

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF WALTHAMSTOW**
Diocese of Chelmsford

Charity Registration Number: 1132391

Report & Accounts
31 December 2021

Simply Churches
Chartered Accountants
17 Heathville Road
London N19 3AL

**THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH
OF WALTHAMSTOW**



**Report and Financial Statements 2021
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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WALTHAMSTOW



Legal & administrative information For the year ended 31 December 2021

Charity Name	The Parochial Church Council of the Ecclesiastical Parish of Walthamstow. The establishment of the Parish was in 1108.	
Charity Number	The charity registration number is 1132391. The PCC was formally registered, with the Charity Commission on 26 October 2010.	
Principal Address	The Parish Office, St. Mary's Welcome Centre, 8 Church End, London E17 9RJ	
Diocese	Chelmsford	
Parish Churches	The Parish of Walthamstow is made up of a team of three churches. St Gabriel's, Havant Road, Walthamstow, London E17 3JF St Luke's, High Street, Walthamstow, London E17 St Mary's, Church End, London E17 9RJ	
Governing Document	Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules.	
Objective	Promoting in the ecclesiastical parish, the whole mission of the Church.	
Members of the PCC	The Members of the PCC who served during the year and who were serving at the date of this report were:	
	Team Rector (Chair)	Revd. Vanessa Conant
	Vice Chair	Vacant
	Team Vicar	Revd. Andrew Stewart (from 01 September 2021)
	Associate Minister	Revd. Jill Mowbray (until 01 April 2022)
	Curate – (St Mary's)	Revd. Adam Childs (until 01 May 2021) Revd. Dave Edmondson
	Readers	Robert Duddridge Helen Miller
	Churchwardens	Laurence Jones (St Gabriel's) Lynne Rhodes (St Mary's) Carson Thompson (St Mary's)
	Deputy Churchwardens	Tim Coles Donna Gwilliams (St Luke's, also Deanery Synod Rep)
	Deanery Synod Reps	Jacqueline Baker (St Mary's) Pauline Martindale (St Mary's) Michael Forbes (from 23 May 2021) Lou Henderson
	Elected Members	Ava Blake (St Gabriel's) Natalie Burwell (St Mary's)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF WALTHAMSTOW



Legal & administrative information For the year ended 31 December 2021

Members of the PCC (continued)

Elected Members

William Daley (St Gabriel's)
Liz Davies (St Mary's) (PCC Secretary)
Brian Foxton (St Mary's)
Donald Howarth (St Mary's) (until 23 May 2021)
Martin Kearney (St Gabriel's, PCC Treasurer)
Alex Simpson (St Mary's)
Rebecca Veazey (St Mary's) (from 23 May 2021)
Dalton Banjo (St Luke's) (from 23 May 2021)

Key Management Personnel

Those in charge of directing, controlling, running and operating the Parish on a day-to-day basis are the members of the PCC

Bankers

Barclays Bank
Leicester
LE87 2BB

Santander Bank
2 Triton Square
Regent's Place
London NW1 3AN

Central Board of Finance of the
Church of England
80 Cheapside
London EC2V 6DZ

The Cooperative Bank
P.O. Box 250,
Delf House, Southway,
Skelmersdale
WN8 6WT

Quinquennial Inspector

Alex Sherratt
Matthew Lloyd Architects LLP
The Hangar,
Hope House,
1B, 38 Kingsland Rd,
London
E2 8DD

Auditors

Kreston Reeves LLP
168 Shoreditch High Street,
London
E1 6RA

Report of the Parochial Church Council For the year ended 31 December 2021

The Parochial Church Council of the Ecclesiastical Parish of Walthamstow ("PCC") submits its annual report and financial statements for the year ended 31 December 2021. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2019) issued by the Charity Commissioners in 2021. The legal and administrative information set out earlier in this document forms part of this report.

The PCC co-operates with the incumbent in promoting the whole mission of the Church within its Parish and beyond. It also has responsibility for the non-stipendiary staff and the maintenance of its church buildings, the Vicarage and other residential properties. In essence the PCC is a consultative body that represents the views of the congregation as well as its own. It should communicate, where appropriate, any decisions of the PCC or its committees to the church; oversee and advise in the financial affairs of the church; pray and champion the vision for the church.

1. Structure, Governance & Management

1.1 Trustees

Governance in the parish brings together representatives from each of the churches to form the Parochial Church Council (PCC). This strategic body is the sole legal entity for the Parish. Members of the PCC are either *ex officio* or elected by at the Parish Annual Meeting in accordance with the Church Representation Rules.

In this most unusual of years, the PCC met more frequently. From March, with all meetings held via Zoom including additional meetings looking at the safe operating of the churches during the pandemic.

During the year, the PCC met on five occasions:

- January: We discussed our operating arrangements due to COVID-19, building updates on the future use of the Welcome Centre. The sale of St Stephen's Church along with 9 & 10 Church End to meet the Match Funding requirements of the Heritage Lottery Fund Project.
- March: We discussed how to run services with the COVID-19 restrictions and future provision for Children & Youth work. The PCC were updated on the progress of the Heritage Lottery Fund Project along with a review of the Parish Safeguarding Policy.
- May: we held our second APCM via ZOOM. Churchwardens, Deanery Synod Reps and new PCC members were elected, 2019 accounts were presented to the APCM and Auditors appointed for 2021 accounts
- July: New PCC members were welcomed, and Officers were appointed and the safeguarding policy was approved. A discussion focused on a review of CAP debt management provision and the way forward. The sale of 9& 10 Church End to meet the Heritage Lottery Fund – Matched Funding requirement. We also reviewed some of our policies.
- October: The meeting focused on how we continue holding services during the pandemic. Review of our hiring policy and further discussions on CAP services and what will replace it.
- November: The 2022 budget was approved. Officers were appointed and the safeguarding policy was approved. The refurbishment of the Welcome Centre Office Space, HR services provision for the Parish along with updates on finances, Church Planter (SDF) project and the Heritage Lottery Fund Project.

