

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF ST GEORGE HANOVER SQUARE  
(AND THE GROSVENOR CHAPEL)**

**ANNUAL REPORT  
AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2023**

**Charity No    1134811**

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF ST GEORGE HANOVER SQUARE  
(AND THE GROSVENOR CHAPEL)

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## OFFICERS AND ADVISORS

<b>Rector</b>	The Reverend R N S Leece
<b>Priest-in-Charge</b>	The Reverend Dr R M Fermer (to 15th January 2023) The Reverend Stephen Coleman (appointed 12th November 2023)
<b>Correspondence Addresses</b>	St George's Vestry 2A Mill Street London W1S 1FX  Grosvenor Chapel Office 24 South Audley Street London W1K 2PA
<b>Bankers</b>	The Royal Bank of Scotland plc London Drummonds Branch 49 Charing Cross London SW1A 2DX  CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Independent Auditor</b>	Rothmans Audit LLP Chartered Accountants Chilworth Point 1 Chilworth Road Southampton SO16 7JQ
<b>Solicitors</b>	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT
<b>Parish Reference</b>	0311 - St George's Hanover Square 0311A - Grosvenor Chapel
<b>Charity No</b>	1134811

## ANNUAL REPORT

The Parochial Church Council of the Ecclesiastical Parish of St George Hanover Square (PCC) has pleasure in presenting its report and the financial statements of the church for the year ended 31st December 2023.

### Reference and administrative information

#### Trustees

The following were trustees from 1<sup>st</sup> January 2023 to the date of this report.

Mark Andrew Hewitt  
The Revd Roderick Neil Stephen Leece  
The Revd Dr Richard Fermer (until 15 January 2023)  
Graham Edward Barnes  
Diana Mary Dennis  
The Revd Dr Alan Robert Lennox Piggot  
The Revd Dr Alan William McCormack  
Janet St John-Austen  
George Charles the Earl of Lucan  
Gary Eaborn (until 1 July 2023)  
The Revd Stephen Coleman (from 12 November 2023)  
Charles Chamberlain Stephens  
Stewart James Munro  
Alicia Mather (until 30 June 2023)  
Sally Rieu (until 30 June 2023)  
Andrew Alexander Jones  
Pamela Yayra Atekpe  
Alistair Henry Milward  
John Crichton  
Oliver Chubb  
Emma Kate Godfrey  
M C  
Simon Jon Roberts (from 21 May 2023)  
Charlotte Scott-Mullings (from 23 July 2023)  
Benedict John Anthony Clarke (from 19 May 2024)  
Gavin Charles J Arendt (from 19 May 2024)

#### Council Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Following the elections of PCC members at the APCM on 28<sup>th</sup> May 2023, the PCC was constituted as follows:

Rector of St George's, Hanover Square:	The Reverend Roderick N S Leece
Priest-in-Charge of the Grosvenor Chapel:	The Revd Dr Richard Fermer (until 15 <sup>th</sup> January 2023) The Revd Stephen Coleman (from 12 <sup>th</sup> November 2023)
Non-stipendiary Assistant Priest at St George's:	The Reverend Dr Alan McCormack
Non-stipendiary Assistant Priest at Grosvenor Chapel:	The Reverend Dr Alan Piggot
Church Wardens:	Mr Mark A Hewitt Mr Graham E Barnes

## ANNUAL REPORT (continued)

Grosvenor Chapel Wardens:	Ms Kate Godfrey Mr Oliver Chubb
Deputy Church Wardens:	Mr Alistair Milward Mr Stewart Munro Ms Kate Godfrey Mr Oliver Chubb
Other Elected Members:	Mr George Bingham Mr Andrew Jones Mr Charles Stephens Ms Pamela Atekpe Mr Alistair Milward Mr M C Mr Stewart Munro Mr Simon Roberts (elected at the APCM on 28 <sup>th</sup> May 2022) Ms Charlotte Scott-Mullings (co-opted at the meeting of the PCC on 26 <sup>th</sup> July 2023)
Deanery Synod Representatives:	Mr John Crichton Mrs Diana Dennis  Mrs Janet St John-Austen (Chapel representative)
Secretary to the PCC:	Mr John-Paul de Soissons
Hon. Secretary to the Chapel Committee:	Ms Irene Agnell (appointed May 2023)
Parish Treasurer:	Mr Mark Hewitt
Lay Vice Chairman of the PCC:	Mr Mark Hewitt

**Standing Committee:** Rector, Church Wardens, (Treasurer), Messrs Alistair Milward & Stewart Munro, the Priest-in-Charge & the Chapel Wardens

**Finance & Fundraising Committee:** Mr Mark Hewitt (Chairman & Treasurer), Rector, Messrs George Bingham, Stewart Munro, Charles Stephens & Janine Manning (Chapel Treasurer)

**Fabric Committee:** Mr Graham Barnes (Chairman), Rector, Ms Pamela Atekpe, Messrs Andrew Jones, Alistair Milward, Charles Stephens and Simon Roberts

**Grosvenor Chapel Committee:** The Revd Stephen Coleman, (Priest-in-Charge from 12<sup>th</sup> November 2023), The Revd Dr Alan Piggot, Mr Oliver Chubb (Chapel Warden), Ms Kate Godfrey (Chapel Warden), Ms Irene Agnell (Hon Secretary), Ms Janine Manning (Hon Treasurer), Ms Janet St John-Austen (Deanery Synod representative), Ms Sally Rieu (Deanery Synod Representative until 30<sup>th</sup> June 2023), Mr Gary Eaborn (Chapel Representative until 1<sup>st</sup> July 2023), Mr Richard Hobson (Ex officio), Messrs Rory Gordon, Robert Coleman, Godfrey Barker & Edward Hasted, & Ms Harriet Hedden

Safeguarding Officers:	Mr Graham Barnes (SG's Safeguarding Officer) Mrs Sarah Jackson-Stevens (SG's Children's Champion) Ms Harriet Hedden (GC Safeguarding Officer) Ms Virginia Allel Mazar and Mr Robert Coleman (GC Children's Champions)
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## **ANNUAL REPORT (continued)**

Stewardship Records Officers:	Mr John-Paul de Soissons Ms Janet St John-Austen
Electoral Roll Officers:	Mr John-Paul de Soissons (St George's) Vacant (Grosvenor Chapel)
Main Office:	The Vestry, St George's Church, 2a Mill Street, London W1S 1FX Tel. 020 7629 0874

### **Structure, Governance and Management**

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

#### Committees

The Standing Committee is the only committee of the PCC which is required by Law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Three other committees continued to co-ordinate key areas of PCC business. The Finance Committee and the Fabric Committee at St George's, and the Grosvenor Chapel Committee met periodically throughout the year. The Standing Committee met as required.

#### Appointment and induction of PCC members

PCC members are elected at the Annual Parochial Council Meeting and are eligible for re-election annually.

New PCC members are required to familiarise themselves with the day-to-day running of the Parish which may include an induction to brief them on their legal obligations under charity and church law, the Council and the decision-making processes and the recent performance of the church. They meet key employees and the other PCC members.

#### Risk assessment policy

The PCC and sub-committees, which meet on a regular basis, consider any risks as and when necessary. From these Committee meetings appropriate recommendations are made to the PCC members. At its meeting on 22<sup>nd</sup> April 2015 the PCC adopted a comprehensive Risk Register. This analysed governance, existential, financial and operational risks and was able to give details of measures to mitigate all the risks identified.

The Risk Register is reviewed annually and updated as necessary.

