

William Gibbs Religious and Educational Trust

Registered Charity 1086771

Annual Report and
Financial Statements

for the Year Ending
31 December 2023

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	Willett Tippet & Co 16 Primrose House 264 Kew Road Richmond TW9 3ED
	My Home Surveyor (London) Ltd The Boat House Rear 26 Rosecroft Gardens Tickenham Middlesex TW2 7PZ

TRUSTEES' REPORT

The Trustees of William Gibbs Religious and Educational Trust present their report and accounts for the year ended 31 December 2023.

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 and its registered office is at 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 two 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 2023 these were:

The Reverend Stephen Mason
Damon Greeney
Gaynor Scruton

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 four 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 2023 those serving in this capacity were:

Neville David
Margaret Legg

Co-opted Trustees are selected for their knowledge of the area of benefit and educational experience. One of the current co-opted Trustees was previously *ex officio* Trustees and 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. Over the past 10 years the Trustees have sought to add further assets to their portfolio so as to reduce their reliance on this asset.

Maintenance of their property assets is of prime importance so as to provide for a maximum return. The Trustees have created a Property Reserve 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. Several major commercial developments are in the process of being constructed in the area which will include both considerable retail and office space along with domestic accommodation. The opening of the Elizabeth Line has enhanced travel links and a new Bakerloo Line ticket hall along a new public realm space between Paddington Station and the old Post Office site are also in construction. New hotels, offices and flats bordering on the basin are already completed.

The above 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 basement and ground floor maisonette was purchased in 2020.

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 so as to maximise the income derived from them. 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. In October 2023, major refurbishment and structural works were begun in the 1st and 2nd floor maisonette. It had been hoped to complete the works during the year but, as with the works to the lower flat, the progress in consultation with and obtaining permission from Westminster City Council were protracted.

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 £80,000 to this reserve, of which £66,208 were used to pay for the costs of the refurbishment of the 1st & 2nd floor flat that had been carried out by the end of the year.

3.4. Organisational Policy

The Trustees are required to hold at least two meetings each year. In 2023 the Trustees met formally in March, June, 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 benefits and/or low income;
- 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;
- providing funding for the core costs of the Beauchamp Lodge Floating Classroom
- 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, enhancing their educational experience

4.2 Grant-making Policy

The Trustees seek to stimulate 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 2023 can be found on page 18 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

A planning application to carry out works to the 1st & 2nd floor maisonette at 11 Star Street was initially refused by Westminster City Council as it sought greater depth to the application so that it could assess how the plans might affect the special interest of the building. The Council believed that the works would harm the special interest and had not been adequately justified. As this was beyond the expertise of the Trustees' surveyor, Neil Maloney, they approached five firms who might provide the relevant skills necessary to make an acceptable planning application. HCUK were appointed to write a Heritage Statement and to make the application and they engaged Sam Haarland, a structural engineer at Civic Engineers, to prepare the required structural engineer's report.

The main issue was a bulging of the front façade and several factors could have contributed to it. It is a fairly common issue of buildings of similar age and type and stems from workmanship and materials used when the house was first constructed. By the end of 2022, a strategy had been approved for making good this problem. A way forward was agreed that was eventually successful in obtaining the necessary planning consent from Westminster City Council and the works were begun in October 2023. The Trustees had for some years been appropriating funds to a Property Reserve. The balance at the end of 2022 stood at £100,000 and during the year, the Trustees appropriated a further £80,000 to it. The cost of works completed by 31st December was £66, 208 and were taken from the Reserve so the balance in this reserve at the end of 2023 of £113,792. This, along with a further planned provision in 2024, should provide the necessary funding to carry out the remainder of the works.

A rent review on the school and houses in Star Street and St Michael's Street, due in 2020 just as the first lockdown took effect, had been deferred on the advice of the Trust's surveyor, Hugh Tippet. After consultation with the Chair, he felt it appropriate to start this process and prepared a report for the Trustees' at the beginning of 2023 which contained a proposal for stepped increases retrospectively from March 2020 until the next review was due in March 2025. The recommendations were agreed by the Trustees and Hugh Tippet was instructed to negotiate with International Community Schools, the lessee, on behalf of the Trustees. ICS accepted the proposed rent increases. They began paying at the new level for the quarter beginning 24 June and arrears which had arisen due to the deferment of the review had been paid in full by November of 2023.

The Trust once again supported the Floating Classroom on the Grand Union Canal in Paddington with a grant of £15,000. A new grantee was the Red Balloon Foundation, which carried out children's work in the area by way of a Thursday morning playgroup for under 5's and their carers and an afterschool club for St James & St John Church of England Primary School on Thursday afternoons, both of which were hosted by St John's, Hyde Park. The Trust funded costs of staffing and supplying these activities of £12,121.