In addition to this, it conducted all necessary legal business and continued to provide an overview and framework on strategy and finance.

1.2 Standing Committee

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. The members of the standing committee were: The Team Rector, the Curate(s), Associate Minister, Readers, the Churchwardens & Deputy Churchwardens along with the Parish Treasurer and the PCC Secretary. The Standing Committee meets prior to each PCC meeting to set the agenda and as agreed necessary by its members.

Report of the Parochial Church Council For the year ended 31 December 2021

1.3 Staff

The Parish employs a number of staff in addition to the diocesan establishment of stipendiary/SSM (Self Supporting Ministry) clergy and a Title Post. In addition to the following, we benefit from the ministry of two licensed Readers, Mr. Robert Duddridge (St Mary's) and Ms. Helen Miller (St Luke's). During 2021, the paid staff comprised of the following:

Clergy (Diocesan Establishment = 1 Full-time Stipendiary & 1 Part-time SSM)

Team Rector (St Mary's)	Rev. Vanessa Conant
Team Vicar (St Gabriel's) (SSM Part-time 0.5)	Rev. Andrew Stewart (from 01 September 2021)
Associate Minister (St Mary's)	Rev. Jill Mowbray (until 01 April 2022)
Curate (St Mary's)	Rev. Adam Childs (until 21 May 2021)
	Rev. Dave Edmondson

Other Ministry Staff

CAP Centre Manager (0.4.5 fte)	Mrs. Sue Peacham (until 05 September 2021)
St Mary's Director of Music (hon)	Mr. Jonathan Rathbone

Support Staff

Parish Administrator (0.46 fte)	Mrs. Fiona Fouhy (until 05 November 2021)
Site Services Officer (St Gabriel's) (0.1 fte)	Mr. Everett Peters
Website & social media (St Mary's) (hon)	Mr. Cameron Conant

Church Planters, Ordinands & Students

Pioneering Minister	Rev. Alan Moss (from 05 May 2021)
Church Planter & Community Organiser	Miss. Charnelle Barclay (Grant Funded)

St Gabriel's Women's English Club & Stay 'n Play Co-Ordinator	Mrs. Sidra Gill (Grant funded until 31 December 2021)
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1.4 Church Membership & Attendance

This year, under "Church Representation Rules", the Electoral Roll was revised for the 2021 APCM which now comprises of 326 members (2020: 321). See also comment under section 3. Achievements & Performance, below

1.5 Risk Management

The Church's primary concern and objective is the glory of God. Whilst it is the Church's policy to trust wholly in the Lord that He will work out His purpose to this end, the Church also acknowledges that it has a responsibility, both as individual members and as a body of members, for the identification and proper management of risks faced by the church in achieving its primary aim. The PCC has therefore assessed the major risks to which the church is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The PCC believes that, by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational risks faced by the church, it has established effective systems and procedures to mitigate those risks.

2. Activities & Strategies

The PCC has given due regard to the Charity Commissions' guidance on public benefit. To this end the PCC organises various activities in order to enable ordinary people to live out their faith as part of our parish community.

2021 has been a year of continued challenge. Further restrictions around the pandemic and new variants of Covid-19 led to ongoing disruption including to our Christmas worship. Added to this has been the changes to St Mary's worship necessitated by the moving from the main building to the church hall while renovation work is underway. Despite these challenging times, congregations have served faithfully, working together to maintain the worshipping life of the church and to support one another through the different phases of the pandemic.

Report of the Parochial Church Council For the year ended 31 December 2021

The core of our activities is the weekly worship and discipleship of our 3 congregations and their wider connections. 2021 saw more opportunities to worship together in person and, after Easter, we have met in our church buildings and other places whilst trying to respond and mitigate ongoing risk. Refreshments, for example, continue to be served outside St Mary's Welcome Centre and, wherever possible, events have taken place outside.

Our clergy team has continued to respond to pastoral need and missional opportunity within and beyond the parish. We have continued to provide pastoral care, opportunities for spiritual growth and to meet for organisational purposes and these meetings have been conducted either online or in gardens when restrictions allowed.

As churches and as clergy, we seek to make contributions to the life of our community. We are active members of Citizens UK, Waltham Forest Citizens (of which the Rector is Chair) and TELCO (the East London alliance). We are also committed to Forest Churches Emergency Night Shelter (FCENS), Walthamstow & Chingford Almshouses, School Governorship, Walthamstow Village Residents' Association. The High Street - Farmers' Market, Local Police Safer Neighbourhood Ward Panels and Local Council Ward meetings.

Many members of our congregations serve on local charities, organisations, businesses and networks in voluntary and advisory capacities contributing to the common good of all.

To support and promote church growth and health our regular pattern of 'non-Sunday service' activities include **strong lay ministry** in leadership and worship, **small groups** confirmation and baptism courses. Our children's ministry has rapidly adapted to the demands of pandemic restrictions. We have continued with online services for children until we were able to re-start children's ministry in the Welcome Centre at St Mary's. We were also able to hold activity days for local families, particularly responding to needs of families at St Mary's school where damaging flooding in the summer meant additional days of school holiday this year.

After the disappointment of not being able to travel to Mexico, we were delighted to take seven young people to the Abernethy Outdoor Adventure Centre in the Cairngorms where they spent a week undertaking outdoor activities and serving around the site. We have continued to offer online youth ministry to all aged 11 and over.

