

William Gibbs Religious and Educational Trust

Registered Charity 1086771

Annual Report and
Financial Statements

for the Year Ending
31 December 2021

ADMINISTRATIVE INFORMATION

William Gibbs Religious and Educational Trust – Charity Number 1086771

Administrator	Bryan Sollenberger
Correspondence address	St John's Church Hyde Park Crescent London W2 2QD
Bankers	Charities Aid Foundation PO Box 206 West Malling Kent ME19 4PY
Auditors	TC Group 3 Acorn Business Centre Northarbour Road Cosham, Portsmouth PO6 3TH
Solicitors	Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB
Property Advisors	Willettt Tippettt & Co 16 Primrose House 264 Kew Road Richmond TW9 3ED

TRUSTEES' REPORT

The Trustees of William Gibbs Religious and Educational Trust present their report and accounts for the year ended 31 December 2021.

1. Structure, Governance and Management

The William Gibbs Religious and Educational Trust is a charity registered with the Charity Commission for England, charity number 1086771, registered office St John's Church, Hyde Park Crescent, London W2 2QD. The Trust was originally established under a deed dated 20th March 1871 as The St Michael's School Trust and was linked with the now defunct parish of St Michael and All Angels. It passed to the parish of St John the Evangelist, Hyde Park Crescent when the parishes were merged in the mid-1960's. A new scheme for the Trust was sealed by the Charity Commissioners on 20th March 2001 which formalised the way the Trust was run, updating its objects to reflect that St Michael's School had been formally closed. Under this scheme, the objects of the Trust are now as follows:

Category 1

to further the education of children and adults in the ecclesiastical parish of St John the Evangelist with St Michael and All Angels, Paddington and the adjacent ecclesiastical parishes.

Category 2

to further the educational and other charitable work of the Church of England in the ecclesiastical parish of St John the Evangelist with St Michael and All Angels, Paddington.

There are three *ex-officio* Trustees and two co-opted Trustees. The *ex officio* Trustees are the Vicar and Churchwardens of St John's, Hyde Park. In 2021 these were:

The Reverend Stephen Mason
Neville David (to June)
Damon Greeney
Gaynor Scruton (from June)

Ex officio Trustees serve by virtue of their role at St John's, Hyde Park. Churchwardens usually serve in that office for a term of three years. The Vicar is a Trustee for the duration of his term of service in the parish.

There are two co-opted Trustees who are appointed for terms of five years. In 2021 those serving in this capacity were:

Christopher Lees
Neville David (from September)
Gaynor Scruton (to June)

Co-opted Trustees are selected for their knowledge of the area of benefit and educational experience. The current co-opted Trustees were previously *ex officio* Trustees, selected for their knowledge of the history of the Trust and its endeavours in the area of benefit or appointed for their involvement in the educational sector.

New Trustees are presented with an information pack which includes the governing scheme, minutes of meetings in the past year and a copy of the latest approved annual report and accounts. They are taken on a tour of the Trust's properties and given a brief history of the role of the Trust in the local community. More formal training in their role as Trustees, compliance issues and other matters relating to their responsibilities as Trustee is made available on an ad hoc basis as required.

As Trust income is derived almost entirely from property investment, with some interest, the Trustees are aware of the risks attached to this type of investment. 21 Star Street provides the largest proportion of the Trust's income. The Trustees rely on advice from property and legal experts in managing their property portfolio.

In the context of Covid-19 and a weak global economy, the Trustees are careful to take account of the risk that income from property might reduce when preparing their budget for grants. Maintenance of their property assets is of prime importance so as to provide for a maximum return. The Property Reserve was set up so as to provide adequate funding in the event that any of the assets should require major or unexpected works.

2. Statement of Trustees' Responsibilities

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 Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations

2008 and the provisions of the trust deed. 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.

The Trustees who held office at the date of approval of these Financial Statements as set out above confirm, so far as they are aware, that:

- there is no relevant audit information of which the charity's auditors are unaware and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

3. Review of the Trust's Activities and Policies

3.1. Trust Assets

The Trust has a historical endowment of a block of freehold property, 21 Star Street and 66 & 67 St. Michael's Street, which is located close to Paddington Station and Edgware Road Underground Station. These streets are in a predominantly residential area and are made up of a mixture of housing association and owner-occupier Victorian terraces, some of which have been renovated and converted from flats and bedsits into single-family dwellings. The extensive development of the nearby Paddington Basin has affected confidence and economic stability in the area. The redevelopment of the basin has extended considerably to Praed Street. Two major commercial developments are in the process of being constructed at the junction with Eastbourne Terrace and in the old Post Office yard, which will include both considerable retail and office space. The opening of the Elizabeth Line (Crossrail) and a new Bakerloo Line ticket hall along with the construction of a new public realm space between Paddington Station and the old Post Office site are also in construction. New hotels, office and flats bordering on the basin are already completed.

