

COVENT GARDEN IP LTD

England & Wales · Charity number 1185976

Details

Status	Registered
Legal form	Charitable company
Company number	12063279
Registered	2019-10-24
Register	View on the Charity Commission register

Contact

Address	Building 3A Suite 100 Glory Park Avenue Wooburn Green High Wycombe HP10 0DF
Phone	07932105317
Email	dc@danielcliffordlaw.co.uk

Activities

Objects: THE CHARITYÆS OBJECTS (ÆOBJECTSÆ) ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING:1) TO PROMOTE AND FURTHER THE RELIGIOUS AND OTHER CHARITABLE WORK OF THE CHURCH OF JESUS CHRIST OF LATTER-;DAY SAINTS (HEREINAFTER CALLED THE ÆCHURCHÆ) IN THE UNITED KINGDOM AND ELSEWHERE.NOTHING IN THE ARTICLES SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CHARITY FOR PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT2005 AND/OR SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008.

Activities: To promote and further the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the United Kingdom and elsewhere.

Classification

- **How:** Makes Grants To Organisations
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£5,357,972	£1,930,715	£155,367,055	0
2023-12-31	£78,815,743	£1,565,647	£153,502,450	0
2022-12-31	£5,029,848	£1,976,665	£95,855,188	0
2021-12-31	£5,582,528	£3,777,806	£104,507,055	0
2020-12-31	£110,200,304	£1,379,130	£107,452,333	0

Trustees

Name	Role	Appointed
Ashley John Powell	Chair	2019-09-05
David Robertson		2022-12-27
Michael Kurt Dehner		2019-09-05

COVENT GARDEN IP LTD

England & Wales - Charity number 1185976

Accounts

Registered number: 12063279
Charity number: 1185976

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

CONTENTS

	Page
Reference and Administrative Details of the charitable company, its Trustees and Advisers	1
Trustees' Report	2 - 7
Trustees' Responsibilities Statement	8
Independent Auditor's Report on the Financial Statements	9 - 13
Statement of Financial Activities	14
Balance Sheet	15 - 16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 27

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees

Ashley John Powell, Managing Director
Michael Kurt Dehner, Director
David Robertson, Director

Company registered number

12063279

Charity registered number

1185976

Principal office and registered office

Building 3A Suite 100
Glory Park Avenue
Wooburn Green
High Wycombe
HP10 0DF

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
17th Floor
103 Colmore Row
Birmingham
West Midlands
B3 3AG

Bankers

HSBC
34 Poplar Road
Solihull
West Midlands
B91 3AF

Citibank
CitiGroup Centre
33 Canada Square
London
E14 5LB

Solicitors

Daniel Clifford Law LLP
76 Caledonian Road
London
N1 9DN

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees present their Annual Report together with the audited financial statements of Covent Garden IP Limited ("the charitable company") for the period from 1 January 2024 to 31 December 2024.

The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

- **Governing document**

The charitable company is a company limited by shares and a registered charity. The charitable company is governed by its Memorandum and Articles of Association which have not been amended since incorporation.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

- **Appointment of trustees**

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, new or additional directors are to be appointed by the sole shareholder Property Reserve Inc ("PRI"), a Utah non-profit corporation, providing such persons are willing so to act, either to fill a vacancy or as an additional trustee. Terms and procedures for appointments are set out in the Articles.

The board of trustees meets at least once a year, sometimes remotely.

- **Trustee induction and training**

New trustees undergo orientation training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charitable company. During the year updates are sent to the trustees on topical issues of which they need to be aware. Further briefings and training are provided at the Annual board meeting.

Trustees are updated and advised on legal issues by Daniel Clifford Law LLP solicitors.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Structure, governance and management (continued)

- Organisation

The charitable company exists to support The Church of Jesus Christ of Latter-day Saints ("the Church"). The trustees are members of the Church.

The Church is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Accordingly, advice as to the interests of the Church is given to the charitable company via the shareholder and is reflected in the trustees' decisions.

- Employees

The charitable company has one employee, Ashley Powell, who is the CEO and Managing Director of the charitable company.

- Related parties

The charitable company is owned solely by PRI. One of the trustees and officers of PRI is also an authorised agent of the Utah corporation known as the Church of Jesus Christ of Latter-day Saints ("CHC") (formerly known as the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints). The Church of Jesus Christ of Latter-day Saints (Great Britain) ("GB"), the Church's primary organ in the UK, is owned by CHC, and consequently GB is treated as a related party in this report and financial statements. GB is also a registered charity.

The charitable company has a close relationship with GB, and the wider Church. There is regular cooperation between the charities when necessary.

- Public benefit

The trustees receive training on the guidance on public benefit published by the charitable company commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The next training day will take place at the Annual General Meeting.

The charitable company achieves a public benefit by financially supporting the Church and its charitable endeavours.

- Policies

Full policies are available from the charitable company's offices.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Structure, governance and management (continued)

- Investment powers and policy

Under the Memorandum and Articles of Association, the charitable company has the power to invest in any way the trustees deem to be in the best interests of the Church.

The charitable company's objective is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Its current aim is to do this by investing in UK commercial property.

The charitable company expects to make relatively few individual investments, but they would be expected to be relatively large. Each investment will be carefully and extensively considered by the trustees and their advisors. The appetite for risk is low.

- Fundraising

The charitable company has sufficient income to fund day to day costs, such that fundraising is not normally necessary.

Should other significant investment opportunities present themselves in the future that would require further funds which cannot be provided out of income, the charitable company and its shareholder will consider injecting more capital into the charitable company.