The key strategic risks include:

- Substantial damage to buildings and the associated repair costs.
- Failure to generate income.
- Fraud – both internal and external.

To mitigate the risk of substantial damage to the buildings, the PCC maintains a programme of ongoing repairs to the church buildings. The PCC maintains sufficient reserves to cover any urgent repairs, and will seek donations to assist with any major repairs; for example, the PCC received donations to cover the damage sustained to the portico discussed more fully later in these accounts.

The PCC is required to generate income to cover the operations of the churches, including the repair costs as mentioned above. To achieve this the PCC receives income from a wide range of sources, including fees for events, hire costs, rental income, investment income, voluntary donations, and grants.

## ANNUAL REPORT (continued)

The PCC ensures its staff are aware of the risks of external fraud and has appropriate approval procedures in place to mitigate the risk of unauthorised bank payments. The PCC prepares quarterly management accounts, which are reviewed by the members for any unexpected transactions.

### Organisational policy

The PCC members meet every three months and there are sub-committees covering issues relating to Fabric, Finance, the Grosvenor Chapel and Standing Committee (as required). Other sub-committees are formed as and when required. Administrators are appointed to manage the day-to-day operations of the parish.

To facilitate effective operations, the Parish Administrator at St George's, and the Administrator, Chapel Wardens and Honorary Treasurer at Grosvenor Chapel have delegated authority, within the terms of delegation approved by the PCC members, for operational matters including finance, employment and other elements of the charitable work of the parish and its places of worship. As such they are deemed to be Key Management Personnel along with the Rector and Churchwardens and the Priest-in-Charge of Grosvenor Chapel.

The Administrators' remuneration is contained within the costs noted in Note 4 to the Financial Statements. The pay of all staff is reviewed annually and normally increased in accordance with average earnings. No formal bench marking with salaries paid by similar charities is in place. The PCC is committed to paying all staff in excess of the agreed London Living Wage.

As is the case with most churches, the Parish of St George is heavily dependent on the input of volunteers. Key voluntary supporters form the core of the PCC, and their involvement, commitment, and support is vital to the activities and successes of the sub-committees established to support the overall aims and mission of the PCC, throughout the Parish. Additionally, volunteers act as sidesmen, servers, and readers at regular church services, as well as the welcoming of guests and visitors to both churches, for services and related social gatherings.

### **Objectives and activities**

St George's PCC has the responsibility of co-operating with the incumbent, The Revd Roderick Leece, and the Priest-in-Charge of the Grosvenor Chapel in promoting within and beyond the ecclesiastical parish the whole mission of the Church: spiritual, pastoral, social and ecumenical. It also has responsibilities for maintaining the Church of St George, Hanover Square and the Grosvenor Chapel, South Audley Street. The PCC confirms that it has had due regard to the guidance on public benefit issued by the Charity Commission when planning its objectives and activities for the year.

### Policy of the Church

The policy of the Parish is to promote the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC endeavours to cooperate with the priests in the whole mission of the Church: spiritual, pastoral, social and ecumenical. The strategies it has adopted to fulfil this are to provide regular services of worship, access to the holy sacraments, teaching through the Sunday school and spiritual guidance for the parishioners and visitors to the Parish. The church seeks to be a Christian Community in the catholic tradition of the Church standing as a beacon of faith in the heart of Mayfair, with a welcoming, friendly and supporting congregation.

The number of parishioners on the Church Electoral Roll at the 2023 (2022) APCM was 291 (298), of whom 25 (27) were resident in the parish. These figures break down as follows: St George's Church 144 (155) of whom 7 (8) were resident in the parish; and Grosvenor Chapel, 147 (143) of whom 18 (19) were resident in the parish. The figures for 2022 are in brackets.

The usual Sunday attendance at St George's, during October 2023, was 60 (2022: 52).

At the Grosvenor Chapel the usual Sunday attendance, during October 2023, was 30 (2021: 35).

## ANNUAL REPORT (continued)

### Special Services held in the year 2023 (2022 in brackets)

	St George's	Grosvenor Chapel
Baptisms	10 (8)	3 (12)
Weddings & marriage blessings	6 (13)	9 (12)
Funerals & memorials	7 (10)	6 (3)
Confirmations	1 (0)	0 (0)
Admission to Holy Communion	0 (0)	0 (0)

### Review of operations for the year

2023 was once again a busy year for both churches in the parish. Messrs Mark Hewitt and Graham Barnes were re-elected Church Wardens at the Annual Parochial Church Meeting held on 28<sup>th</sup> May 2023.

The PCC met four times during the year with a good attendance at all meetings.

As in previous years, the Parish remains a net contributor to the Diocesan Common Fund (£55,692 in 2023, £52,080 in 2022).

Due to a general decrease in footfall on Fridays as a result of changing working patterns in central London post-covid, the PCC decided to change the day of the regular 1.10pm Holy Communion service from Friday to Thursday from July 2023. This has been met with some success with a marked increase in attendees. We continue to stream this service over zoom (as we also do with the Sunday 11.00am Sung Eucharist) although numbers over zoom on Thursdays have continued to decline.

The Parish was delighted to welcome The Reverend Stephen Coleman who was licensed into the role of Priest-in-Charge at Grosvenor Chapel in November 2023.

During the year the PCC sub-committees continued to meet regularly, each one meeting shortly before the PCC meetings, with reports then provided to the PCC. The Finance Committee under the chairmanship of Mr Mark Hewitt approved a budget for 2023 and monitored its implementation throughout the year. The Fabric Committee, chaired by Mr Graham Barnes, with Charles Stephens as Deputy Chairman, continued the task of maintaining St George's wonderful building, notably in the context of the restoration of St George's portico ceiling and the replacement of St George's boiler, as well as an ongoing project to upgrade and bring more up to date the church's electrical installations.

### **St George's Hanover Square**

Neither attendance numbers nor donation income during the year recovered to pre-Covid levels.

In the latter part of 2022, we discovered that our heating boiler could no longer be used, because of insufficient ventilation in the boiler room. We were thus without central heating throughout the winter of 2022-2023. Fortunately, a new much more efficient heating system was installed during 2023, and was ready for use during the Autumn of 2023 and Winter of 2023-2024. We are extremely grateful to the Hyde Park Place Estate Charity for providing the c. £80,000 funding required by way of moieties and a grant from the Ecclesiastical Trustees.



## ANNUAL REPORT (continued)

As mentioned in last year's accounts, on the evening of 19<sup>th</sup> December 2022, just before Christmas, a section of the church portico at the front of St George's collapsed. Thankfully, nobody was hurt but the church had to take immediate action to install scaffolding to ensure the safety of the public and to enable the church to remain open for Christmas services. The cost of the expected repairs and restoration of the portico ceiling and the lead roof above the portico were estimated to be in the region of £400,000. As hoped, the repair and preservation works were completed during 2023 and the hoarding and scaffold all taken down in time for Christmas 2023. A major fundraising initiative was launched with a target amount to raise of £400,000. Fortunately, as a result of the great generosity of parishioners as well as other grants and donations, but in particular a substantial donation from the Taylor Family Trust, approximately £440,000 was raised. The works were completed under budget. Net of a VAT refund under the Listed Places of Worship Scheme, the cost of the works was approximately £335,000 leaving a surplus for other works on the fabric of the Church of £103,208.

2023 showed a reduced level of wedding activity compared to 2022, with 4 weddings and 2 wedding blessings. The high level in 2022 had reflected a catch-up post-Covid, and this level was evidently not replicated in 2023. We also had 1 funeral and 6 memorial services in 2022; again, a strong post-Covid recovery. Concert income in 2023 was also strong, continuing to increase from pre-Covid levels.