These properties were constructed in 1867 and comprise:

- a purpose-built Victorian school building arranged on five floors and
- two former residential properties, one of three storeys and one of four storeys currently being used for a mixture of administrative offices and classrooms.

The properties are on full maintaining and insuring leases with a private sector international secondary school which expire on 24th March 2040.

In 2014 the Trustees acquired the 1st and 2nd floor maisonette at 11 Star Street and the freehold of the property. The flat had been let on an assured shorthold tenancy which was surrendered by the tenant in August. The basement and ground floor maisonette was purchased in 2020. Major renovation works were carried out and completed during the year, progress being slowed down by the pandemic. The flat was let on an assured shorthold tenancy in November.

3.2. Investment Policy

The Trust's source of income is rental income from their investment properties and a nominal amount of interest. The school in Star Street and the residential

properties in St Michael's Street are on long-term tenancies under which the occupant is responsible for maintaining and insuring them.

It is the policy of the Trust to maintain residential assets in a good state of repair and decoration. In 2020 and 2021, major refurbishment and decoration works were carried out to the basement / ground floor flat at 11 Star Street to bring it up to the standard required by the trustees. The progress in obtaining permissions and consultation with the Council were protracted due to the pandemic.

Cash is invested with the Charities Aid Foundation, along with spare cash and reserves, which may be required on short notice. The rental deposit for the properties at 21 Star Street and 66 & 67 St Michael's Street is deposited with Scottish Widows.

3.3. Reserve Policies

The Trustees have one reserve fund, the Property Reserve, which is held in the eventuality of major works to one or more of their assets. During the year, the Trustees were able to add £130,000 to this reserve, of which £32,118 were used to renovate the newly purchased maisonette in Star Street. The remaining funds will be used for structural works to the upper flat now that it has been vacated and planning consent is being sought for these works.

3.4. Organisational Policy

The Trustees are required to hold at least two meetings each year. In 2021 the Trustees met formally in September and December.

Between meetings the Trustees delegate authority to execute the decisions of the Trustees and the administration of the Trust to the Administrator, the Chairman or an individual Trustee. If any issue arises between meetings that requires Trustees' approval this is dealt with by seeking the views of all Trustees either in person or by e-mail. Such decisions are minuted at the next formal meeting. Where possible, an e-mail trail is kept for formal minuting at the next meeting.

3.5. Policy of the Charity

The charitable policy is clearly stated in the Charity Commissioners' Scheme of 2001 and is set out above: section 1 - Constitution and Objects.

3.6 Relationship with Related Parties

The Trust has a connection with the parish of St John's, Hyde Park in that at least three of its Trustees are officers on the parish council and administrative services are provided by the parish administrator. Under the governing scheme, one-half of the Trust's disburseable income is made to further the religious and other charitable work of the Church of England in the parish of St John's, Hyde Park.

3.7 Volunteers

All Trustees serve on a voluntary basis. There are no other volunteers involved with the Trust.

4. Achievements and Performance

4.1 Strategies for Achieving Objectives

The Trust seeks to support and enhance educational opportunities in its area of benefit. The most common way of achieving this is through the awarding of grants to individuals living or studying in its area of benefit and who are in need of financial assistance as well as to schools in the area of benefit for projects and programmes not normally funded by the local education authority. Sometimes this is also achieved by funding projects either managed directly by the Trust or facilitated by St John's, Hyde Park. The Trust raises its funding for this by letting property as set out in 3.1 above.

Over the years the Trust has made grants covering a wide range of activity:

- providing nursery places to children of parents on low incomes and/or benefits;
- delivering an enriched educational experience for children in local primary schools through educational tools not provided by the local education authority;
- enabling primary schools to provide English language tuition for children for whom English is an acquired language;
- establishing community scholarships whereby students who may otherwise not be able to afford to study in London are enabled to do so provided they do a minimum of three hours' community service per week;
- supporting a community choir for school-age children to enhance their singing and musical skills and to build confidence;
- providing funding for education courses run by local para-educational bodies who draw from schools in the Trust's area of benefit and which benefit lesser well off students;
- providing funding for musical education projects involving students from primary schools in the Trust's area of benefit.
- making small grants to local schools to assist their recovery from the pandemic
- direct grants to the Head Teacher at St James and St John Primary School to enable children of deserving families to take part in school trips and after school activities.