Objectives and activities

The object of the charitable company is:

- o To promote and further the religious and other charitable work of The Church in the United Kingdom and elsewhere.

The charitable company does this by investing in and holding commercial property for the benefit of the Church. The policy is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Success is to be measured in commercial terms, and over the long term.

The activities in the period to which this report relates involve the purchase (in December 2019 and May 2023) and leasing of tenanted commercial property valued at circa £151m in London, the collecting of rents, and the making of the grants to GB.

Achievements and performance

The charitable company has achieved its aims for the period:

- Investments

The charitable company currently achieves its aims by investing in UK commercial property, and donating the profits to relevant Church entities, as per the charitable company's Investment Policy.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

In the relevant period, the charitable company held two investments, being

- Alder Castle, 10 Noble Street, London, EC2V 7J, which it acquired on 31 December 2019.
- 1 Hannah Close, Great Central Way, Neasden, which it acquired on 25 May 2023.

Alder Castle is a commercial property subject to existing leases to commercial clients.

This investment falls within the objects of the charitable company as it promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK in 3 ways:

- It is a grade A investment property situated in the heart of the City of London.
- It is tenanted and so provides rental income which will be further used to support the charitable work of the Church.
- It will provide a space for a chapel for a congregation of the Church to meet in the centre of London.

1 Hannah Close was purchased for a price of £74,000,000 on 25th May 2023, roughly doubling the capital base of the charitable company. It similarly promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK:

1 Hannah Close similarly promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK:

- It is a purpose-built commercial warehouse in North London on the A406.
- It is fully tenanted (By Amazon Logistics) and so provides reliable rental income which will be further used to support the charitable work of the Church.

Management of the leases of these two properties was delegated to CBRE under a property management agreement. Funds received from the leases are paid to Covent Garden IP Ltd's CBRE account.

It was decided in 2022 that one floor of Alder Castle (the lower ground), which became vacant in the period, should be leased to GB as a space for a chapel for a congregation of the Church to meet in the centre of London. This process is underway. As of the date of this report:

- Permission for this change of use has been obtained.
- The lease with the GB has been completed.
- Works to fit out the space for the new tenant are soon to begin.

The charitable company has also decided to renovate Alder Castle to bring it up to market standards. This will involve:

- building out the ground, first and second floors to a CAT A finish;
- renovating the reception area;
- adding a communal work space;
- enlarging the end of trip facilities; and
- adding balconies to the four tenant floors.

These contracts for the works are completed and at the time of this report they are expected to begin shortly.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

Whilst this investment in Alder Castle and 1 Hannah Close has resulted in the charitable company being unable to make any donation to the Church during this period, it has nonetheless fulfilled its aims by

- Providing space to GB; and
- Holding its property portfolio to better facilitate church activities in the long term.
- Donations

The trustees did not make a donation to GB in the period, as it was decided that the profits should be applied to investments in Alder Castle (see above).

Financial Review

- Significant Events

The completion of the lease of a floor of Alder Castle by GB - see above for more details.

Alder Castle is being renovated (see above).

- Income and Profits

The charitable company's total income for the period was £5,357,972 (2023: £78,815,743). Total losses for the period were £508,562 (2023: *gains of* £60,020,429). Total surplus for the period excluding losses on revaluation of fixed assets was £3,427,257 (2023: £77,293,263).

- Reserves and Donation policy

The charitable company will retain sufficient reserves to cover its operating costs. Its reserves at the end of the period were £155,367,055 (2023: £155,875,617), which include investment property to be held for the foreseeable future with a value of £151,300,000 (2023: £145,200,000). Free reserves excluding the investment property were £4,067,055 (2023: £10,675,617) at the period end. Its existing commitments were £2,431,144 (2023: £2,373,167).

Beyond this, the charitable company will retain profits sufficient to investigate and enter into further investments should worthwhile opportunities arise.

All remaining income will be donated to a church entity. In most cases this will be GB.

- Risks

Although general economic conditions may affect the income of the charitable company in the medium to long term, these changes do not pose a material risk, as its investments are unencumbered and there is no significant prospect of the charitable company's income falling below its costs.

The trustees will maintain this low risk profile by refraining from entering into new arrangements in the foreseeable future, and by taking professional advice on all aspects of management.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Plans for future periods

As noted above, GB has decided to establish a meeting house in central London, and Alder Castle is a suitable site. Renovations will be completed on part of Alder Castle to make it suitable for use as a meeting house, and also to upgrade the rest of the building to a suitable commercial standard.

Going concern, risks and uncertainties

The main risk the charitable company faces is that the income from its investments reduces. This is a possibility. However,

- o the charitable company's rental income is highly unlikely to reduce below the charitable company's general ongoing expenses;
- o the charitable company has no debt; and
- o the shareholder has guaranteed the charitable company future financial support, where necessary.