### **What is the outlook into the coming year?**

The number of weddings booked for 2024 is already significantly higher with 11 weddings or blessings currently booked.

Concert activity is continuing strongly in 2024, and the diary is filling up well for events in the run up to Advent and Christmas 2024.

Regarding the Undercroft the kitchen fit out is under way and it is hoped that trading will commence in early Summer 2024.

The PCC continues to keep a tight rein on expenditure.

**St George's, Hanover Square School** – Unfortunately, numbers at the school remain low. Under the leadership of Elizabeth Barnes, operational matters have continued to improve. After the previous Ofsted inspection in October 2021 ("requires improvement"), the school's efforts to seek a further inspection proved successful: following another inspection on 28<sup>th</sup> and 29<sup>th</sup> November 2023, the new report classified the school at the upper end of "good". The partnership with three other schools is going well.

**The Undercroft** – After lengthy negotiations during 2022, stage 2 of the redevelopment of the Undercroft and the related investment by SGHS Enterprises was presented to and approved by the PCC on 3<sup>rd</sup> May 2023. A licence agreement between SGHS Enterprises and Undercroft Mayfair Ltd. was signed in December 2023 with work expected to commence in 2024.

The **Food Voucher** scheme redeemable at the Cabmens' Shelter café in Hanover Square remained in abeyance throughout 2023. Now that the new Elizabeth Line stop in Hanover Square has opened, and the remodelling of Hanover Square is complete, it is hoped that with the re-opening of the café, we will be able to re-launch the scheme.

### **Grosvenor Chapel**

The Grosvenor Chapel spent much of 2023 in interregnum following the departure of Fr Richard Fermer in January. Cover for Sunday services and occasional offices was arranged by the Chapel Administrator Rosslyn Okumu, and various individuals from across the Diocese throughout the nine months of the interregnum before the appointment of Fr Stephen Coleman in September 2023.

## **ANNUAL REPORT (continued)**

Community Events included participation in the Mount Street Gardens Summer Fair, hosting of the Thursday Lunch Club for the Homeless (in partnership with local law firm Forsters LLP) for refugees and international homeless with no recourse to public funds, Carol Singing in Shepherd Market (in support of the Healthcare Workers Foundation), and a well-attended Community Carol Service. Ecumenical services were also held with Farm Street Church and the Ukrainian Catholic Cathedral. Due to their relocation to Baker Street however Forsters have made the decision that it will no longer be practical for them to run the Thursday Lunch Club as of December 2023 and so the Chapel committee will look into new ways to renew this form of outreach and hospitality.

The remaining work of phase 2 of the East elevation of the Chapel was carried over into Phase 3 due to weather constraints and Advent activities. Namely, repair of the low level roofs of the vestry and Garden Room, along with redecoration of the Narthex. This, and Phase 3 work on the North Elevation, commenced on 30th May and was completed in September, with a final payment of 2.5% to be paid in a year's time providing all the works are sound.

### **Financial review**

For the first time, these accounts are presented as a consolidated basis of not only St George's and Grosvenor Chapel, but also including the results of the St George's Hanover Square Foundation and SGHS Enterprises. During the year, as noted earlier, sizeable donations were received for the portico works. Additionally, the signing of the Licence with Undercroft Mayfair by SGHS Enterprises brought in income upon signature in later December 2023. These two events, on top of the normal financial activities pushed total revenue above the £1m threshold, which in turn triggers the requirement to produce consolidated accounts for all activity, under current accounting regulations. In light of this, the PCC will need to continue to produce accounts on this basis.

The parish is dependent on funding from charitable trusts, regular giving by members of the congregation, income from events and special services, and income generated by investments, rental properties, room hire and parking bays plus occasional legacies. The PCC does not currently anticipate specific factors likely to have a negative effect on future performance.

As referenced in last year's accounts and above, the required repairs on the portico and the boiler meant that the Parish's largest cost for the year was on repairs and maintenance. As shown in Note 3 to the accounts, this totalled £364k for the year. As mentioned above, this cost was covered fully by donations and grants, the total of which is shown in Note 2 below. Most notable was a single £400k grant for the repairs required to the portico, but we were also supported and heartened by the generosity of many in the congregation.

During the year, property values in Mayfair were affected by a general downturn in prices. As a result of this, a charge was taken during the year of (£293,116), to ensure our investments are held at market value. This is an accounting adjustment and not a cash movement.

As a direct result of all these factors, before the non-cash effects of revaluation of the Parish's investments, 2023 saw a net surplus of income over expenditure of £491,678. Following the adjustment to the carrying value of our investments, shown in Note 7 below, the results for the year showed a net surplus of £180,155. As a result of this, the Balance Sheet saw an improvement of £180,155.

### **Investment policy**

It is the Church's policy to invest funds with the CBF Church of England Investment Fund and M&G Securities Charifund. The Church has made such investments to generate a return and has no social investments currently in place. During the year, we saw a marginal fall in the value of the quoted investments, which closed the year at £1,022,175.

This reduction was compounded by a required reduction in the carrying value of the Parish's Investment Properties, which closed the year at £3,100,000.

## ANNUAL REPORT (continued)

As a long-term investor, the PCC has no plans to change its investment policy, and details of the assets held can be found in Note 7 to these accounts.

### Reserves policy

The Council considers that it is appropriate to maintain a level of income reserves equivalent to approximately six months' expenditure of unrestricted funds in order to meet its needs, including its legal and constructive obligations.

Following both the surplus of income over expenditure recorded in the year and the reduction in the investments, both detailed above, during the course of the year under review the total reserves increased from the previous year and stood at £4,752,465 of which £4,309,583 is set aside for restricted and endowment purposes. Of these, £3,100,000 is included in the Rector and Churchwardens' Property Fund, which could be realised on the disposal of investment properties, and the Endowment Fund of £965,934, which could be realised on the disposal of the M&G Securities Charifund income units.

The level of unrestricted free funds at the year end, shown in Note 15 below, amounted to assets of £442,882 (2022: £349,962) (including investments).

### Related parties

The **Hyde Park Place Estate Charity** is a grant making charity. The Rector, the Revd R N S Leece, and the Churchwardens, Mr M A Hewitt, and Mr G E Barnes are Trustees of this charity. The Church receives grant funding and loans from this charity.

**The St George's Hanover Square Foundation**, is a charity whose objective is the repair, restoration and enhancement of St George's Church Hanover Square. The Rector, the Revd. R N S Leece, and the Churchwardens, Mr M A Hewitt, and Mr G E Barnes are Trustees of this charity. The Church receives grant funding and loans from this charity. The activity of this charity is consolidated into these accounts.

**SGHS Enterprises Limited**, is a company registered in England and Wales (number 10023760) and is the trading arm of the PCC. The activities of this company have been the restoration of the fabric of St George's Undercroft. At the time of writing this process is virtually complete. Once complete, the Undercroft will be operated as a restaurant by Undercroft Mayfair Ltd which will pay licence fees to SGHS Enterprises. The Revd R N S Leece, Mr W M C Beckett, and Mr M A Hewitt are Directors of this company. The Church has made loans to this company during the year. The activity of this company is consolidated into these accounts.

Details of transactions taking place between the Church and its related parties, including the St George's Hanover Square Foundation, the Hyde Park Place Estate Charity and SGHS Enterprises Limited are shown in Note 11 to the financial statements.

### Plans for the future

During early 2024 congregation numbers continued their growth, though still not to pre-COVID levels and collection proceeds remain lower. Booking levels for concerts and weddings in 2024 are encouraging.