St Luke's Café Stall at the Farmers' Market, and Bible Study in a local café over breakfast, Enquirers & Evangelistic courses (Just Looking & Alpha) moved to a mixed economy of stall hospitality and online bible study. Clergy continued to support the work of **St Mary's VA Primary school** with members involved in governance, staff support, parent/teacher groups, a **comprehensive assembly online programme** at St Mary's VA Primary and other school talks, assemblies and curriculum support as requested.

We continued participation in actions and campaigns with the London Citizens (including two new campaigns which the Parish is leading – Just Transition Climate Change and Racial Justice). At the London Citizens Mayoral Assembly, in front of 5,000 others, we were able to ask Mayor of London Sadiq Khan to commit to particular campaign pledges which St Mary's has been working on for over two years.

We were able to begin a gradual return to hiring our buildings although usage fluctuated in line with changes in the pandemic and infection numbers. Wood Street Nursery at St Gabriel's continued to function under enormous pressure and demanding circumstances

3. Achievements and Performance

The Parish has worked extremely hard to maintain a sense of community and to serve Walthamstow during the accompanying restrictions. Together with online worship, we have continued to provide pastoral care, activities for children and young people as well as joining in with the Boxes of Hope initiative, providing boxes of food and children's activities for families in need.

St Gabriel's has undertaken a number of initiatives to keep connections with the congregation. At St Luke's, the stall continued for most of the year, a new gardening project began, and a number of people were able to camp this summer under the restrictions for August.

Report of the Parochial Church Council For the year ended 31 December 2021

The St Mary's churchyards have proved an extremely important place for people during the periods of lockdown and our Head Gardener, Tim Hewitt, has built a team of over 40 people who are committed to tending the churchyard and building connections our local community.

We have continued to place a strong emphasis on community organising with St Mary's and the wider parish taking leadership roles in London-wide and borough-wide campaigns on the climate emergency and racial justice in particular.

The Heritage Lottery Fund 'Creative Church' project has continued throughout this year with a programme of surveys and investigative works preparing for breaking ground late on in 2021. A project board has worked closely with Project Managers, architects and engineers. We were pleased to participate in Open House in September with recently developed churchyard historical tours which have proven to be very popular. Alongside this, we have been struck by the generosity of our congregation and the increase in online giving and giving to specific campaigns which has helped us maintain many of the services we have been able to offer and continue to support local charitable giving.

Despite a turbulent year, we saw growth in our congregation and were pleased to welcome new members who had connected with online worship. There have been opportunities for community-building, with camps, listening campaigns taking place across the parish around both questions of vision and around achieving the common good in Waltham Forest.

4. Going concern review

The significant event to have occurred prior to the signing of these accounts has been the continual effects of the Covid-19 pandemic, which lasted most of 2021.

Each year it's the PCC's responsibility to state whether or not the annual accounts have been drawn up on a going concern basis (see the accounting policy note on page 15). Going concern is the assumption that an entity, in this case the PCC, has the resources (financial or otherwise) needed to continue operating for the foreseeable future and, in particular, for at least 12 months from the date of approval by the PCC of these annual accounts. If the going concern principle did not apply, then the accounts would be drawn up on an insolvent basis.

Clearly, as part of this year's going concern review, the PCC has had to consider the likely impact of COVID-19 pandemic on its ministry. It has concluded that the financial risks to that ministry have increased significantly as a result of the lockdown restrictions imposed by the Government and the closure of the church building and halls mandated by the central authority of the Church of England. As a result, income from hiring out the church halls has ceased and is not expected to return to anything like a normal level until the late part of 2022. The impact of the lockdown on the finances of our church family members, whose giving provides the bulk of our financial support, remains stable but it is likely to be moderately adverse. The PCC were told that there will not be any relief from the Diocese by way of a reduction of our parish share for 2021 which is our largest single item of expenditure.

Against this background, the PCC has reviewed its financial forecast for 2022. This review indicates that there may be a deficit for 2022 but that its cash reserves are more than adequate to absorb that deficit. Even so it has taken positive steps to reduce the potential impact by operating on the minimalist number of staff. Accordingly, it has concluded that it is appropriate to prepare the 2021 Accounts on a going-concern basis. The PCC will continue to keep both the short-term and longer-term impacts under review and in particular, the 'degree of return to normality' will be actively monitored in the latter part of 2022, with a view to assessing the likely carryover into 2023 and the effect on that Budget.

5. Financial Review

5.1 Financial Activity and Financial Position

The PCC's main sources of funding are the freewill offerings of church members, grants and lettings income.

The Statement of Financial Activities and Balance Sheet can be found on pages 12 and 13 respectively. The Church's reserves increased by £53,599 during the year (2020: increased by £78,060). The balance sheet shows total net assets of £4,102,779 (2020: £4,049,180).

Report of the Parochial Church Council For the year ended 31 December 2021

Included in total funds are amounts totalling £114,029 (2020: £115,876) which are either restricted or endowed. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in note 9 to the accounts together with an analysis of movements in the year.

5.2 Reserves Policy

The PCC has examined the requirements for free reserves, i.e., those unrestricted and endowed funds not invested in tangible fixed assets. The PCC considers that, given the nature of the church's work, free reserves should be equivalent to approximately 4 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The PCC is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income and will allow the church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2021 the church had net free reserves deficit of £116,442 (2020: free reserves of £54,999) as follows:

	2021 £	2020 £
Total reserves	4,102,779	4,049,180
Less: restricted funds	(114,029)	(115,876)
Less: endowment funds	-	-
Less: tangible fixed assets	(1,659,677)	(3,451,531)
Less: designated funds	(2,445,515)	(426,774)
Free reserves	(116,442)	54,999
Free reserves requirement:		
4 month's budgeted routine expenditure	115,000	115,000
Allocated to the St Mary's redevelopment project	-	-
Total free reserves requirement	115,000	115,000

5.3 Investment Policy

The team churches currently place funds, in excess of working capital requirements, on bank deposit.