So there are no material uncertainties about the charitable company's ability to continue as a going concern.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:

Ashley Powell

Ashley John Powell
Trustee
Date: 24/9/2025

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees (who are also directors of Covent Garden IP Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 (FRS102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report of the trustees (incorporating the strategic report) was approved on behalf of the trustees by:

**Ashley John Powell**

Trustee

Date: 24/9/2025

Company number: 12063279

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD

Opinion

We have audited the financial statements of Covent Garden IP Ltd (the 'charitable company') for the year ended 31 December 2024, which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 December 2024 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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

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 charitable company'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 directors 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' Report and Financial Statements, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Financial Statements. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, prepared for the purposes of company law, included in the Trustees' Report and Financial Statements for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report included in the Trustees' Report and Financial Statements has been prepared in accordance with applicable legal requirements.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report included in the Trustees' Report and Financial Statements.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006 and Charities Act 2011;
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, of whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and through our legal and professional expenses review;
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud;
 - Challenging assumptions and judgements made by management in its significant accounting policies;
 - Identifying and testing journal entries, with a focus on manual postings, back dated journals, entries posted by individuals outside of our expectation and journal entries posted in the closing and accounts preparation period;
 - Review of related parties for undisclosed transactions;
 - Inspecting the board minutes; and
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - Knowledge of the charity sector; and
 - Understanding of the legal and regulatory requirements specific to the charitable company including:
 - The provisions of the applicable legislation; and
 - Guidance issued by the Charities Commission.
- The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The charitable company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.; and
 - The charitable company's control environment, including:
 - The policies and procedures implemented by the charitable company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations;
 - The adequacy of procedures for authorisation of transactions and review of management accounts; and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jim McLarnon

Jim McLarnon ACA
 Senior Statutory Auditor
 for and on behalf of Grant Thornton UK LLP
 Statutory Auditor, Chartered Accountants
 Birmingham
 Date: 24/9/2025

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Grant income	3	-	-	75,030,379
Investments	4	5,357,972	5,357,972	3,785,364
Total income		5,357,972	5,357,972	78,815,743
Expenditure on:				
Raising funds	5	1,924,647	1,924,647	1,565,647
Charitable activities	6	6,068	6,068	(43,167)
Total expenditure		1,930,715	1,930,715	1,522,480
Losses on revaluation of investment properties	9	(3,935,819)	(3,935,819)	(17,272,834)
Net (expenditure)/income and net movement in funds		(508,562)	(508,562)	60,020,429
Reconciliation of funds:				
Total funds brought forward		155,875,617	155,875,617	95,855,188
Net movement in funds		(508,562)	(508,562)	60,020,429
Total funds carried forward		155,367,055	155,367,055	155,875,617

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 27 form part of these financial statements.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)
REGISTERED NUMBER: 12063279

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

	Note	2024 £	2023 £
Fixed assets			
Investment property	9	151,300,000	145,200,000
Current assets			
Debtors: amounts falling due within one year	10	2,747,507	1,884,340
Cash at bank and in hand		3,750,692	11,164,444
		6,498,199	13,048,784
Creditors: amounts falling due within one year	11	(2,431,144)	(2,373,167)
Net current assets		4,067,055	10,675,617
Total net assets		155,367,055	155,875,617
Charity funds			
Unrestricted funds			
General funds	12	155,366,955	155,875,517
Share capital	16	100	100
Total unrestricted funds		155,367,055	155,875,617
Total funds		155,367,055	155,875,617

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

In producing these financial statements, the trustees have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Ashley Powell
Ashley John Powell
Trustee
Date: 24/9/2025

The notes on pages 18 to 27 form part of these financial statements.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	14	2,622,067	78,034,991
Cash flows from investing activities			
Investment property additions	9	(10,035,819)	(75,772,833)
Net cash used in investing activities		(10,035,819)	(75,772,833)
Change in cash and cash equivalents in the year		(7,413,752)	2,262,158
Cash and cash equivalents at the beginning of the year		11,164,444	8,902,286
Cash and cash equivalents at the end of the year		3,750,692	11,164,444

The movement in net debt for the current period is identical to the movements in cash flows set out above.

The notes on pages 18 to 27 form part of these financial statements.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. General information

Covent Garden IP Ltd is a company and registered charity, limited by shares, incorporated in England and Wales. Registered number 12063279, charity number 1185976. Its registered office is Building 3A Suite 100, Glory Park Avenue, Wooburn Green, High Wycombe, HP10 0DF.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Covent Garden IP Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The main risk the charitable company faces is that the income from its investments reduces. This is a possibility. However,

- the charitable company's rental income is highly unlikely to reduce below the charitable company's general ongoing expenses;
- the charitable company has no debt; and
- the shareholder has guaranteed the charitable company future financial support, where necessary.

So there are no material uncertainties about the charitable company's ability to continue as a going concern.

2.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)**2.3 Income (continued)**

Where a donation of a fixed asset is received, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charitable company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charitable company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and predominantly relates to the costs of managing, maintaining and running the investment property.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Investment property is carried at fair value determined annually by the trustees, informed by periodic valuations carried out and derived from external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Accounting policies (continued)**2.8 Cash at bank and in hand**

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The charitable company only has financial assets and financial 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.

2.11 Judgements and estimates

The charitable company estimated the value of the investment property at the period end. The valuation has been based on comparable transactional evidence in the marketplace together with the assessment of the quality and length of the income stream, current rental values, prospects of growth, outgoings and capital values. The carrying value of the investment properties at the year end are £151.3m.

2.12 Company status

The charitable company is limited by share capital, incorporated in England and Wales (No. 12063279) and regulated by its Memorandum and Articles of Association.

2.13 Trustees and employees' remuneration

The charitable company had no employees during the period and therefore no payments of salary or benefits have been made during the year exceeding £60,000.

Trustees did not receive any remuneration or reimbursement of expenses during the period.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Grant income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	-	-	75,030,379

The grant was from the parent company for the purchase of a second investment property in the prior year.