4.2 Grant-making Policy

The Trustees seek to enhance and to enrich the educational experience of local children and adults by making both individual and institutional awards. A breakdown of the grants made in 2021 can be found on page 17 in the notes to the accounts.

One area the Trustees are keen to encourage is the development of skills in speaking and writing English. The acquisition of such skills has a significant impact on a child's education and career prospects and in the development of

social skills. Whilst acknowledging that music, dance, sport and other activities contribute to a child's development, learning and sense of well-being, English skills are seen as of prime importance and therefore receive priority when awarding grants.

Energising bright and skilled young people to move into the area while studying and to make a distinct contribution to the community life through involvement in music, homework groups, school and with the elderly is also something the Trustees endeavour to support.

4.3. Review of Operations for the year

The Covid-19 pandemic continued to impact the number of students applying for grants under the Trust's Community Scholarship programme. Pre-Covid, the trustees would award up to 10 scholarships in an academic year but for the 2021/22 academic year, there were only six applicants. The Trust continued to support the Beauchamp Lodge Floating Classroom with a grant towards their central costs along with the Head Teacher's Discretionary Fund at St James & St John Primary School to support families in need of financial support. The total amount requested by St John the Evangelist was also lower than in the previous year.

Full income from the Trust's assets has been received throughout the pandemic. The school leasing 21 Star Street and 66 & 67 St Michael's Street requested to make payments monthly instead of quarterly, but payments were made timely and they met their full obligations under the terms of their lease. St John the Evangelist surrendered the lease on the upper flat at 11 Star Street in August as their member of staff being housed there had moved out but in the autumn the Parochial Church Council approached the trustees about letting the lower flat and an agreement was reached in November.

The continuing reduction in applications for community scholarships enabled the trustees to build up significantly their Property Reserve. The primary purpose of the reserve will be to pay for major structural works to the front façade and roof to the upper flat at 11 Star Street now that the maisonette is vacant. An application to Westminster City Council for planning consent to carry out these works was in process at the end of the year.

4.4. Grants

Category 1 Educational Grants

Educational grants totalling £52,679 were made in 2021 (£47,870 in 2020). Details of grants made are set out on page 17 in the notes to the accounts.

The Trustees awarded a grant of £1,000 to the local Church of England Primary School, St James & St John, which will be used to support families in need of financial assistance for items such as school uniforms, attendance at holiday clubs, etc.

The Trust supported six community scholars during the academic year, awarding grants totalling £36,679. The grants support the housing costs of post-secondary school students pursuing a bachelor's or higher degree.

Students in receipt of the grants are expected to undertake a minimum of three hours' community service in the Trust's area of benefit. Once again, recipients of these grants for 2021/2022 were hosted at a lunch given by the Trustees in September at which Trustees and grantees were able to meet one another in person. The Trustees were pleased that one community scholar to benefit from this support was an Iranian refugee.

The Beauchamp Lodge Floating Classroom, moored in the Paddington Basin, is an excellent facility that provides quality education and gives city children experiences of nature and wildlife not often readily available in the inner city. The Trust made a grant of £15,000 towards their general running costs. This grant, as well as a similar grant made in 2020, were key to enabling the Floating Classroom to survive the pandemic.

Category 2 Grants

Grants of £60,000 were made to St. John's Church in 2021 (£105,000 in 2020).

5. Financial Review

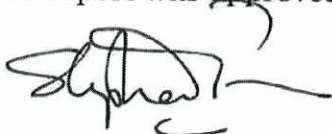
The Trust's finances are in good shape despite the difficulties many charities and educational bodies experienced during the Covid-19 pandemic. All rents were received and the costs of the major refurbishment to the newly purchased flat at 11 Star Street of £32,118 were drawn entirely from the Trust's Property Reserve, with the flat being let out subsequent to completion of these works. The trustees were able to increase this reserve by £130,000 at the end of the year.

6. Looking Ahead

As the nation emerges from Covid-19, the trustees anticipate a more normal pattern of grants although a complete return to pre-Covid levels may not be realised for a further year or two. The rent review for 21 Star Street and 66 & 67 St Michael's Street, due in 2020 but which had been deferred on the advice of their property advisor, Hugh Tippet, will be set in motion. While property values have not risen dramatically because of the pandemic, it is hoped that there will be at least a modest increase in revenue once this has been agreed.