Ongoing plans include further development of our links with Grace Church, Broadway, Manhattan, as well as the commencement in 2024 and continuation in 2025 of our tercentenary celebrations. Another important factor for the future of the parish will be the fortunes of Undercroft Mayfair Ltd's restaurant in the undercroft, opening in 2024, and the future ability of SGHS Enterprises Limited to start upstreaming cash to the parish.

## ANNUAL REPORT (continued)

The fundraising exercise for the portico ceiling restoration in 2023 raised a surplus over the actual outcome of the costs of the restoration. The Fabric Committee is carefully assessing priorities as to how this restricted surplus might be spent, but the first committee meetings in 2024 have led to a clear expression of intent that a significant portion of the surplus should be kept back unspent as a buffer against other unexpected fabric related events.

Both elements of the Parish continue to concentrate on their mission to the community in which they are situated.

SGHS Enterprises anticipates that commercial activity should commence, under the Licence agreement signed, with Undercroft Mayfair Limited in summer this year. This will lead to income being received by the PCC.

### Auditors

A resolution was proposed and passed at a Special Parochial Church Council meeting on 29<sup>th</sup> October 2023 that Rothmans LLP be appointed as auditors.

### PCC members' responsibilities

The PCC members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the PCC members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of its financial activities for that period. In preparing those financial statements, the PCC members are required to:

- ◆ select suitable accounting policies and apply them consistently;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to 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 activities of the church will continue.


The PCC members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the church and enables them to ensure that the financial statements comply with the Charities Act 2011 and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the PCC members are aware:

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

ON BEHALF OF THE COUNCIL

Dated: 4<sup>th</sup> August 2024



M A Hewitt  
Church Warden

## **INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST GEORGE HANOVER SQUARE**

### **Opinion**

We have audited the consolidated financial statements of The Parochial Church Council of the Ecclesiastical Parish of St George Hanover Square ('the parent') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent's affairs as at 31 December 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of The Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee'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 group and parent's ability to continue as a going concern for a period of at least 12 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 annual report, including the trustees' 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST GEORGE HANOVER SQUARE (continued)**

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 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 by the parent; or
- the parent's 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 PCC members**

As explained more fully in the trustees' responsibilities statement set out on page 13 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 group and the parent'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 group or the parent 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 151 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:

The objectives of our audit, in respect of fraud or error 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.
- To respond appropriately to fraud or suspected fraud identified during the audit.

## **INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST GEORGE HANOVER SQUARE (continued)**

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- Enquiring of management, including obtaining and reviewing supporting documentation, concerning the PCC's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud.
- Obtaining an understanding of the legal and regulatory frameworks that the PCC operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on operations. These included the Charities Act 2011 and relevant UK tax and employment legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the valuation of investments, the consolidation of the group entities, the recognition of income and the override of controls by management. To address the risk of fraud in these areas, we:

- reviewed investment costs and the impairment model and compared our expected valuation to the PCC's assessment;
- reviewed material sources of income, including investment income, and compared expected income to that recorded in the financial statements;
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries during the year and at the year-end to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.
- reviewed all inter group balances and transactions and checked these were eliminated on consolidation.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**INDEPENDENT AUDITOR'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE  
ECCLESIASTICAL PARISH OF ST GEORGE HANOVER SQUARE (continued)**

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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Rothmans Audit LLP, Statutory Auditors  
Chartered Accountants  
Chilworth Point  
1 Chilworth Road  
Southampton  
SO16 7JQ

Date: 27 August 2024

Rothmans Audit LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)  
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

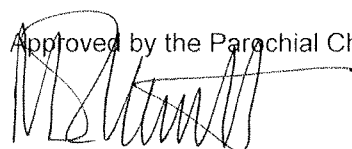
	Note	Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£	£	£
<b>Income from:</b>									
Donations and legacies	2a	443,970	442,927	-	886,897	347,990	29,806	-	377,796
Investment income	2b	126,589	67,160	-	193,749	46,019	70,008	-	116,027
Church activities income	2c	197,172	-	-	197,172	245,449	-	-	245,449
Other income	2d	341,389	-	-	341,389	32,496	20,959	-	53,455
<b>Total income</b>		<b>1,109,120</b>	<b>510,087</b>	<b>-</b>	<b>1,619,207</b>	<b>671,953</b>	<b>120,773</b>	<b>-</b>	<b>792,726</b>
<b>Expenditure on:</b>									
Church activities expenditure	3a	717,311	259,521	-	976,831	493,824	645,083	-	1,138,907
Raising funds	3b	150,698	-	-	150,698	115,776	-	-	115,776
<b>Total expenditure</b>		<b>868,008</b>	<b>259,521</b>	<b>-</b>	<b>1,127,529</b>	<b>609,600</b>	<b>645,083</b>	<b>-</b>	<b>1,254,683</b>
Gain/(Loss) on revaluation of investment property	7	-	(293,116)	-	(293,116)	-	129,663	-	129,663
Gain/(Loss) on investments		4,836	-	(23,243)	(18,407)	(7,169)	-	(76,407)	(83,576)
<b>Net income/(expenditure) Income before transfers</b>		<b>245,948</b>	<b>(42,550)</b>	<b>(23,243)</b>	<b>180,155</b>	<b>55,185</b>	<b>(394,647)</b>	<b>(76,407)</b>	<b>(415,869)</b>
Transfer of funds		(153,028)	153,028	-	-	(47,076)	497,076	(450,000)	-
<b>Net movement in funds</b>		<b>92,920</b>	<b>110,478</b>	<b>(23,243)</b>	<b>180,155</b>	<b>8,109</b>	<b>102,429</b>	<b>(526,407)</b>	<b>(415,869)</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		349,962	3,233,171	989,177	4,572,310	341,853	3,130,743	1,515,584	4,988,180
<b>Total funds carried forward</b>		<b>442,882</b>	<b>3,343,649</b>	<b>965,934</b>	<b>4,752,465</b>	<b>349,962</b>	<b>3,233,171</b>	<b>989,177</b>	<b>4,572,310</b>

All activities are continuing. There were no recognised gains or losses other than those shown above.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)  
CONSOLIDATED AND CHARITY BALANCE SHEET  
AS AT 31 DECEMBER 2023**

	<i>Notes</i>	<b>Group 2023 £</b>	<b>Charity 2023 £</b>	<b>Group 2022 £</b>	<b>Charity 2022 £</b>
<b>FIXED ASSETS</b>					
Tangible fixed assets	6	2,042,085	54,515	1,855,341	53,752
Investments	7	4,122,175	4,122,175	4,433,698	4,433,698
		<b>6,164,260</b>	<b>4,176,690</b>	<b>6,289,039</b>	<b>4,487,450</b>
<b>LONG TERM DEBTORS</b>					
	8	-	2,294,868	-	2,127,500
<b>CURRENT ASSETS</b>					
Debtors	8	76,537	73,531	67,545	66,985
Short term deposits		46,475	46,475	45,031	45,031
Cash at bank and in hand		715,187	347,336	476,182	271,342
		<b>838,199</b>	<b>467,342</b>	<b>588,758</b>	<b>383,358</b>
CREDITORS: amounts falling due within one year	9	(2,129,994)	(2,125,226)	(2,035,297)	(2,028,529)
<b>NET CURRENT ASSETS</b>		<b>(1,291,795)</b>	<b>(1,657,884)</b>	<b>(1,446,539)</b>	<b>(1,641,171)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>4,872,465</b>	<b>4,813,674</b>	<b>4,842,500</b>	<b>4,969,779</b>
CREDITORS: amounts falling due more than one year	9	(120,000)	-	-	-
Provisions	10	-	-	(270,190)	(270,190)
<b>NET ASSETS</b>	12	<b>4,752,465</b>	<b>4,813,674</b>	<b>4,572,310</b>	<b>4,699,589</b>
<b>FUNDS:</b>					
Unrestricted funds	14	442,882	376,696	349,962	477,240
Restricted funds	13	3,343,649	3,471,044	3,233,171	3,233,172
Endowment funds	13	965,934	965,934	989,177	989,177
		<b>4,752,465</b>	<b>4,813,674</b>	<b>4,572,310</b>	<b>4,699,589</b>