For the 2023/24 academic year, the Trustees budgeted to award ten community scholarships (as they had done prior to Covid) but received only nine applications. In 2022, the Trustees reviewed the qualifying criteria for the amount of savings and earnings an applicant might have. While carrying out

this review, it was noted that the maximum level of grant that might be awarded had not been reviewed since 2012. The Trustees reviewed this during the year. The base rate of 90% of the rent was maintained but the maximum grant which would be awarded was increased from £165/week to £200/week.

4.4. Grants

Category 1 Educational Grants

Educational grants totalling £108,088 were made in 2023 (£81,781 in 2022). Details of grants made are set out on page 18 in the notes to the accounts.

The Trust supported nine community scholars during the academic year, awarding grants totalling £75,294. 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 2023/2024 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 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. Grants awarded by the Trust were key to enabling the Floating Classroom to survive the pandemic.

The Trust financed an educational talk for children of St James & St John School on the Coronation service for Charles III, along with a re-enactment and music that the children would likely hear at the coronation performed by a small orchestra and choir and paid for a school party afterwards, along with a number of Coronation mugs.

The Trust celebrated the Coronation of Charles III with a community drinks party, at which many community organisations that strive for welfare in the Paddington area were invited to send representatives. They also financed the provision of music at a community service at St John's Church on the weekend of the Coronation.

A new recipient of funding in 2023 was the Red Balloon Foundation, which ran Theatrical Thursdays, an after school group aimed at confidence building and language skills among primary school students, and provided a Thursday morning playgroup which attracted participants from a wide range of socio-economic and cultural backgrounds from the Trust's area of benefit.

A mass setting for use in schools, commissioned in 2022, was competed in 2023.

Category 2 Grants

Grants of £60,000 were made to St. John's Church in 2023 (£40,000 in 2022).

5. Financial Review

The Trust's main source of income is rents. Rental income was £47,167 more than in 2022 due to the rent review on the three properties leased by ICS and the recovery of arrears retrospectively to 2020. Interest on the Trust's cash reserves was also significantly greater due to the rise in interest rates.

Expenditure on raising funds was similar to that incurred in 2022. Significant overpayments in 2022 on the loan taken out to purchase the ground/basement flat at 11 Star Street reduced the amount of interest paid from £15,703 to £7,327. This offset increased Professional Fees of £7,461 due to the reports required by Westminster City Council for obtaining planning permission for the works to the 1st & 2nd floor flat at 11 Star Street. The Trustees also agreed an increase in the voluntary contribution for administration services to St John's Church for the provision of administrative service of £500 per quarter.

Grants made for educational purposes increased by £46,307 over 2022 grants. The number of community scholars increased from eight to nine and the level of grant for most scholars increased from £165/week to £200/week. The Trust funded events for the local community and for St James and St John Church of England Primary School held to commemorate the Coronation of HM Charles III of £8,673. Grants to St John's Church were £20,000 more for 2023 than for 2022.

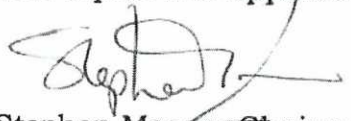
6. Looking Ahead

The intention of the new Labour government to apply VAT to school fees for private sector schools was noted by the Trustees as the International Community School, the tenant of 21 Star Street and 66 & 67 Star Street and the source of 95% of the Trust's income in 2023, would be significantly affected by this change of policy.

The Trustees expect their return on their investments to continue to grow as there will be an increase in rent on 21-25 Star Street for the final year of the rent review agreed during the year. They also expect the works on the 1st & 2nd floor flat to be completed and to begin receiving income by letting it out commercially. They will need to consider whether to appoint an agent to market and to manage the flats at 11 Star Street or to do so themselves.

The Trustees anticipate their normal programme of grants to Beauchamp Lodge Floating Classroom, to St James and St John Primary School and through their community scholarship programme and hope to be able to award ten scholarships for the 2024-25 academic year. They will also continue to support the educational and other charitable work of the Church of England in the parish of St John's, Hyde Park with quarterly grants.