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	4,810,042	4,810,042	3,480,252
Service charge income	546,383	546,383	305,112
Interest receivable	1,547	1,547	-
	5,357,972	5,357,972	3,785,364

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. Investment management costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Utilities	413,326	413,326	228,019
Management fees	83,005	83,005	75,349
General building supplies	(119,981)	(119,981)	33,728
Legal and professional fees	173,257	173,257	177,984
Property maintenance	660,830	660,830	523,888
Security	454,769	454,769	331,622
Property rates	27,930	27,930	24,241
Insurances	161,814	161,814	109,775
Cleaning	69,697	69,697	61,041
	1,924,647	1,924,647	1,565,647

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Accountancy	4,205	4,205	(43,883)
Bank charges	1,863	1,863	716
	6,068	6,068	(43,167)

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Auditor's remuneration

	2024	2023
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	41,000	38,500
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	21,557	18,256

8. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2023: £Nil).

During the year ended 31 December 2024, no trustee expenses have been incurred (2023: £Nil).

9. Investment property

	Freehold investment property
	£
Valuation	
At 1 January 2024	145,200,000
Additions	10,035,819
Loss on revaluation	(3,935,819)
At 31 December 2024	151,300,000

Investment Property was valued as at 31 December 2024 by Colliers International Property Consultants Limited, professional external valuers. The valuation was undertaken in accordance with the 'RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards)' prepared by the Royal Institute of Chartered Surveyors (the "Red Book"). The valuation is derived from the market rent and the key assumptions are the investment yields as per the below:

Yield	
Initial	2.22%
Equivalent	5.70%
Reversionary (31/12/2033)	6.61%

Capital commitments at the year end were £2,307,279 (2023: £11,645,909).

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****10. Debtors: amounts falling due within one year**

	2024 £	2023 £
Trade debtors	1,549,992	357,043
Other debtors	-	148,271
Prepayments and accrued income	1,197,515	1,379,026
	<u>2,747,507</u>	<u>1,884,340</u>

11. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	-	238,126
VAT	330,702	22,222
Other creditors	562,017	-
Accruals and deferred income	1,538,425	2,112,819
	<u>2,431,144</u>	<u>2,373,167</u>

Deferred income amounts to £1,413,080 (2023: £1,570,013).

	2024 £	2023 £
Deferred income at 1 January 2024	1,570,013	295,020
Resources deferred during the year	1,413,080	1,570,013
Amounts released from previous periods	(1,570,013)	(295,020)
	<u>1,413,080</u>	<u>1,570,013</u>

Deferred income is in relation to rental income received in advance.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
General Funds - all funds	155,875,517	5,357,972	(1,930,715)	(3,935,819)	155,366,955
Share capital	100	-	-	-	100
	<u>155,875,617</u>	<u>5,357,972</u>	<u>(1,930,715)</u>	<u>(3,935,819)</u>	<u>155,367,055</u>

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General Funds - all funds	95,855,088	78,815,743	(1,522,480)	(17,272,834)	155,875,517
Share capital	100	-	-	-	100
	<u>95,855,188</u>	<u>78,815,743</u>	<u>(1,522,480)</u>	<u>(17,272,834)</u>	<u>155,875,617</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Analysis of net assets between funds
Analysis of net assets between funds - current year

	Unrestricted funds 2024 £	Total funds 2024 £
Investment property	151,300,000	151,300,000
Current assets	6,498,199	6,715,485
Creditors due within one year	(2,431,144)	(1,826,776)
Total	<u>155,367,055</u>	<u>156,188,709</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Investment property	145,200,000	145,200,000
Current assets	13,048,784	13,048,784
Creditors due within one year	(2,373,167)	(2,373,167)
Total	<u>155,875,617</u>	<u>155,875,617</u>

14. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure)/income for the period	<u>(508,562)</u>	<u>60,020,429</u>
Increase in debtors	(863,167)	(788,481)
Increase in creditors	57,977	1,530,209
Losses on revaluation of investment properties	3,935,819	17,272,834
Net cash provided by operating activities	<u>2,622,067</u>	<u>78,034,991</u>

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	11,164,444	(7,413,752)	3,750,692

16. Share capital

	2024 £	2023 £
100 Ordinary shares at £1.00 each	100	100

100 Ordinary shares were issued at par on incorporation.

17. Related party transactions

Covent Garden IP Ltd received a grant of £Nil (2023: £75,030,379) from The Church of Jesus Christ of Latter-day Saints (Great Britain) during the year.

Covent Garden IP Ltd and GB entered into a lease agreement for the meetinghouse space on 1 June 2024. The lease terms included 12 months of free rent. Included in the financial statements is related party rental income of £224,682 for 2024.

18. Controlling party

The Board considers that the immediate parent undertaking of the charitable company is Property Reserve Inc (public EIN number 87-6128054), a non-profit corporation, registered address 51 S. Main St. Suite 300, Salt Lake City, UT 84111 USA by virtue of the fact that it is the sole shareholder of the charitable company. Property Reserve Inc (PRI) is a non-profit corporation formed under Utah law that is tax-exempt under Section 501(c)(3) of the US Internal Revenue Code. It has no members. It is a non-stock corporation and has no ultimate parent.

19. Post balance sheet events

There are no significant subsequent events after 31 December 2024.

COVENT GARDEN IP LTD

England & Wales - Charity number 1185976

Accounts

Registered number: 12063279
Charity number: 1185976

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

CONTENTS

	Page
Reference and Administrative Details of the charitable company, its Trustees and Advisers	1
Trustees' Report	2 - 7
Trustees' Responsibilities Statement	8
Independent Auditor's Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15 - 16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 28

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Ashley John Powell, Managing Director
Michael Kurt Dehner, Director
David Robertson, Director

Company registered number

12063279

Charity registered number

1185976

Principal office and registered office

Building 3A Suite 100
Glory Park Avenue
Wooburn Green
High Wycombe
HP10 0DF

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
17th Floor
103 Colmore Row
Birmingham
West Midlands
B3 3AG

Bankers

HSBC
34 Poplar Road
Solihull
West Midlands
B91 3AF

Citibank
CitiGroup Centre
33 Canada Square
London
E14 5LB

Solicitors

Daniel Clifford Law LLP
76 Caledonian Road
London
N1 9DN

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees present their Annual Report together with the audited financial statements of Covent Garden IP Limited ("the charitable company") for the period from 1 January 2023 to 31 December 2023.