6. Plans for Future Periods

The following areas, at the present time, are central to the PCC's planning:

- The securing of match funding and the completion of the building project at St Mary's
- Urgent repair and renovation of the Welcome Centre
- The development of new ministries and worshipping congregations
- The consolidation of congregational development at St Gabriel's
- Further consolidation and development of our financial systems.

7. Responsibilities of church council

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice). Charity law and Synodical Government Measures 1970 both require the church council to be responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the church council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Report of the Parochial Church Council
For the year ended 31 December 2021**

In preparing those financial statements, the PCC is required to:

- observe the methods and principles in the Charity SORP and FRS102
- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the church will continue in its ministry

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the church, and which ensure that the financial statements comply with the Charities Act 2011 and the guidance and regulations dated 2006 issued by the Central Board of Finance of the Church of England. It is 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.

In preparing the financial statements, the church council are responsible for assessing the church'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 church council either intend to liquidate the church or to cease operations, or have no realistic alternative but to do so.

8. Approval

The report of the PCC was approved by the PCC on 25 October 2022 and signed on its behalf by:



Revd Vanessa Conant
Chairman, Team Rector

Report of the Independent Auditor to the Parochial Church Council of The Ecclesiastical Parish of Walthamstow

Opinion

We have audited the financial statements of The Parochial Church Council (the 'PCC') of the Ecclesiastical Parish of Walthamstow (the 'charity') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet and the related notes, 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 Financial Reporting Standard 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's affairs as at 31 December 2021 and of its incoming resources and application of resources for the period 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 and the Church Accounting Regulations 2006.

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 United Kingdom, including the Financial Reporting Council'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 PCC's 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 PCC 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 Annual report other than the financial statements and our Auditor's report thereon. The PCC is responsible for the other information contained within the Annual report. 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. 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 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:

Report of the Independent Auditor to the Parochial Church Council of The Ecclesiastical Parish of Walthamstow

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- the information given in the Report of the PCC 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
 - certain disclosures of the PCC's remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit.

Responsibilities of the PCC

As explained more fully in the Responsibilities of Church Council Statement, the PCC is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the PCC determines 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 PCC is 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 PCC either intends 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 145 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, and through discussion with the PCC and other management (as required by auditing standards), we evaluated the PCC's and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, which may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions.

Report of the Independent Auditor to the Parochial Church Council of The Ecclesiastical Parish of Walthamstow

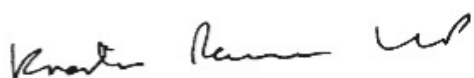
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Parochial Church Council of the Ecclesiastical Parish of Walthamstow, 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 PCC 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 Parochial Church Council of the Ecclesiastical Parish of Walthamstow, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

London

Date: 31 October 2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH
OF WALTHAMSTOW**



**Statement of Financial Activities
For the year ended 31 December 2021**

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Income from:	2						
Donations and legacies		238,256	123,446	361,702	206,499	54,360	260,859
Charitable activities		4,662	-	4,662	1,595	-	1,595
Other trading activities		43,913	8,540	52,453	34,983	761	35,744
Investments		403	-	403	2,198	1	2,199
Other		1,875	-	1,875	2,087	63	2,150
Total Income		289,109	131,986	421,095	247,362	55,185	302,547
Expenditure on:							
Charitable activities	3	355,117	133,571	488,688	344,957	55,467	400,424
Total Expenditure		355,117	133,571	488,688	344,957	55,467	400,424
Net expenditure		(66,008)	(1,585)	(67,593)	(97,595)	(282)	(97,877)
Transfers between funds		262	(262)	-	2,036	(2,036)	-
Other recognised gains and losses		121,192	-	121,192	175,937	-	175,937
Net movement in funds		55,446	(1,847)	53,599	80,378	(2,318)	78,060
Total funds brought forward		3,933,304	115,876	4,049,180	3,852,926	118,194	3,971,120
Total funds carried forward		3,988,750	114,029	4,102,779	3,933,304	115,876	4,049,180

**THE PAROCHIAL CHURCH COUNCIL
OF THE ECCLESIASTICAL PARISH
OF WALTHAMSTOW**



PARISH OF WALTHAMSTOW
St Gabriel | St Luke | St Mary

**Balance Sheet
As at 31 December 2021**

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Fixed Assets					
Tangible Assets	4	1,659,677	-	1,659,677	3,451,531
		1,659,677	0	1,659,677	3,451,531
Current Assets					
Debtors	5	3,370	53,653	57,023	15,799
Cash At Bank and In Hand		2,359,181	60,376	2,419,557	609,376
		2,362,551	114,029	2,476,580	625,175
Creditors - Amounts Falling Due Within One Year	6	33,478	-	33,478	27,526
Net Current Assets		2,329,073	114,029	2,443,102	597,649
Net Assets		3,988,750	114,029	4,102,779	4,049,180
Represented By:					
Unrestricted Income Funds	7	3,988,750	-	3,988,750	3,933,304
Restricted Funds	8	-	114,029	114,029	115,876
Total Funds		3,988,750	114,029	4,102,779	4,049,180

The financial statements were approved by the PCC on 25 October 2022 and signed on its behalf by:

Martin Kearney
Treasurer

Notes to the Financial Statements For the year ended 31 December 2021

I. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of freehold land and buildings which are shown at market value.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The PCC meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling (£).