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



Stephen Mason, Chairman
10th October 2024

**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 2023 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and 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 2023, 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. Our opinion on the financial statements does not cover the other information and 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 trustees' report 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; 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 4, 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 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 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: 10 October 2024

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 2023

	2023 Total Unrestricted £	2022 Total Unrestricted £
Income from:		
Investments		
Rents	372,767	325,600
Interest	9,319	2,378
Total Income	382,086	327,978
Expenditure on:		
Raising Funds		
Rates & Insurance	5,022	5,591
Property Upkeep	1,416	2,076
Loan Interest	7,327	15,703
Prepaid Loan Expenses	504	504
Professional Fees	10,185	2,724
Administrative Costs	<u>11,180</u>	<u>9,688</u>
Total Cost of Generating Funds	35,634	36,286
Charitable Activities - Grants		
St John the Evangelist	60,000	40,000
Educational Grants	<u>108,088</u>	<u>81,781</u>
Total Grants	168,088	121,781
Governance Costs		
Bank Charges	120	169
Audit	<u>3,150</u>	<u>3,020</u>
Total Governance Costs	3,270	3,189
Total Expenditure	206,992	161,256
Net Income/(Expenditure)	175,094	166,722
Transfers between Funds	0	0
Gain/(Loss) on Revaluation of Investment Assets	53,792	(10,000)
Net Movement in Funds	228,886	156,722
Reconciliation in Funds		
Total funds brought forward	6,917,460	6,760,738
Total Funds carried forward	7,146,346	6,917,460

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 2023

	Note	2023 £	2022 £
Fixed Assets			
Investments	1	6,757,000	6,637,000
Current Assets			
Debtors	2	34,296	31,884
Investments		78,723	77,846
Cash at bank and in hand		429,248	549,244
Creditors: Amounts falling due within one year	3	(147,119)	(164,977)
Net Current Assets		395,148	493,997
Total Assets Less Current Liabilities		7,152,148	7,130,997
Creditors: Amounts falling due after more than one year	4		
Loan Account		(5,802)	(213,537)
Net Assets		7,146,346	6,917,460
Charity Funds			
Unrestricted Funds			
Designated Fund - Property Reserve		113,792	100,000
Revaluation Reserve		5,057,272	4,937,272
General Reserve		<u>1,975,282</u>	<u>1,880,188</u>
Total Charity Funds		7,146,346	6,917,460

The financial statements were approved and authorised for issue by the Trustees on 11th October 2024.

Signed on behalf of the Trustees

Stephen Mason



10th October 2024

Gaynor Scruton



10th October 2024

The notes on pages 18-22 form part of these financial statements.

William Gibbs Religious and Educational Trust

Notes to the Accounts

For the Year ending 31st December 2023

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 2023:

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	2023 £	Grants in year	2022 £
James & St John Primary School	0	0	1	1,500
Beauchamp Lodge Floating Classroom	1	15,000	1	15,000
Community Accommodation Grants	63	75,294	36	52,910
Mass Setting for School Events	1	-3,000	5	8,020
Red Balloon Foundation	3	12,121	0	0
Community Jubilee Celebration	0	0	15	4,351
Community Coronation Celebrations	15	8,673	0	0
Total	83	108,088	58	81,781

b) to the parish of St John the Evangelist, 5 grants amounting to £60,000 (2022: 4 for £40,000)

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 £6,757,000 as at 31st December 2023. 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>2023</u>	<u>2022</u>
21-25 Star Street	245,833	210,000
66-67 St Michael's Street	111,334	100,000
11 Star Street	15,600	15,600
Total	372,767	325,600

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 £11,000 during the year to 31 December 2023. 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 ground 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 £3,150 has been made in the accounts for the audit of the 2023 accounts.

l) Trustee expenses

Reimbursements of £2,569 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 2023 the Trustees were able to appropriate £80,000 to this reserve.

From this reserve, they drew down £66,208 to pay for major capital works to the 2nd & 3rd floor maisonette at 11 Star Street, leaving a balance at the end of the year of £113,792.

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 2023 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	6,757,000		6,757,000
Cash and Current Investments	428,475	113,792	542,267
Other Current Assets/Liabilities	(147,119)		(147,119)
Creditors Due after One Year	(5,802)		(5,802)
Total	7,032,554	113,792	7,146,346

1. Fixed Asset Investments

As at 1 st January 2023	6,637,000
Additions	66,208
Unrealised gain/loss	<u>53,792</u>
As at 31 st December 2023	6,757,000

2. Debtors

	<u>2023</u>	<u>2022</u>
Pre-paid loan arrangement fee	5,546	6,050
Rent due	<u>28,750</u>	<u>25,834</u>
	34,296	31,884

3. Creditors: Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
Educational Grants	62,637	65,810
Provision for audit	3,150	3,000
Rent Deposit	78,722	77,846
Other Creditors	<u>2,610</u>	<u>18,321</u>
Total Creditors	147,119	164,977

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

	<u>2023</u>	<u>2022</u>
Loan Account	5,802	213,537