The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

- **Governing document**

The charitable company is a company limited by shares and a registered charity. The charitable company is governed by its Memorandum and Articles of Association which have not been amended since incorporation.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

- **Appointment of Trustees**

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

As set out in the Articles of Association, new or additional directors are to be appointed by the sole shareholder Property Reserve Inc ("PRI"), a Utah non-profit corporation, providing such persons are willing so to act, either to fill a vacancy or as an additional Trustee. Terms and procedures for appointments are set out in the Articles.

The board of Trustees meets at least once a year, sometimes remotely.

- **Trustee induction and training**

New Trustees undergo orientation training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charitable company. During the year updates are sent to the Trustees on topical issues of which they need to be aware. Further briefings and training are provided at the Annual board meeting.

Trustees are updated and advised on legal issues by Daniel Clifford Law LLP solicitors.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management (continued)

- Organisation

The charitable company exists to support The Church of Jesus Christ of Latter-day Saints ("the Church"). The Trustees are members of the Church.

The Church is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Accordingly, advice as to the interests of the Church is given to the charitable company via the shareholder and is reflected in the Trustees' decisions.

- Employees

The charitable company has one employee, Ashley Powell, who is the CEO and Managing Director of the charitable company.

- Related parties

The charitable company is owned solely by PRI. One of the Trustees and officers of PRI is also an authorised agent of the Utah corporation known as the Church of Jesus Christ of Latter-day Saints ("CHC") (formerly known as the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints). The Church of Jesus Christ of Latter-day Saints (Great Britain) ("GB"), the Church's primary organ in the UK, is also owned by CHC, and consequently GB is treated as a related party in this report and financial statements. GB is also a registered charity.

The charitable company has a close relationship with GB, and the wider Church. There is regular cooperation between the charities when necessary.

- Public benefit

The Trustees receive training on the guidance on public benefit published by the Charitable Company Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The next training day will take place at the Annual General Meeting.

The charitable company achieves a public benefit by financially supporting the Church and its charitable endeavours.

- Policies

Full policies are available from the charitable company's offices.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Structure, governance and management (continued)

- Investment powers and policy

Under the Memorandum and Articles of Association, the charitable company has the power to invest in any way the Trustees deem to be in the best interests of the Church.

The charitable company's objective is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Its current aim is to do this by investing in UK commercial property.

The charitable company expects to make relatively few individual investments, but they would be expected to be relatively large. Each investment will be carefully and extensively considered by the Trustees and their advisors. The appetite for risk is low.

- Fundraising

Although the charitable company has sufficient income to fund day to day costs, such that fundraising is not normally necessary, it anticipates that it may need to raise funds in the near future, in order to procure certain capital improvements to its investment property (see below). Any such funds will be secured from PRI or the wider Church.

Should other significant investment opportunities present themselves in the future that would require further funds which cannot be provided out of income, the charitable company and its shareholder will consider injecting more capital into the charitable company.

Objectives and activities

The object of the charitable company is:

- o To promote and further the religious and other charitable work of The Church in the United Kingdom and elsewhere.

The charitable company does this by investing in and holding commercial property for the benefit of the Church. The policy is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Success is to be measured in commercial terms, and over the long term.

The activities in the period to which this report relates involve the purchase (in December 2019 and May 2023) and leasing of tenanted commercial property valued at circa £145m in London, the collecting of rents, and the making of the grants to GB.

Achievements and performance

The charitable company has achieved its aims for the period:

- Investments

The charitable company currently achieves its aims by investing in UK commercial property, and donating the profits to relevant Church entities, as per the charitable company's Investment Policy.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Achievements and performance (continued)

In the relevant period, the charitable company held two investments, being

- Alder Castle, 10 Noble Street, London, EC2V 7J, which it acquired on 31 December 2019.
- 1 Hannah Close, Great Central Way, Neasden, which it acquired on 25 May 2023.

Alder Castle is a commercial property subject to existing leases to commercial clients.

This investment falls within the objects of the charitable company as it promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK in 3 ways:

- It is a grade A investment property situated in the heart of the City of London.
- It is tenanted (subject to the below) and so provides rental income which will be further used to support the charitable work of the Church.
- It will provide a space for a chapel for a congregation of the Church to meet in the centre of London.

1 Hannah Close was purchased for a price of £74,000,000. This was funded by donations to the charitable company from PRI, its shareholder, and the deal closed on 25th May 2023. The addition of the new property will roughly double the capital base of the charitable company, and further its aim of providing stable funding for the Church.

1 Hannah Close similarly promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK:

- It is a purpose-built commercial warehouse in North London on the A406.
- It is fully tenanted (By Amazon Logistics) and so provides reliable rental income which will be further used to support the charitable work of the Church.

Management of the leases of these two properties was delegated to CBRE under a property management agreement. Funds received from the leases are paid to Covent Garden IP Ltd's CBRE account.