Going Concern

There are no material uncertainties about the charity's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the PCC has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the PCC; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The PCC is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Charitable expenditure includes those costs in fulfilling the PCC's principal objects, as outlined in the Report of the PCC. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the PCC's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the PCC.
- Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

Rentals under operating leases are charged as incurred over the term of the lease.

**Notes to the Financial Statements
For the year ended 31 December 2021**

I. Accounting Policies (continued)

Tangible Fixed Assets

Consecrated Property and Moveable Church Furnishings

Consecrated land and beneficed property such as the church building is excluded from the accounts in accordance with s10 of the Charities Act 2011. Moveable church contents are held by the vicar and churchwardens on special trust for the PCC and require a faculty for disposal. They are considered by the PCC to be inalienable property. All expenditure incurred on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is expensed within the Statement of Financial Activities.

PCC Property

Properties are revalued on a 5 yearly basis and the next valuation is due on 31 December 2025. The properties are subject to an in-house impairment review annually. Any impairment provision necessary will be written off in the Statement of Financial Activities. All freehold property is well maintained and, in the opinion of the PCC members, will not fall in value for many years. In view of the above no depreciation has been charged in respect of freehold properties.

Other Fixtures, Fittings & Office Equipment

The cost of other furniture, fittings and equipment, less any expected residual value, is depreciated on a straight-line basis over the effective useful life of the asset, which has been estimated as four years.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

**Notes to the Financial Statements
For the year ended 31 December 2021**

2. Income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Donations & legacies				
Offerings and donations	181,623	18,412	200,035	170,118
Income tax reclaimed	37,674	1,249	38,923	36,743
Legacies	500	2,000	2,500	180
Grants	18,459	101,785	120,244	53,819
	<u>238,256</u>	<u>123,446</u>	<u>361,702</u>	<u>260,860</u>
Charitable activities				
Fee income (net)	4,662	-	4,662	1,595
Other trading activities				
Lettings income	39,813	-	39,813	34,735
Market stall (net income)	-	515	515	761
Fundraising	4,100	8,025	12,125	247
	<u>43,913</u>	<u>8,540</u>	<u>52,453</u>	<u>35,743</u>
Investments				
Bank Interest	403	-	403	2,199
Other	1,875	-	1,875	2,150
	<u>289,109</u>	<u>131,986</u>	<u>421,095</u>	<u>302,547</u>

**Notes to the Financial Statements
For the year ended 31 December 2021**

3. Expenditure – Charitable Activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Parish Share & Clergy Expenses				
Parish Share	97,599	-	97,599	104,990
Clergy expenses	1,537	44	1,581	511
	99,136	44	99,180	105,501
Church Life & Outreach				
Staff costs (including salaries)	9,963	33,820	43,783	22,519
Magazine & publicity	649	259	908	2,528
Services/Music	4,088	28	4,116	3,501
Outreach/events	4,236	7,301	11,537	5,959
Stall expenditure	-	-	-	199
Education & training	(160)	70	(90)	2,402
Travel	-	-	-	76
Catering & hospitality	632	434	1,066	337
Gifts and grants (see note 4b below)	8,516	7,765	16,281	16,675
Other	2,364	11	2,375	-
	30,288	49,688	79,976	54,196
Provision of Office & Support				
Staff costs	8,597	-	8,597	11,913
Printing, stationery & consumables	2,564	10	2,574	3,365
Telephone, internet, website	5,861	176	6,037	3,515
Hardware & software	4,782	314	5,096	3,064
Bookkeeping & Accountancy	1,668	-	1,668	2,286
Subscriptions and memberships	562	-	562	7,398
Legal & professional	7,579	-	7,579	-
	31,613	500	32,113	31,541
Provision of Building and Facilities				
House running expenses	8,458	-	8,458	8,388
Church & hall: heat, light & water	8,805	-	8,805	18,013
Church & hall: insurance	9,388	-	9,388	9,326
Staff costs	11,836	5,028	16,864	-
Depreciation	2,807	-	2,807	1,220
Maintenance & cleaning (incl. staff costs)	29,087	8,229	37,316	24,917
Church: church yard maintenance	-	-	-	13,097
	70,381	13,257	83,638	74,961
Major Projects				
Welcome Centre Redevelopment	12,247	-	12,247	1,091
St Mary's Church Alterations	106,220	70,082	176,302	127,210
	118,467	70,082	188,549	128,301
Governance				
Audit	5,100	-	5,100	5,844
PCC meeting expenses	132	-	132	80
	5,232	0	5,232	5,924
	355,117	133,571	488,688	400,424

**Notes to the Financial Statements
For the year ended 31 December 2021**

3. Expenditure – Charitable Activities (continued)

3a. Staff Costs

Included within Expenditure on Charitable Activities are the following staff costs:

	2021 £	2020 £
Gross salaries	67,247	40,132
Employer's National Insurance	2637	1,116
Employer's Annual Allowance	(2637)	(1,116)
Pension contributions	1,723	765
	68,970	40,897
Of which: gross salaries paid to Key Management Personnel	0	0

The average number of employees during the year:

	2021 Number	2020 Number
Full time staff	0	0
Part time staff	8	5
	8	5

These figures exclude the amounts paid to the Diocese for the incumbent and the curates, who are funded through the Common Fund. No employee (2021: nil) received emoluments in excess of £60,000 during the year.

The expenses of nil (2021: nil) members of the PCC were met during the year.