Approved by the Parochial Church Council on 24 July 2024 and signed on its behalf by:

  
**M A Hewitt**  
Church Warden

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
<b>Cash (used in) operating activities (see below)</b>	363,341	(168,746)
<b>Cash flows from investing activities</b>		
Interest and dividends received	65,243	73,077
Payments to acquire tangible fixed assets	(195,135)	(63,747)
Proceeds from disposal of investments	-	196,547
<b>Cash provided by investing activities</b>	<b>(129,892)</b>	<b>205,877</b>
<b>Cash flows from financing activities</b>		
Repayment of loan	(18,000)	(60,000)
Increase in loan	25,000	95,000
<b>Cash provided by financing activities</b>	<b>7,000</b>	<b>240,877</b>
<b>Net cash (outflow)</b>	<b>240,449</b>	<b>72,130</b>
Cash and cash equivalents at 1 January 2023	521,213	449,082
<b>Cash and cash equivalents at 31 December 2023</b>	<b><u>761,662</u></b>	<b><u>521,213</u></b>
<b>Cash flows from operating activities:</b>		
<b>Net income/(expenditure)</b>	180,155	(415,869)
Interest and dividends received shown in investing activities	(65,243)	(73,077)
Interest accrued on loan	120,836	66,648
Depreciation	8,391	6,965
Unrealised (gain)/loss on revaluation of investment property	293,116	(129,663)
Unrealised (gain)/loss on revaluation of investments	18,407	83,576
(Increase)/decrease in debtors	96,244	(124,616)
Increase/(decrease) in creditors	(18,374)	147,100
Increase/(decrease) in provisions	(270,191)	270,190
<b>Cash (used in) for operating activities</b>	<b><u>363,341</u></b>	<b><u>(168,746)</u></b>

**Analysis of changes in net debt**

	As at 1 January 2023	Cash flows	Non-cash changes	As at 31 December 2023
<b>Cash and cash equivalents</b>				
Cash	476,182	239,005	-	715,187
Short term deposits	45,031	1,444	-	46,475
<b>Total Cash and cash equivalents</b>	<b><u>521,213</u></b>	<b><u>240,449</u></b>	<b><u>-</u></b>	<b><u>761,662</u></b>
<b>Borrowings</b>				
Loans falling due within one year	(1,897,427)	(7,000)	(120,836)	(2,025,263)
<b>Total Net Debt</b>	<b><u>(1,376,214)</u></b>	<b><u>233,449</u></b>	<b><u>(120,836)</u></b>	<b><u>(1,263,601)</u></b>

Exemption has been claimed from producing an individual cash flow statement in accordance with FRS 102.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1 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 preparation**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). They have been prepared on the accruals basis and under the historical cost convention except for the valuation of investments, which are shown at fair value. The PCC meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The presentation currency of the financial statements is the Pound Sterling (£).

**Going concern**

The Parochial Church Council of the Ecclesiastical Parish of St George Hanover Square (And The Grosvenor Chapel) (the PCC) has reviewed the circumstances of the Church and considers that adequate resources continue to be available to meet its financial obligations as they fall due in the coming 12 months.

In light of the above, based on the most recent budgeting exercise, the PCC has not identified any material uncertainties with respect to going concern, and believes that there will be adequate resources available to fund the activities of the Church for the foreseeable future. The PCC is therefore of the view that the Church is a going concern.

**Significant judgements and estimates**

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for trustees to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statement and the reporting amounts of income and expenses during the year. Actual outcomes could differ from those estimates and assumptions used. The accounting judgements and estimates that could have significant impact on the results of the charity are set out below and should be read in conjunction with the information provided in the Notes to the financial statements:

Critical Judgements

- Management determine whether financial instruments are basic or advanced and when to deal with recognising, derecognising, measuring and disclosing financial instruments. These decisions depend on an assessment made of the accounting standards.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(continued)

**1 ACCOUNTING POLICIES (continued)**

Significant Estimates

- To determine the fair value of the charity's investment assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- To determine whether there are indicators of impairment of the charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly controlled subsidiaries, The St George's Hanover Square Foundation and SGHS Enterprises Limited, on a line by line basis.

**Funds**

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Funds designated by the PCC for a specific purpose are also unrestricted.

Restricted funds are those subject to specific trusts, which may be declared by the donor or with their authority. The restricted funds of the PCC, are restricted income funds which are expendable at the discretion of the PCC in furtherance of some particular aspects of the activities of the church.

A permanent endowment fund is a particular type of restricted fund which must be held permanently.

The accounts include the transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members.

**Income**

*Donations and legacies*

- Donations and legacies (including collections and income tax recoverable under Gift Aid) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.
- Conditional grants receivable are recognised as restricted income on the date the contract agreement is signed, reflecting the full amount expected to spend or claim by the end of the grant period.

*Income from investments*

- Interest and dividends from investments are accounted for when receivable.
- Rental income from the letting of investment properties is recognised in accordance with the terms of the rental leases when the rental is due.

*Other trading activities and other income*

- The churches charge fees for events held in the churches, which are recognised when the event takes place.
- The churches also hire out the various rooms and car parking spaces available, which are recognised in accordance with the licencing agreements, over the period of hire.
- The PCC makes claims through the Listed Places of Worship VAT recovery scheme, which is recognised in the period the related expenditure is incurred.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(continued)

**1 ACCOUNTING POLICIES (continued)**

**Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is allocated to the activities the Charity undertakes in proportion to the level of resources used by each activity. During the current and previous years all expenditure has related to the single activity of furthering the Mission of the PCC.

*Church activities*

- Gifts and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.
- The diocesan parish quota is accounted for when payable. Any quota unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.
- All costs in support of achieving the church's objectives are accounted for in this category. This includes governance costs which represent all costs in ensuring that the church complies with all legal and regulatory requirements that are relevant to it.

**Fixed assets**

*Consecrated land and buildings and movable church furnishings*

Consecrated or beneficed property is excluded from the accounts by section 10(2)(a) of the Charities Act 2011. Movable church furnishings held by the Rector and Church Wardens on special trust for the PCC and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the Church's Inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 31 December 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. All expenditure incurred during the year on consecrated or benefice buildings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

*Other fixtures, fittings and office equipment and ministry equipment*

Equipment used within the church premises is depreciated on a straight-line basis over 4 to 5 years with the exception of a boiler which is depreciated over 20 years. Individual items of equipment with a purchase price of £250 or less are written off when the asset is acquired. The piano is depreciated on a straight-line basis over 10 years.

*Undercroft development*

The group is developing the undercroft of the church for use as a restaurant under a licence agreement. No depreciation has yet been applied as the asset is incomplete and is not yet generating income.

