	30,805	607,267	626,161
	-	106,338	6,629,806	359,974	7,096,118	5,841,710
Cash	66,547	8,930	555,693	30,226	662,396	468,439
	66,547	115,268	7,186,499	390,200	7,758,514	6,310,149
Movements in investments were:						
Market value at 1 April 2020						6,310,149
Add: Additions to investments at cost						130,855
Transfer to cash						(3,980)
Unrealised gain on revaluation						1,321,490
Market value at 31 March 2021						<u>7,758,514</u>
Cost of listed investments at 31 March 2021						<u>6,575,051</u>

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

9	Debtors	31 March 2021 £	31 March 2020 £
	Other debtors	<u>4,337</u>	<u>3,923</u>
10	Creditors	31 March 2021 £	31 March 2020 £
	Amounts falling due within one year:		
	Other creditors	<u>13,790</u>	<u>18,436</u>

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

11 Analysis of fund assets and liabilities

	Unrestricted Funds		Restricted Funds		Endowment Funds		2021	2020
	HPC		HPC	ES	HPC	HDNA	Total Funds	Total Funds
	£		£	£	£	£	£	£
Fixed asset investments	66,547		-	115,268	7,186,499	390,200	7,758,514	6,310,149
Current assets	296,741		2,119	1,792	3,355	182	304,189	342,757
Current liabilities	(13,790)						(13,790)	(18,436)
	349,498		2,119	117,060	7,189,854	390,382	8,048,913	6,634,470

Unrestricted funds - general

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

Restricted funds

By 31 March 2012 Hackney Parochial Charities (HPC) had ceased to administer grants for Goldsmiths and the remaining balance of funds as at 31st March 2013 was used to fund eligible grant applications during the year.

Restricted funds include amounts received from the Hackney District Nursing Association (HDNA) which the Hackney Parochial Charities continue to administer in line with the objectives of Hackney District Nursing Association.

Endowment funds

The endowment fund represents those assets which must be held permanently by the Charities, principally investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. All realised and unrealised gains or losses and investment management charges have been attributed to the endowment fund.

The Trustee of Hackney Joint Estates Charity (HJEC) together with the Trustees of the Hackney Parochial Charities, decided that the Hackney Parochial Charities should assume custody and control of their proportion of the investment representing the proceeds of the sale by HJEC of the former residential properties. The first transfer was £45,264, which is being held as capital as instructed by the Trustees. The remaining transfers were amalgamated and took place on 1 April 1994. The proceeds from these transfers of £3,605,775 are being held as capital as instructed by the Trustees. This treatment was ratified by the Charity Commission.

HACKNEY PAROCHIAL CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

12 Connected charities

Hackney Joint Estates Charity and Hackney District Nursing Association are connected to Hackney Parochial Charities. The registered address for both Charities is The Trust Partnership, 6 Trull Farm Buildings, Tetbury, Gloucestershire, GL8 8SQ.

During the year ended 31 March 2021 Hackney Parochial Charities received a distribution of £130,000 from Hackney Joint Estates Charity (2020: £130,000).

13 Related party transactions

During the year ended 31 March 2020 a grant of £10,000 was made to the Parochial Church Council of the Ecclesiastical Parish of St John at Hackney.

Rev'd A Gordon is a Trustee of the Parochial Church Council of the Ecclesiastical Parish of St John at Hackney.

The Ministers discretionary grants are now paid directly to the Parochial Church Councils.