It was decided in 2022 that one floor of Alder Castle (the lower ground), which became vacant in the period, should be leased to GB as a space for a chapel for a congregation of the Church to meet in the centre of London. This process is underway. As of the date of this report:

- Permission for this change of use has been obtained.
- The lease with the GB is being finalised and is expected to commence in October 2024, subject to Charity Commission approval in accordance with section 117 Charities Act 2006.
- Works are expected to begin in November 2024 to fit out the space for the new tenant.

The charitable company has also been renovating Alder Castle to bring it up to market standards. This has involved:

- building out the ground, first and second floors to a CAT A finish;
- renovating the reception area;
- adding a communal work space;
- enlarging the end of trip facilities; and
- adding balconies to the four tenant floors.

These works began in January and are expected to end in March of 2025.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Whilst this investment in Alder Castle and 1 Hannah Close has resulted in the charitable company being unable to make any donation to the Church during this period, it has nonetheless fulfilled its aims by

- Providing space to GB; and
- Investing its property portfolio to better facilitate Church activities in the long term.
- Donations

The Trustees did not make a donation to GB in the period, as it was decided that the profits should be applied to investments in Alder Castle (see above).

Financial Review

- Significant Events

One of the tenants of Alder Castle, Lloyds Bank, gave notice to terminate its tenancy in August 2022. The lease will now be taken by GB – see above for more details.

Alder Castle is being renovated (see above).

The charitable company purchased 1 Hannah Close (see above).

- Income and Profits

The charitable company's total income for the period was £78,815,743 (2022: £5,029,848). Total surplus in 2023 and loss in 2022 for the period were £60,020,429 (2022: £8,651,867). Total surplus for the period excluding losses on revaluation of fixed assets was £77,293,263 (2022: £3,053,183).

- Reserves and Donation policy

The charitable company will retain sufficient reserves to cover its operating costs. Its reserves at the end of the period were £155,875,617 (2022: £95,855,188), which include investment property to be held for the foreseeable future with a value of £145,200,000 (2022: £86,700,001). Free reserves excluding the investment property were £10,675,617 (2022: £9,155,187) at the period end. Its existing commitments were £2,373,167 (2022: £842,958).

Beyond this, the charitable company will retain profits sufficient to investigate and enter into further investments should worthwhile opportunities arise.

All remaining income will be donated to a Church entity. In most cases this will be GB.

- Risks

Although general economic conditions may affect the income of the charitable company in the medium to long term, these changes do not pose a material risk, as its investments are unencumbered and there is no significant prospect of the charitable company's income falling below its costs.

The Trustees will maintain this low risk profile by refraining from entering into new arrangements in the foreseeable future, and by taking professional advice on all aspects of management.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Plans for future periods

As noted above, GB has decided to establish a meeting house in central London, and Alder Castle is a suitable site. Renovations will shortly begin on part of Alder Castle to make it suitable for use as a meeting house, and also to upgrade the rest of the building to a suitable commercial standard. The lease with the GB is being finalised and is expected to commence in October 2024.

Going concern, risks and uncertainties

The main risk the charitable company faces is that the income from its investments reduces. This is a possibility. However,

- o the charitable company's rental income is highly unlikely to reduce below the charitable company's general ongoing expenses;
- o although expenditure in the period to which this report relates exceeded rental income on account of an exceptional one off investment, that investment was funded from donations to the charitable company from the wider Church, with such funding agreed before the liabilities were accrued;
- o the charitable company has no debt; and
- o the shareholder has guaranteed the charitable company future financial support, where necessary.

So there are no material uncertainties about the charitable company's ability to continue as a going concern.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Disclosure of information to auditor

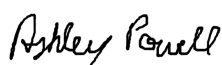
The Trustees confirm that:

- so far as each trustee aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- The trustees have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ashley John Powell

Trustee

Date: 27/9/2024

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees (who are also the directors of Covent Garden IP Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

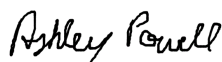
Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 (FRS102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of the Trustees (incorporating the strategic report) was approved on behalf of the Trustees by:

**Ashley John Powell**

Trustee

Date: 27/9/2024

Company number: 12063279

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD

Opinion

We have audited the financial statements of Covent Garden IP Ltd (the 'charitable company') for the year ended 31 December 2023, which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 December 2023 and of its income 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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

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 charitable company'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' Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report included in the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included in the Trustees' Report.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006 and Charities Act 2011;

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and through our legal and professional expenses review;
 - We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgements made by management in its significant accounting policies
 - Identifying and testing journal entries, with a focus on manual postings, back dated journals, entries posted by individuals outside of our expectation and journal entries posted in the closing and accounts preparation period
 - Review of related parties for undisclosed transactions
 - Inspecting the board minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
 - These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
 - Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the charity sector
 - understanding of the legal and regulatory requirements specific to the charitable company including:
 - the provisions of the applicable legislation
 - guidance issued by the Charities Commission.
 - The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
 - In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the charitable company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
-

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

- the charitable company's control environment, including:
 - the policies and procedures implemented by the charitable company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
 - the adequacy of procedures for authorisation of transactions and review of management accounts
 - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jim McLarnon

Jim McLarnon ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 27/9/2024

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Grant income	3	75,030,379	75,030,379	-
Investments	4	3,785,364	3,785,364	5,029,848
Total income		78,815,743	78,815,743	5,029,848
Expenditure on:				
Raising funds	5	1,565,647	1,565,647	1,952,664
Charitable activities	6	(43,167)	(43,167)	24,001
Total expenditure		1,522,480	1,522,480	1,976,665
Net movement in funds before other recognised gains/(losses)		77,293,263	77,293,263	3,053,183
Other recognised gains/(losses):				
Losses on revaluation of fixed assets	9	(17,272,834)	(17,272,834)	(11,705,050)
Net movement in funds		60,020,429	60,020,429	(8,651,867)
Reconciliation of funds:				
Total funds brought forward		95,855,088	95,855,088	104,506,955
Net movement in funds		60,020,429	60,020,429	(8,651,867)
Total funds carried forward		155,875,517	155,875,517	95,855,088