3b. Gifts to organisations and individuals

Included within Expenditure on Charitable Activities are the following gifts to organisations and individuals:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Gifts to organisations	6,820	4,981	11,801	15,638
Gifts to individuals (including those in need)	1,696	2,784	4,479	1,037
	8,516	7,765	16,280	16,675

Organisations supported include St Mary's School, Christians Against Poverty, The Branches (Walthamstow), Interserve, 5 Talents, Worth Unlimited and Mill Grove Christian Charitable Trust.

**Notes to the Financial Statements
For the year ended 31 December 2021**

4. Tangible Fixed Assets

	Freehold land & buildings 2021 £	Equipment 2021 £	Total 2021 £	Total 2020 £
Cost				
At 1 January	3,449,574	6,042	3,455,616	3,279,679
Additions	-	4,402	4,402	-
Disposals	(1,793,448)	-	(1,793,448)	-
Revaluation	-	-	-	175,937
At 31 December	<u>1,656,126</u>	<u>10,444</u>	<u>1,666,570</u>	<u>3,455,616</u>
Depreciation				
At 1 January	-	4,085	4,085	2,865
Charge for Year	-	2,808	2,808	1,220
At 31 December	<u>0</u>	<u>6,893</u>	<u>6,893</u>	<u>4,085</u>
Net Book Value				
At 31 December	<u>1,656,126</u>	<u>3,551</u>	<u>1,659,677</u>	<u>3,451,531</u>

All the fixed assets are used for charitable purposes. Properties used by the PCC are the following:

Property	Property type	Ownership	Valuation 31 Dec 2020 £
St Mary's Church	Church building	Incumbent	-
St Mary's Church Hall (Welcome Centre)	Church hall	PCC	1,120,000
St Gabriel's Church	Church building	Incumbent	-
St Gabriel's Family Centre	Church hall	PCC	536,126
St Stephen's Church	Church building	PCC	515,000
9 Church End, Walthamstow E17 9RJ	Residential	PCC	639,224
10 Church End, Walthamstow E17 9RJ	Residential	PCC	639,224
			3,449,574

5. Debtors

	2021 £	2020 £
Prepayments	630	579
Income tax recoverable	-	7,574
Accrued income	53,653	7,646
Other debtors	2,740	-
	<u>57,023</u>	<u>15,799</u>

**Notes to the Financial Statements
For the year ended 31 December 2021**

6. Creditors - Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	14,496	21,692
Accruals	18,882	5,531
Other creditors	100	303
	33,478	27,526

7. Unrestricted Funds

7a. Current Year Movement and Balances

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2021 £
General fund	3,506,530	276,850	(325,505)	(2,035,832)	121,192	1,543,235
Designated Funds:						
St Mary's Building Project (Matched Funding)	0	12,143	(29,538)	2,036,094	-	2,018,699
Church Commissioners Funds	119,216	-	-	-	-	119,216
St Gabriel's Stay n Play	349	116	(74)	-	-	391
St Luke's Church Hall Proceeds	307,209	-	-	-	-	307,209
	426,774	12,259	(29,612)	2,036,094	0	2,445,515
	3,933,304	289,109	(355,117)	262	121,192	3,988,750

7b. Prior Year Movement and Balances

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2020 £
General fund	3,426,347	247,167	(344,957)	2,036	175,937	3,506,530
Designated Funds:						
Church Commissioners Funds	119,216	-	-	-	-	119,216
St Gabriel's Stay n Play	154	195	-	-	-	349
St Luke's Church Hall Proceeds	307,209	-	-	-	-	307,209
	426,579	195	0	0	0	426,774
	3,852,926	247,362	(344,957)	2,036	175,937	3,933,304

**Notes to the Financial Statements
For the year ended 31 December 2021**

7. Unrestricted Funds (continued)

Descriptions of the designated funds are as follows:

Church Commissioners Funds	Parish of Walthamstow	Funds held by the Church Commissioners have been released on condition that it is used towards a new building that will be suitable for public worship. It can used towards the redevelopment of the "Western Patch" (Welcome Centre along with 9 & 10 Church End) on the basis that St Luke's is able to use the community space as a base for mission and ministry. The money can be used towards the costs of planning permission and other exploratory works for the area.
St Gabriel's Stay n Play	St Gabriel	Funds that are set aside for a children & parents stay and play session held in St Gabriel's Church every Tuesday morning during term-time.
Iris De Clerq Legacy	St Luke	Iris De Clerq was a member of St Luke's. Some of the legacy was used to cover the costs of the Community House in 2010/2011. The remainder is for St Luke's to use as needed, but for specific needs, rather than general use.
St Luke's Church Hall Proceeds	St Luke	These are funds which arise from the sale of the St Luke's church hall on Greenleaf Road in 2012. The funds are held separately by the Diocese and have been set aside by the PCC to fund the future purchase of premises for use by St Luke's.