Planning consent for structural repairs and roof works to the upper flat at 11 Star Street is being sought. It is hoped that these works will be able to be undertaken during the year, bringing this flat into good condition so that it can be income producing once again.

This report was approved by the Trustees and signed on their behalf by



Stephen Mason, Chairman
26th October 2022

Independent Auditor's Report to the Trustees of the William Gibbs Religious and Educational Trust

Opinion

We have audited the financial statements of William Gibbs Religious and Educational Trust (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and the notes to the financial statements, including 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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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 trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 are capable of detecting irregularities, including fraud is detailed below:

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Trustees and other management (as required by auditing standards), and discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management; and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is

also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



TC Group (Statutory Auditor)
Office: Portsmouth

Date: 28 October 2022

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

William Gibbs Religious and Educational Trust
Statement of Financial Activities (including income & expenditure account)
for the Year ending 31st December 2021

	2021 Total Unrestricted £	2020 Total Unrestricted £
Income from:		
Investments		
Rents	323,175	329,500
Interest	55	512
Total Income	323,230	330,012
Expenditure on:		
Raising Funds		
Rates & Insurance	5,813	4,108
Property Upkeep	2,356	353
Loan Interest	13,144	10,454
Prepaid Loan Expenses	504	504
Professional Fees	1,000	350
Legal Fees	0	1,823
Administrative Costs	<u>10,547</u>	<u>9,500</u>
Total Cost of Generating Funds	33,364	27,092
Charitable Activities - Grants		
St John the Evangelist	60,000	105,000
Educational Grants	<u>52,679</u>	<u>47,870</u>
Total Grants	112,679	152,870
Governance Costs		
Bank Charges	200	133
Audit	<u>2,800</u>	<u>3,360</u>
Total Governance Costs	3,000	3,493
Total Expenditure	149,043	183,455
Net Income/(Expenditure)	174,187	146,557
Transfers between Funds	0	0
Gain/(Loss) on Revaluation of Investment Assets	(117,824)	(308,000)
Net Movement in Funds	56,363	(161,443)
Reconciliation in Funds		
Total funds brought forward	6,704,375	6,865,818
Total Funds carried forward	6,760,738	6,704,375

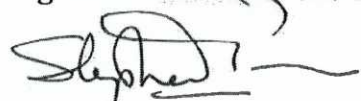
All income and expenditure derive from continuing activities.
The Statement of Financial Activities includes all gains and losses recognised during the year.

William Gibbs Religious and Educational Trust
Balance Sheet for the Year ending 31st December 2021

	Note	2021 £	2020 £
Fixed Assets			
Investments	1	6,647,000	6,732,706
Current Assets			
Debtors	2	34,255	7,058
Investments		77,692	77,684
Cash at bank and in hand		607,531	501,443
Creditors: Amounts falling due within one year	3	(171,262)	(151,505)
Net Current Assets		548,216	434,680
Total Assets Less Current Liabilities		7,195,216	7,167,386
Creditors: Amounts falling due after more than one year	4		
Loan Account		(434,478)	(463,011)
Net Assets		6,760,738	6,704,375
Charity Funds			
Unrestricted Funds			
Designated Fund - Property Reserve		269,412	171,530
Revaluation Reserve		4,947,272	5,032,978
General Reserve		<u>1,544,054</u>	<u>1,499,867</u>
Total Charity Funds		6,760,738	6,704,375

The financial statements were approved and authorised for issue by the Trustees on 26th October 2022.

Signed on behalf of the Trustees



Stephen Mason
26th October 2022



Gaynor Scruton
26th October 2022

The notes on pages 17-21 form part of these financial statements.

William Gibbs Religious and Educational Trust

Notes to the Accounts

For the Year ending 31st December 2021

a) General information and basis of preparation

The William Gibbs Religious and Educational Trust is a registered charity with the Charity Commission for England. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are:

1) to further the education of children and adults in the ecclesiastical parish of St John the Evangelist with St Michael and All Angels and the adjacent ecclesiastical parishes by the provision of grants to children and adults in need of financial assistance who live or study in the area of benefit and the provision to any school in the area of benefit of special benefits not normally provided by the local educational authority.

2) to further the educational and other charitable work of the Church of England in the ecclesiastical parish of St John the Evangelist with St Michael and All Angels, Paddington.