**Investments**

Investments include investment shares in the Central Bond of Finance of the Church of England and M&G Securities Charifund income units (together the "portfolio investments") and two investment properties. Portfolio investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity does not acquire put options, derivatives or other complex financial instruments. Investment properties are valued at fair value at the year-end based on available market data on or close to the year end date, taking into account any variables that may arise in the intervening period.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(continued)

**1 ACCOUNTING POLICIES (continued)**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on portfolio investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**Current assets**

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid. 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.

Cash and cash equivalents comprise the Cash at bank and in hand and short term deposits as shown on the consolidated balance sheet.

**Current liabilities**

Creditors and provisions are recognised where the Church has a present obligation arising from a past event that will probably 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.

**Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Taxation**

The PCC 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 trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity's activities are exempt from VAT and accordingly irrecoverable VAT is charged to the Statement of Financial Activities when incurred and included within the expenditure category to which it relates or capitalised under tangible fixed assets if relating to capital expenditure.

The charity is however eligible to recover VAT relating to repairs of over £1,000 to listed buildings used as places of worship by way of a grant under the Listed Places of Worship grant scheme and receipts from this are treated as other income as described above.

The results of SGHS Enterprises Limited, a trading subsidiary, are included in the consolidated accounts. This company is registered for VAT, so income and expenditure relating to that entity is presented net of VAT.

**Pension costs and other post-retirement benefits**

The charity has committed to paying a pension of £2,000 per annum to the rector on his retirement. No provision has been made in the financial statements because the amount is immaterial.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(continued)

**2 INCOME**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
<b>a] Donations and legacies</b>					
Gift Aid and tax recoverable	40,233	-	-	40,233	12,774
Collections	30,073	1,691	-	31,764	37,898
Grants	220,780	1,250	-	222,030	214,434
Donations	152,883	439,986	-	592,869	112,690
Legacies	-	-	-	-	-
	<b>443,970</b>	<b>442,927</b>	<b>-</b>	<b>886,897</b>	<b>377,796</b>
<b>b] Investment income</b>					
Interest	7,691	-	-	7,691	3,071
Dividends	-	57,553	-	57,553	70,008
Rents receivable	118,898	9,608	-	128,506	42,948
	<b>126,589</b>	<b>67,160</b>	<b>-</b>	<b>193,749</b>	<b>116,027</b>
<b>c] Church activities</b>					
Fees	41,226	-	-	41,226	65,319
Music and concerts	52,784	-	-	52,784	51,805
Church Hall lettings	29,738	-	-	29,738	30,188
Flower stall and car parking	73,425	-	-	73,425	98,137
	<b>197,172</b>	<b>-</b>	<b>-</b>	<b>197,172</b>	<b>245,449</b>
<b>d] Other income</b>					
Cost recoveries	237,016	-	-	237,016	32,105
VAT recoverable	98,432	-	-	98,432	20,959
Other income	5,940	-	-	5,940	391
	<b>341,389</b>	<b>-</b>	<b>-</b>	<b>341,389</b>	<b>53,455</b>
<b>Total income</b>	<b>1,109,120</b>	<b>510,087</b>	<b>-</b>	<b>1,619,207</b>	<b>792,726</b>



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST GEORGE HANOVER SQUARE (AND THE GROSVENOR CHAPEL)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

(continued)

**3 EXPENDITURE**

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
<b>a] Church activities</b>				
<u>Direct costs</u>				
Ministry: Diocesan quota	117,692	-	117,692	112,080
Ministry: Rector's & verger's accommodation	5,842	27,083	32,925	125,042
Church running costs	85,685	7,750	93,435	98,847
Church maintenance	149,760	214,498	364,258	455,091
Choir and organist	129,819	6,785	136,603	133,809
Staff and other staff related costs	156,139	-	156,139	107,705
Other giving	489	3,405	3,894	61,363
Total direct costs	645,427	259,521	904,947	1,093,937
<u>Support costs</u>				
Office running costs	17,754	-	17,754	15,938
Accountancy fees	19,529	-	19,529	11,534
Audit fees	17,592	-	17,592	12,198
Professional fees	17,009	-	17,009	5,300
Total support costs	71,884	-	71,884	44,970
	717,311	259,521	976,831	1,138,907
<b>b] Raising funds</b>				
Investment property costs	29,862	-	29,862	49,128
Loan interest (HPPEC loan)	120,836	-	120,836	66,648
	150,698	-	150,698	115,776
<b>Total expenditure</b>	<b>868,008</b>	<b>259,521</b>	<b>1,127,529</b>	<b>1,254,683</b>

Governance costs comprise audit and accountancy fees and totalled £37,121 (2022: £23,732).

Grants and other giving made mainly comprise the onwards transmission of Special Offerings and Homelessness Vouchers received.

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**3 EXPENDITURE (continued)**

Total expenditure is stated after charging:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration in respect of auditing the accounts	14,660	10,165
Auditor's remuneration in respect of non-audit related compliance services	3,275	2,483
Depreciation charges for the year	8,391	6,965
	<hr/> 26,326	<hr/> 19,613

**4 STAFF COSTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total staff costs comprise the following:		
Wages and salaries	115,733	87,988
Social security costs	5,564	1,638
Pension costs	2,380	1,374
Other staff costs	32,462	16,705
	<hr/> <b>156,139</b>	<hr/> <b>107,705</b>
Average numbers of employees by headcount	<hr/> 5	<hr/> 4
During the year none of the employees were paid more than £60,000	<hr/>	<hr/>
Aggregate employee benefits of the Key Management Personnel were	<hr/> 58,039	<hr/> 59,507

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**5 TRUSTEE'S REMUNERATION AND EXPENSES**

During the year the rector, Roderick Leece was paid £2,736 (2022: £2,809) in respect of parochial fees due to him in accordance with the policies of the Church of England. During the year Pamela Atekpe (£264 (2022: £nil)), Simon Roberts (£505 (2022: £495)) and Charles Stephens (£603 (£522)) were paid for providing verges cover.

Out of pocket expenses were reimbursed to trustees as follows:

	2023		2022	
	£	No. of trustees	£	No. of trustees
Administration	-	-	110	1
Rectory costs	5,191	1	6,541	2
Travel	3,525	2	326	1
Subsistence & office costs	3,937	3	8,461	3
Leaving gift	1,756	3	-	-
	<b>14,410</b>		<b>18,884</b>	

**6 TANGIBLE FIXED ASSETS**

Group	Ministry equipment	Valuables	Piano	Computer equipment	Fixtures & Fittings	Undercroft Development	Total
	£	£	£	£			£
<b>COST</b>							
Brought forward 1 January 2023	49,988	7,435	15,250	5,860	11,562	1,801,589	1,891,685
Additions	6,695	-	-	2,460	-	185,980	195,135
Disposals	-	-	-	(2,338)	-	-	(2,338)
<b>Carried forward 31 December 2023</b>	<b>56,683</b>	<b>7,435</b>	<b>15,250</b>	<b>5,982</b>	<b>11,562</b>	<b>1,987,570</b>	<b>2,084,482</b>
<b>ACCUMULATED DEPRECIATION</b>							
Brought forward 1 January 2023	12,343	-	15,250	5,860	2,891	-	36,344
Charge for the year	4,886	-	-	615	2,891	-	8,391
Depreciation on disposal	-	-	-	(2,338)	-	-	(2,338)
<b>Carried forward 31 December 2023</b>	<b>17,228</b>	<b>-</b>	<b>15,250</b>	<b>4,137</b>	<b>5,781</b>	<b>-</b>	<b>42,397</b>
<b>Net book value – 31 December 2023</b>	<b>39,454</b>	<b>7,435</b>	<b>-</b>	<b>1,845</b>	<b>5,781</b>	<b>1,987,570</b>	<b>2,042,085</b>
<b>Net book value – 31 December 2022</b>	<b>37,646</b>	<b>7,435</b>	<b>-</b>	<b>-</b>	<b>8,672</b>	<b>1,801,589</b>	<b>1,855,341</b>