**Notes to the Financial Statements
For the year ended 31 December 2021**

8. Restricted Funds

8a. Current Year Movement and Balances

	At 1 January 2021 £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 December 2021 £
Parish of Walthamstow						
Finance project	0	1,250	(287)	-	-	963
Harvest Appeal	0	90	(90)	-	-	0
Joel Plummer Memorial Fund (income)	1,868	-	-	-	-	1,868
St Gabriel						
English Club	2,785	-	(2,785)	-	-	0
Outreach Development Worker	1,450	-	(1,450)	-	-	0
St Luke						
Children & Young People	612	148	-	-	-	760
Farmer's Market Stall	0	515	(515)	-	-	0
Homeless and unemployed ministry	5,295	-	(19)	-	-	5,276
St Mary						
Acts 435	0	150	(150)	-	-	0
Bells Fund	17,769	322	(1,068)	-	-	17,023
Bishop's Pump Appeal	0	-	-	-	-	0
Building Fund	37,529	-	-	-	-	37,529
Children's Society	0	-	-	-	-	0
Christians Against Poverty (see foot note)	0	14,221	(14,221)	-	-	0
Christine Walker Bequest	0	2,000	-	-	-	2,000
Church Planting & Community Organising (SDF)	9,896	17,914	(17,353)	-	-	10,457
Churchyard & Monuments Maintenance	3,244	96	(3,189)	-	-	151
Five Talents	0	871	(871)	-	-	0
Foodbank	0	50	(50)	-	-	0
HLF Project	0	81,620	(81,620)	-	-	0
Jaden Moodie Foundation	182	-	-	-	-	182
Matt Ralph Collection	67	-	(67)	-	-	0
Mill Grove Christian Charitable Trust	0	20	(20)	-	-	0
Night Shelter	5,040	240	-	-	-	5,280
Personal Gifts	0	956	(956)	-	-	0
Prayer House (Fraser Road)	9,154	-	-	-	-	9,154
Projection Project	545	-	(283)	-	(262)	0
Rector's Discretionary Fund	7,538	2,053	(1,912)	-	-	7,679
Redevelopment	550	-	-	-	-	550
Teenage Prayer Experiment	0	390	(180)	-	-	210
Year 6 Bibles	0	587	(587)	-	-	0
Youth Fund	12,352	8,493	(5,898)	-	-	14,947
Total	115,876	131,986	(133,571)	0	(262)	114,029

**Notes to the Financial Statements
For the year ended 31 December 2021**

8. Restricted Funds (continued)

8b. Prior Year Movement and Balances

	At 1 January 2020 £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 December 2020 £
Parish of Walthamstow						
Harvest Appeal	0	1,152	(1,152)	-	-	0
Joel Plummer Memorial Fund (income)	1,868	-	-	-	-	1,868
St Gabriel						
English Club	0	4,734	(1,949)	-	-	2,785
Outreach Development Worker	1,450	-	-	-	-	1,450
St Luke						
Children & Young People	462	150	-	-	-	612
Farmer's Market Stall	2,012	761	(2,773)	-	-	0
Homeless and unemployed ministry	5,304	-	(9)	-	-	5,295
St Mary						
Bells Fund	18,528	241	(1,000)	-	-	17,769
Bishop's Pump Appeal	291	-	(291)	-	-	0
Building Fund	37,529	-	-	-	-	37,529
Children's Society	905	-	(905)	-	-	0
Christians Against Poverty (see foot note)	0	9,110	(9,110)	-	-	0
Church Planting & Community Organising (SDF)	0	16,122	(6,226)	-	-	9,896
Churchyard & Monuments Maintenance	5,729	-	(2,485)	-	-	3,244
HLF Project	0	18,778	(18,778)	-	-	0
Jaden Moodie Foundation	182	-	-	-	-	182
Matt Ralph Collection	0	252	(185)	-	-	67
Night Shelter	5,420	50	(430)	-	-	5,040
Prayer House (Fraser Road)	9,268	-	(114)	-	-	9,154
Projection Project	545	-	-	-	-	545
Rector's Discretionary Fund	7,048	1,960	(1,470)	-	-	7,538
Redevelopment	550	-	-	-	-	550
Week of Guided Prayer	2,049	50	(63)	-	(2,036)	0
Year 6 Bibles	0	574	(574)	-	-	0
Youth Fund	19,054	1,251	(7,953)	-	-	12,352
Total	118,194	55,185	(55,467)	0	(2,036)	115,876

**Notes to the Financial Statements
For the year ended 31 December 2021**

8. Restricted Funds (continued)

Descriptions of the restricted funds are as follows:

Finance Project	Parish of Walthamstow	Funds that were given to the MMU to pay towards the restructuring of the Parish's finance systems / processes.
Joel Plummer Memorial Fund (income)	Parish of Walthamstow	A trust set up in 1981 in remembrance of Joel Plummer, the income from which to be used for the annual Easter presentation of a Bible to a boy and girl. In 1996 the objective was changed to the advancement of the Christian religion in such manner as the trustees shall at their discretion think fit. The fund was a charity in its own right until 2010. The trustees were originally the team vicar and churchwardens, for the time being, at St Stephens. This is now under the ownership of The Parish of Walthamstow PCC. The Joel Plummer Memorial Endowment funds were transferred to the Restricted Fund on 16/2/2020.
Harvest Appeal	Parish of Walthamstow	Donations received were to be paid to 2 charities – Christian Kitchen & Mill Grove House.
Outreach Development Worker	St Gabriel	Funding granted by London Over the Border for an Outreach Worker to work with people within the St Gabriel's community.
English Club	St Gabriel	Funding that has been provided by London Over the Border (LOB) for the provision to teach ESOL women English and help build their confidence to feel part of the community. Sessions are held in St Gabriel's Church every Thursday morning during term-time (currently operating differently due to COVID-19).
Children & Young People	St Luke	Funding for children's and young people's work at St Luke's.
Farmers Market Stall	St Luke	This fund receives donations collected on the market stall, and from purchases of consumables and supplies taken from it. The balance is donated in its entirety to the local charity, "Worth Unlimited in Waltham Forest" (Reg Charity No. 1068782).
Homeless and unemployed ministry	St Luke	Funds for use in assisting the homeless and unemployed
Acts 435	St Mary	Funds received via Acts 435 (which is an online giving charity, directly connecting those who want to give with those who are in genuine need of their help, through a network of local churches and charities) and paid to the individual in need.
Bells Fund	St Mary	A fund established to fund the restoration of the bells at St Mary's.
Bishop's Pump Appeal	St Mary	Collection from the Confirmation service on 27 th October 2021 where the proceeds go to the Bishop's appeal for a water pump at the Utugi Children's Centre, Kenya
Building Fund	St Mary	Funding for the upkeep of the church building at St Mary's.
Children's Society	St Mary	Donations that were received specifically for the work of the Children's Society.
Christine Walker Legacy	St Mary	Bequest towards the work of St Mary's Church with a stipulation of its use to be for a bench sited with her name engraved on it and/or piano stall with her name engraved on it.
Christians Against Poverty	St Mary	The church's work with personal debt relief, under the auspices of Christians Against Poverty, the UK registered charity which seeks to bring relief to those burdened by debt.