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 28 form part of these financial statements.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)
REGISTERED NUMBER: 12063279

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Investment property	9	145,200,000	86,700,001
Current assets			
Debtors	10	1,884,340	1,095,859
Cash at bank and in hand		11,164,444	8,902,286
		<u>13,048,784</u>	<u>9,998,145</u>
Creditors: amounts falling due within one year	11	(2,373,167)	(842,958)
Net current assets		<u>10,675,617</u>	<u>9,155,187</u>
Total assets less current liabilities		<u>155,875,617</u>	<u>95,855,188</u>
Net assets excluding pension asset		<u>155,875,617</u>	<u>95,855,188</u>
Total net assets		<u><u>155,875,617</u></u>	<u><u>95,855,188</u></u>
Charity funds			
Restricted funds	12	-	-
Unrestricted funds			
General funds	12	155,875,517	95,855,088
Share capital	15	100	100
		<u>155,875,617</u>	<u>95,855,188</u>
Total funds		<u><u>155,875,617</u></u>	<u><u>95,855,188</u></u>

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

In producing these financial statements, the trustees have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Ashley John Powell

Trustee

Date: 27/9/2024

The notes on pages 18 to 28 form part of these financial statements.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)****STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	<i>As restated 2022 £</i>
Cash flows from operating activities			
Net cash used in operating activities	16	78,034,991	1,171,161
Cash flows from investing activities			
Investment property additions		(75,772,833)	(655,050)
Net cash used in investing activities		(75,772,833)	(655,050)
Change in cash and cash equivalents in the year		2,262,158	516,111
Cash and cash equivalents at the beginning of the year		8,902,286	8,386,175
Cash and cash equivalents at the end of the year		11,164,444	8,902,286

The movement in net debt for the current period is identical to the movements in cash flows set out above.

The notes on pages 18 to 28 form part of these financial statements.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. General information

Covent Garden IP Ltd is a company and registered charity, limited by shares, incorporated in England and Wales. Registered number 12063279. Its registered office is Building 3A Suite 100, Glory Park Avenue, Wooburn Green, High Wycombe, HP10 0DF.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Covent Garden IP Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The main risk the charitable company faces is that the income from its investments reduces. This is a possibility. However,

- the charitable company's rental income is highly unlikely to reduce below the charitable company's expenses;
- although expenditure in the period to which this report relates exceeded rental income on account of an exceptional one off investment, that investment was be funded from donations to the charitable company from the wider Church, with such funding agreed before the liabilities were accrued;
- the charitable company has no debt; and
- the shareholder has guaranteed the charitable company future financial support, where necessary.

So there are no material uncertainties about the charitable company's ability to continue as a going concern.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.3 Income**

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where a donation of a fixed asset is received, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charitable company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charitable company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and predominantly relates to the costs of managing, maintaining and running the investment property.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.5 Investments**

Investment property is carried at fair value determined annually by the trustees, informed by periodic valuations carried out and derived from external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

The charitable company only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Judgements and estimates

The charitable company estimated the value of the investment property at the period end. The valuation has been based on comparable transactional evidence in the market place together with the assessment of the quality and length of the income stream, current rental values, prospects of growth, outgoings and capital values. The carrying value of the investment properties at the year end are £145.2m.

2.11 Company status

The charitable company is limited by share capital, incorporated in England and Wales (No. 12063279) and regulated by its Memorandum and Articles of Association.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.12 Trustees and employees' remuneration

The charitable company had no employees during the period and therefore no payments of salary or benefits have been made during the year exceeding £60,000.

Trustees did not receive any remuneration or reimbursement of expenses during the period.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Grant income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grants	75,030,379	75,030,379	-

The grant was from the parent company for the purchase of a second investment property.

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rental income	3,480,252	3,480,252	4,157,959
Service charge income	305,112	305,112	871,889
	3,785,364	3,785,364	5,029,848

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****5. Investment management costs**

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Utilities	228,019	228,019	228,853
Management fees	75,349	75,349	134,373
General building supplies	33,728	33,728	97,216
Legal and professional fees	177,984	177,984	155,953
Property maintenance	523,888	523,888	807,152
Security	331,622	331,622	381,678
Property rates	24,241	24,241	23,256
Insurances	109,775	109,775	53,769
Cleaning	61,041	61,041	70,414
	<u>1,565,647</u>	<u>1,565,647</u>	<u>1,952,664</u>

6. Analysis of expenditure on charitable activities**Summary by fund type**

	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Accountancy	(43,883)	(43,883)	23,456
Bank charges	716	716	545
	<u>(43,167)</u>	<u>(43,167)</u>	<u>24,001</u>

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****7. Auditor's remuneration**

	2023	2022
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	38,500	35,000
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	18,256	7,850

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022: £Nil).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022: £Nil).

9. Investment property

	Freehold investment property £
Valuation	
At 1 January 2023	86,700,001
Additions	75,772,833
Deficit on revaluation	(17,272,834)
At 31 December 2023	145,200,000

Investment Property was valued as at 31 December 2023 by Colliers International Property Consultants Limited, professional external valuers. The valuation was undertaken in accordance with the 'RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards)' prepared by the Royal Institute of Chartered Surveyors (the "Red Book"). The valuation is derived from the market rent and the key assumptions are the investment yields as per the below:

Yield	
Initial	0.37%
Equivalent	5.22%
Reversionary (27/10/26)	6.17%

Capital commitments at the year end were £11,645,909 (2022: Nil).