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**6 TANGIBLE FIXED ASSETS (continued)**

Charity	Ministry equipment £	Valuables £	Piano £	Computer equipment £	Fixtures & Fittings	Total £
<b>COST</b>						
Brought forward 1 January 2023	49,988	7,435	15,250	5,860	11,562	90,095
Additions	6,695	-	-	2,460	-	9,155
Disposals	-	-	-	(2,338)	-	(2,338)
<b>Carried forward 31 December 2023</b>	<b>56,683</b>	<b>7,435</b>	<b>15,250</b>	<b>5,982</b>	<b>11,562</b>	<b>96,912</b>
<b>ACCUMULATED DEPRECIATION</b>						
Brought forward 1 January 2023	12,343	-	15,250	5,860	2,890	36,343
Charge for the year	4,886	-	-	615	2,891	8,392
Depreciation on disposal	-	-	-	(2,338)	-	(2,338)
<b>Carried forward 31 December 2023</b>	<b>17,228</b>	<b>-</b>	<b>15,250</b>	<b>4,137</b>	<b>5,781</b>	<b>42,396</b>
<b>Net book value – 31 December 2023</b>	<b>39,454</b>	<b>7,435</b>	<b>-</b>	<b>1,845</b>	<b>5,781</b>	<b>54,515</b>
<b>Net book value – 31 December 2022</b>	<b>37,646</b>	<b>7,435</b>	<b>-</b>	<b>-</b>	<b>8,672</b>	<b>53,752</b>

The Church also owns 2 charitable properties which are shown at £nil (2022: £nil).

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**7 INVESTMENTS**

	Investment property £	Quoted investments £	Total £
Market value at 1 January 2023	3,393,116	1,040,582	4,433,698
Additions	-	-	-
Disposals	-	-	-
Unrealised gain / (loss)	-	(18,407)	(18,407)
Gain/(loss) on revaluation of investment property	(293,116)	-	(293,116)
<b>Market value at 31 December 2023</b>	<b>3,100,000</b>	<b>1,022,175</b>	<b>4,122,175</b>

There were no additions or disposals of investments in the year.

	<b>2023 £</b>
<b>Investments comprise the following:-</b>	
Investment shares in the Central Bond of Finance of the Church of England	56,242
M&G Securities Charifund income units	965,933
Flats 3 & 7 Grosvenor Hill Court, London, W1	3,100,000
	<b>4,122,175</b>

The flats at 3 and 7 Grosvenor Hill Court were re-valued as at 31 December 2023 by the trustees. The PCC is not aware of any material change since this valuation.

The quoted investments were valued on the basis of the available market data.

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**8 DEBTORS**

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
<b>Debtors due after more than one year:</b>				
Amounts owed by SGHS Enterprises	-	2,294,868	-	2,127,500
	-	-	-	-
<b>Debtors due in less than one year:</b>				
Prepayments and accrued income	58,582	44,377	41,746	61,306
Other debtors	17,955	29,154	25,798	5,679
	<u>76,537</u>	<u>73,531</u>	<u>67,545</u>	<u>66,985</u>
<b>Total debtors</b>	<u>76,537</u>	<u>2,368,399</u>	<u>67,545</u>	<u>2,194,485</u>

The Charity loan balance above is owed by a trading subsidiary, receives interest at the Barclays base rate plus 2.75% and is repayable on demand. The balance is included in debtors due in more than one year because the charity does not intend to recall this until the trading subsidiary has begun trading.

**9 CREDITORS**

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
<b>Creditors due more than one year:</b>				
Deposits held	120,000	-	-	-
<b>Creditors due within one year:</b>				
Other creditors	60,666	60,665	62,454	59,036
Accruals and deferred income	33,328	36,378	73,135	69,785
Loan from the Hyde Park Place Estate Charity	2,025,263	2,025,263	1,897,427	1,897,427
Deposits held	-	-		
HMRC creditors	10,737	2,920	2,281	2,281
	<u>2,129,994</u>	<u>2,125,226</u>	<u>2,035,297</u>	<u>2,028,529</u>
<b>Total Creditors</b>	<u>2,249,994</u>	<u>2,125,226</u>	<u>2,035,297</u>	<u>2,028,529</u>

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**10 PROVISIONS**

	2023 £	2022 £
Portico repair costs	-	270,190
	<hr/> -	<hr/> 270,190

During the prior year the portico of St George Hanover Square sustained significant damage, as the PCC had an obligation to repair this, a provision was recognised. The provision was calculated on the basis of actual and estimated costs calculated prior to the date of signing this report.

The Portico repairs were completed in the year hence an absence of any provision in the current year.

**11 RELATED PARTY TRANSACTIONS AND SUBSIDIARY UNDERTAKINGS**

PCC Members

Reimbursed expenses of £14,410 (2022: £15,438) for parish expenses and utility bills were reimbursed to 4 PCC members. No expenses were paid to third parties on behalf of the PCC.

This is in the trustees expenses note

During the year, total unrestricted income of £26,466 (2022: £10,600) was received from PCC members.

The PCC has two subsidiaries, the St George's Hanover Square Foundation and SGHS Enterprises Limited. A summary of these together with the transactions with the two entities follows:

The St George's Hanover Square Foundation (charity number: 1120505) – an entity which provides support to the church

Address: St George's Vestry, 2a Mill Street, London, W1S 1FX

Gross assets: £ 300,900

Liabilities: £ -

Turnover: £ 85,180

Expenditure: £ 3,498

Surplus (deficit): £ 34,965

During the year, the Church received grants of £47,258 (2022: £60,000) from the Foundation.

At the year end the Foundation owed the church £111,533 (2022: £nil).

SGHS Enterprises Limited (company number: 10023760) – a trading subsidiary of the church

Address: St George's Vestry, 2a Mill Street, London, W1S 1FX

Gross assets: £ 2,180,259

Liabilities: £ (2,534,219)

Turnover: £ 203,076

Expenditure: £ 163,823

Profit (loss): £ 39,254

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During the year, the Church

- made a loan of £25,000 (2022: 120,000) to the company, and
- charged interest of £147,367 (2022: £79,842) to the company.

At the year end the Church was owed £2,294,868 (2022: £2,127,500) by the company.

*The Hyde Park Place Estate Charity (HPPEC) – an entity under common control*

During the year, the Church

- received grants of £252,730 (2022: £113,002) from HPPEC, and
- unpaid interest due of £121,135 (2022: £66,648) to HPPEC.

HPPEC arranged a loan for the PCC at an annual interest rate of 2.75% over base. At the beginning of the year an amount of £1,897,427 was owed, and after interest of £121,135 charged, a drawdown of £25,000 and repayments of £18,299, an amount of £2,025,263 was owed.