**Notes to the Financial Statements
For the year ended 31 December 2021**

8. Restricted Funds (continued)

Church Planting & Community Organising (SDF)	St Mary	A grant awarded by the Church Commissioners Strategic Development Funding (SDF) which aims to enable churches to flourish and pray. The funds are to be used to create a new church in housing estates, like Atlee Terrace
Churchyard & Monuments Maintenance Fund	St Mary	A fund established for St Mary's Churchyard & Monuments maintenance. This fund encapsulates many of the historical restricted funds (now closed) that were for the upkeep of the churchyard & maintenance of some monuments at St Mary's.
Five Talents	St Mary	Funds raised for the charity "Five Talents" it works with the Anglican Church in rural areas of eastern Africa to enable those who have little to no access to financial services to begin Savings Groups where they receive training, support to set-up, and grow small businesses.
Foodbank	St Mary	Funds that have been raised towards the work of a local food bank where "Heat or Eat" was chosen.
HLF Project	St Mary	Funding granted by the Heritage Lottery Fund for the repair & redevelopment of St Mary's Church.
Jaden Moodie Foundation	St Mary	Donations received at the funeral of Jaden Moodie held on 22 February 2021. To be paid to the Foundation once it is properly operating.
Matt Ralph Collection	St Mary	Donations received as a thank you for the work Matt Ralph had performed to the Churches in the Parish on his leaving to undertake ordination training
Night Shelter	St Mary	Funding is for the period when the Parish of Walthamstow provides facilities for the Forest Churches Emergency Night Shelters. These run from November to April, at various churches in Waltham Forest, with the Parish of Walthamstow providing facilities at a church on one night of the week.
Organising for Church Growth (SDF)	St Mary	A grant awarded by the Church Commissioners Strategic Development Funding (SDF) with Citizens UK to harness the potential of community organising for growing in discipleship, numbers and impact by reaching out to work with their neighbours to work for the common good.
Prayer House (Fraser Road)	St Mary	Grant funding for the use of a property on Fraser Road owned by the Diocese to be used by any person or group for prayer or similar purpose.
Projection Project	St Mary	A grant and donations received to run an Adventus arts project which consisted of projecting artwork on the outside of St Mary's church for a period of 24 evenings in December 2020.
Rector's Discretionary Fund	St Mary	Funded from various sources to be used at the Rector's discretion for individuals who are in serious / urgent need.
Redevelopment	St Mary	Funds donated towards the redevelopment work for St Mary's Church.
Week of Guided Prayer	St Mary	Funds granted by London Over the Border towards a week of guided prayer run within the Parish of Walthamstow
Year 6 Bibles	St Mary	Funds raised to provide a bible to all Year 6 pupils at St Mary's CofE Primary School, Walthamstow, when they leave the school.
Youth Fund	St Mary	Funding for youth work at St Mary's.
Youth Prayer Experiment	St Mary	Funds raised for the provision of resources for a Prayer experimental project being held at St Mary's Church.

**Notes to the Financial Statements
For the year ended 31 December 2021**

8. Restricted Funds (continued)

Note: In 2021, as in 2020 and earlier years, the Christians Against Poverty project was funded by a combination of restricted and unrestricted funds. This is due to there not being sufficient restricted funds to fully fund the project:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Income	-	14,221	14,221	9,110
Expenditure:				
Staff costs	-	(10,209)	(10,209)	(8,848)
Office, catering etc.	-	(4,012)	(4,012)	(4,881)
	0	0	0	(4,619)

9. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are payable:

	2021 £	2020 £
Not later than one year	1,099	1,099
Later than one year and not later than five years	2,198	3,297
	3,297	4,396

**Notes to the Financial Statements
For the year ended 31 December 2021**

10. Financial Commitments

There was a quinquennial inspection of St Mary's Church building in October 2015 that highlighted the need for extensive essential repairs where some of these being urgent. The PCC got agreement, from the Heritage Lottery Fund (HLF), for grant funding to cover the cost of the proposed works, together with some new build work in the region of £1.8m. The repairs and construction are well underway with an expected completion of the project by November 2022.

		Unrestricted 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £
Income from:	Note				
Grants	2	-	7,856	81,620	89,116
Investments		-	187	-	187
Other		-	4,100	-	4,100
Total Income		0	12,143	81,620	93,403
Expenditure on:					
Charitable activities	3	16,279	100,388	81,620	197,927
Total Expenditure		16,279	100,388	81,620	197,927
Net gains/(losses) on investments		-	-	-	-
Net expenditure		(16,279)	(88,245)	0	(104,524)
Transfers between funds		(2,036,094)	2,036,094	-	-
Other recognised gains and losses		121,192	-	-	121,192
Net movement in funds		(1,931,181)	1,947,849	0	16,668
Total funds brought forward		-	-	-	-
Total funds carried forward		(1,931,181)	1,947,849	0	16,668

11. Related Party Transactions

The aggregate unrestricted donations made by members of the PCC during the year was £41,941 (2020: £24,104). There were no other related party transactions.