In accordance with this, the following grants were made during 2021:

a) to further the education of children and adults in need of financial assistance and to schools in the area of benefit:

	Grants in year	2021 £	Grants in year	2020 £
James & St John Primary School	1	1,000	2	3,296
Hampden Gurney Primary School	0	0	1	2,000
Beauchamp Lodge Floating Classroom	1	15,000	1	15,000
Community Accommodation Grants	28	36,679	22	27,574
Total	30	52,679	26	47,870

b) to the parish of St John the Evangelist, 5 grants amounting to £60,000 (2020: 4 for £105,000)

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity has not included a cash flow statement on the grounds that it is applying FRS102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the Trustees are responsible in law.

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

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed. Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Rental income is recognised when due under existing leases.

Interest on cash invested is recognised when received.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the trust's objectives, together with any costs in support of these.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Investment assets

Investment assets are stated at cost (or deemed cost) or valuation less accumulated gains or losses on revaluation as at 31st December. Cost includes costs directly attributable to making the asset capable of operating as intended. The properties were valued by Willett Tippet & Co at £6,647,000 as at 31st December 2021. Realised and unrealised gains/(losses) on investments are reflected through the Statement of Financial Activities.

All properties are let on a commercial basis with all rental income being negotiated at arm's length. No depreciation has been provided in respect of the properties.

Rental income arose in respect of the trust's properties as follows:

	<u>2021</u>	<u>2020</u>
21-25 Star Street	210,000	210,000
66-67 St Michael's Street	100,000	100,000
11 Star Street	13,175	19,500
Total	323,175	329,500

f) Debtors and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic

benefits will be required in settlement and the amount can be reliably estimated.

h) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

i) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

j) Related parties

Ex officio Trustees are the Vicar and Churchwardens of St John's, Hyde Park. The Trust makes an annual voluntary contribution for administration services provided by St John's in support of its activities: time devoted by the parish administrator to Trust work, sundry stationery and telephone use, etc. The amount paid to St John's, Hyde Park in relation to such services was £10,000 during the year to 31 December 2021. Grants totalling of £60,000 were made in the year to St John's, Hyde Park.

The Parochial Church Council of St John's, Hyde Park leases the 1st floor/basement maisonette at 11 Star Street at fair market value from the Trust for the housing of staff.

k) Audit fee

A provision of £5,600 has been made in the accounts for the audits of the 2020 and 2021 accounts.

l) Trustee expenses

Reimbursements of £176.88 were made to Stephen Mason. No other expenses or reimbursements to any Trustee were made during the year.

m) Staff costs

The costs of managing and administering the charity are incurred by St. Johns, Hyde Park.

n) Property reserve

The Trustees have a policy to accrue money to enable them to deal with emergency and planned repairs. From 2015, they have been building up this

reserve for unexpected and longer term capital works to their property portfolio. In 2021 the Trustees were able to appropriate £130,000 to this reserve.

From this reserve, they also drew down £32,118 towards the cost of refurbishing the lower flat at 11 Star Street.

o) Revaluation reserve

The Revaluation Reserve reflects the change in valuation of the property assets over time. Changes in the valuations from year to year are accrued to this reserve and are based on annual valuations by third party professionals. The valuations for 2021 were carried out by Willett Tippet & Co, chartered surveyors.

p) Analysis of Net Assets	<u>Unrestricted</u>	<u>Designated</u>	<u>Total</u>
Fixed Assets	6,647,000		6,647,000
Cash and Current Investments	415,811	269,412	685,223
Other Current Assets/Liabilities	(137,007)		(137,007)
Creditors Due after One Year	(434,478)		(434,478)
Total	6,491,326	269,412	6,760,738

1. Fixed Asset Investments

As at 1 st January 2021	6,732,706
Additions	32,118
Unrealised gain/loss	<u>(117,824)</u>
As at 31 st December 2021	6,647,000

2. Debtors

	<u>2021</u>	<u>2020</u>
Pre-paid loan arrangement fee	6,555	7,058
Rent due	<u>27,700</u>	<u>0</u>
	34,255	7,058

3. Creditors: Amounts falling due within one year

	<u>2021</u>	<u>2020</u>
Educational Grants	37,254	36,998
Grant to St John's, Hyde Park	20,000	0
Admin contribution to St John's	790	2,813
Provision for audit	2,800	2,760
Rent Deposit	77,692	77,684
Other Creditors	<u>32,726</u>	<u>31,250</u>
Total Creditors	171,262	151,505

4. Creditors: Amounts falling due After more than one year

	<u>2021</u>	<u>2020</u>
Loan Account	434,478	463,011