## 12 ANALYSIS OF NET ASSETS BY FUND

### Current year

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Tangible fixed assets	2,042,085	-	-	2,042,085
Investments	56,241	3,100,000	965,934	4,122,175
Net current (liabilities)/assets	(1,655,444)	243,649	-	(1,411,795)
<b>Total</b>	<b>442,882</b>	<b>3,343,649</b>	<b>965,934</b>	<b>4,752,465</b>

### Prior year

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Tangible fixed assets	1,855,341	-	-	1,855,341
Investments	51,405	3,393,116	989,177	4,433,698
Net current (liabilities)/assets	(1,556,784)	(159,945)	-	(1,716,729)
<b>Total</b>	<b>349,962</b>	<b>3,233,171</b>	<b>989,177</b>	<b>4,572,310</b>



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**13 RESTRICTED AND ENDOWMENT FUNDS**

<b>Restricted Funds Current year</b>	<b>01-Jan 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Unrealised gain £</b>	<b>Transfers £</b>	<b>31-Dec 2023 £</b>
Burial Ground Fund	-	57,553	-	-	-	57,553
Special Collections Fund	3,257	1,691	(3,405)	-	-	1,543
Rector and Churchwardens' Fund	3,393,116	-	-	(293,116)	-	3,100,000
Homeless vouchers fund	27,826	-	-	-	-	27,826
Church Organ Fund	16,250	1,250	(2,785)	-	-	14,716
South Street Fund	22,437	9,608	(27,083)	-	-	4,962
RAA Art Project	951	-	-	-	-	951
Priest in Charge	25,452	-	(7,500)	-	-	17,952
External Redecoration	-	-	(149,668)	-	149,668	-
Chapel Organ Fund	-	-	-	-	-	-
Sound System Fund	-	-	-	-	-	-
Vestments	2,520	-	-	-	-	2,520
Scholar	640	-	(4,000)	-	3,360	-
Pilgrimage	3,746	100	(250)	-	-	3,596
Hymns & Pimms	3,196	-	-	-	-	3,196
Music for Special Services	3,970	1,658	-	-	-	5,628
Westminster Foundation	-	-	-	-	-	-
Repairs Fund		103,208			-	103,208
Portico	(270,190)	335,020	(64,830)	-	-	-
<b>Total</b>	<b>3,233,171</b>	<b>510,087</b>	<b>(259,521)</b>	<b>(293,116)</b>	<b>153,028</b>	<b>3,343,650</b>

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**13 RESTRICTED AND ENDOWMENT FUNDS (continued)**

Restricted Funds Prior year	1 January 2022 (as restated) £	Income £	Expenditure £	Unrealised gain £	Transfers £	31 December 2022 £
Burial Ground Fund	22,469	70,008	(96,424)	-	3,947	-
Chapel external redecoration	27,814	29,979	(159,365)	-	101,571	-
Chapel Priest in charge discretion	25,452	-	-	-	-	25,452
Chapel Special collections	-	2,652	-	-	-	2,652
Church Organ Fund	13,750	1,250	-	-	1,250	16,250
Church Special collections	605	1,363	(1,363)	-	-	605
Homeless vouchers	18,726	9,100	-	-	-	27,826
Hymns and Pimms	3,196	-	-	-	-	3,196
Music for special services	1,500	2,470	-	-	-	3,970
Organ Scholar Fund	3,640	-	(3,000)	-	-	640
Pilgrimage	120	3,951	(325)	-	-	3,746
RAA Art Project	951	-	-	-	-	951
Rector & Church Wardens Property	3,010,000	-	-	129,663	253,453	3,393,116
Vestments Fund	2,520	-	-	-	-	2,520
Portico	-	-	(270,190)	-	-	(270,190)
South Street	-	-	(114,416)	-	136,855	22,436
<b>Total</b>	<b>3,130,743</b>	<b>120,773</b>	<b>(645,083)</b>	<b>129,663</b>	<b>497,076</b>	<b>3,233,172</b>

The purposes of the funds are:

*Burial Ground Fund* – Income from the funds from the sale of the old Burial Ground of St George's Church which is applied to the following:

- provision of living accommodation for the Rector and his successors
- the preservation and maintenance of the fabric and organ of the parish church
- the formation of a fund, the income of which shall be used for the maintenance of the parish church and its services.

*Chapel external redecoration* – Grosvenor Chapel donations for external redecoration of the chapel. A transfer of £149,668 was made from unrestricted funds to restricted funds to cover the deficit on this fund.

*Chapel Priest-in-Charge discretion* – Grosvenor Chapel donations given to be used at the discretion of the Priest-in-Charge.

*Chapel Special Collections Fund* – Chapel collections to be paid to other charities and causes.

*Church Organ Fund* – Donations received to preserve the new organ in St George's through a planned schedule of maintenance by the makers.

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**13 RESTRICTED AND ENDOWMENT FUNDS (continued)**

*Church Special Collections Fund* – Church collections to be paid to other charities and causes.

*Homeless vouchers* – Donations received to support a food programme for the Homeless.

*Hymns and Pimms* – An outreach programme serving those with dementia and their carers.

*Music for Special Services* – includes grant received from the Champriss Foundation to fund the Choir.

*Organ Scholar Fund* – Donations to assist with the expenses of an Organ Scholar at the Chapel. A transfer of £3,360 was made from unrestricted reserves to cover the deficit in this fund.

*RAA Art Project* – Donations to pay for costs and professional time in connection with the 'Gardens of the Imagination' project and exhibition at the Chapel.

*Rector & Church Wardens Property* – Funds held for the provision of accommodation for the Rector and Verger.

*Sound System Fund* – Donations towards a sound system for the Chapel.

*South Street Fund* – Funds received for the repair, maintenance and upkeep of the properties at 49 and 49A South Street, London W1.

*Vestments Fund* – Donations for maintenance and repair of Chapel vestments.

*Westminster Foundation* – A charitable grant from the Foundation to offset the cost of employing a Community and Events Officer at Grosvenor Chapel.

*Portico* – To repair damage suffered to the St George Square Hanover church at the end of 2022. The PCC collected donations to fund the required repair works, which arose because the PCC has an obligation to make these repairs.

**Endowment Fund**

**Current year**

	1 January 2023	Income	Expenditure	Gain on Investments	Transfer	31 December 2023
	£	£	£	£		£
Burial ground fund	989,177			(23,243)		965,934

**Prior year**

	1 January 2022	Income	Expenditure	Gain on Investments	Transfer	31 December 2022
	£	£	£	£	£	£
Burial ground fund	1,515,584	-	-	(76,407)	(450,000)	989,177

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**13 RESTRICTED AND ENDOWMENT FUNDS (continued)**

**Endowment Fund**

*Burial Ground Fund*

Funds from the sale of the old Burial Ground of St. George's Church which in accordance with the St. George Hanover Square Burial Ground Act 1964 section 6 (3) is to be applied as to capital and the income from which is to be applied as noted above, as a permanent endowment fund.

As disclosed above, in the prior year permission was received to transfer £450,000 out of this fund for the maintenance of properties. £253,453 was transferred to the Rector and Churchwardens fund for the maintenance of the investment property and £136,855 was transferred to the South Street fund for the maintenance of the properties described above. The remaining £59,692 was transferred to the unrestricted general fund to reimburse costs incurred in the year prior.

**14 UNRESTRICTED FUNDS**

Current year	1 January 2023	Income	Expenditure	Gains on investments	Transfers	31 December 2023
	£	£	£	£	£	£
General Funds	349,962	1,109,120	(868,008)	4,836	(153,028)	442,882
	349,962	1,109,120	(868,008)	4,836	(153,028)	442,882
<hr/>						
Prior year	1 January 2023	Income	Expenditure	Gains on investments	Transfers	31 December 2023
	£	£	£	£	£	£
General Funds	247,701	671,953	(609,600)	(7,169)	47,076	349,962
	247,701	671,953	(609,600)	(7,169)	47,076	349,962
<hr/>						

**15 CAPITAL COMMITMENTS**

At the year end, the group had commitments for the purchase of £433,472 of capital assets (2022: £nil).