COVENT GARDEN IP LTD**(A company limited by shares and registered charity)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10. Debtors**

	2023 £	2022 £
Trade debtors	357,043	995,078
Other debtors	148,271	67,277
Prepayments and accrued income	1,379,026	33,504
	<u>1,884,340</u>	<u>1,095,859</u>

11. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	238,126	128,913
VAT	22,222	-
Accruals and deferred income	2,112,819	714,045
	<u>2,373,167</u>	<u>842,958</u>

Deferred income amounts to £1,570,013 (2022: £295,020).

	2023 £	2022 £
Deferred income at 1 January 2023	295,020	1,251,186
Resources deferred during the year	1,570,013	295,020
Amounts released from previous periods	(295,020)	(1,251,186)
	<u>1,570,013</u>	<u>295,020</u>

Deferred income is in relation to rental income received in advance.

COVENT GARDEN IP LTD

(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General Funds - all funds	95,855,088	78,815,743	(1,522,480)	(17,272,834)	155,875,517
Share capital	100	-	-	-	100
	95,855,188	78,815,743	(1,522,480)	(17,272,834)	155,875,617

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds					
General Funds - all funds	<i>104,506,955</i>	<i>5,029,848</i>	<i>(1,976,665)</i>	<i>(11,705,050)</i>	<i>95,855,088</i>
Share capital	<i>100</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>100</i>
	<i>104,507,055</i>	<i>5,029,848</i>	<i>(1,976,665)</i>	<i>(11,705,050)</i>	<i>95,855,188</i>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Summary of funds
Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	95,855,188	78,815,743	(1,522,480)	(17,272,834)	155,875,617

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	104,507,055	5,029,848	(1,976,665)	(11,705,050)	95,855,188

14. Analysis of net assets between funds
Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Investment property	145,200,000	145,200,000
Current assets	13,048,784	13,048,784
Creditors due within one year	(2,373,167)	(2,373,167)
Total	155,875,617	155,875,617

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Analysis of net assets between funds (continued)
Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment property	86,700,001	86,700,001
Current assets	9,998,145	9,998,145
Creditors due within one year	(842,958)	(842,958)
Total	<u>95,855,188</u>	<u>95,855,188</u>

15. Share capital

	2023 £	2022 £
100 Ordinary shares at £1.00 each	<u>100</u>	<u>100</u>

100 Ordinary shares were issued at par on incorporation.

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	<u>77,293,263</u>	<u>3,053,183</u>
Adjustments for:		
(Increase)/decrease in debtors	(788,481)	(660,434)
(Decrease)/increase in creditors	1,530,209	(1,221,588)
Investment property additions	(75,772,833)	(655,050)
Net cash (used in)/provided by operating activities	<u>2,262,158</u>	<u>516,111</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	8,902,286	2,262,158	11,164,444

18. Related party transactions

Covent Garden IP Ltd received a grant of £75,030,379 (2022: £Nil) from The Church of Jesus Christ of Latter-day Saints (Great Britain) during the year.

19. Controlling party

The Board considers that the immediate parent undertaking of the charitable company is Property Reserve Inc, a non-profit corporation, registered address 51 S. Main St. Suite 300, Salt Lake City, UT 84111 USA by virtue of the fact that it is the sole shareholder of the charitable company. The ultimate parent undertaking is considered to be The Church of Jesus Christ of Latter-day Saints, also based in Utah, USA.

20. Post balance sheet events

There are no significant post balance sheet events to report.

COVENT GARDEN IP LTD

England & Wales - Charity number 1185976

Accounts

Registered number: 12063279
Charity number: 1185976

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

CONTENTS

	Page
Reference and administrative details of the Charitable Company, its Trustees and advisers	1
Trustees' report	2 - 7
Trustees' responsibilities statement	8
Independent auditor's report on the financial statements	9 - 13
Statement of financial activities	14
Balance sheet	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 26

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Ashley John Powell, Managing Director Juan Roberto Hernandez, Director of Temporal Affairs (resigned 27 December 2022) Michael Kurt Dehner, Director David Robertson, Director (appointed 27 December 2022)
Company registered number	12063279
Charity registered number	1185976
Principal office and registered office	c/o The Church of Jesus Christ of Latter-day Saints Building 3a Suite 100, Glory Park Avenue Wooburn Green High Wycombe England HP10 0DF
Independent auditor	Grant Thornton UK LLP Chartered Accountants 17th Floor 103 Colmore Row Birmingham West Midlands B3 3AG
Bankers	HSBC 34 Poplar Road Solihull West Midlands B91 3AF Citibank CitiGroup Centre 33 Canada Square London E14 5LB
Solicitors	Daniel Clifford Law LLP 76 Caledonian Road London N1 9DN

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of Covent Garden IP Limited ("the Charitable Company") for the period from 1 January 2022 to 31 December 2022.

The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Trustees' report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

Governing document

The Charitable Company is a company limited by shares and a registered charity. The Charitable Company is governed by its Memorandum and Articles of Association which have not been amended since incorporation.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Appointment of Trustees

The Directors of the Charitable Company are its Trustees for the purpose of charity law and throughout this report and collectively referred to as the Trustees.

As set out in the Articles of Association, new or additional directors are to be appointed by the sole shareholder Property Reserve Inc ("PRI"), a Utah non-profit corporation, providing such persons are willing so to act, either to fill a vacancy or as an additional Trustee. Terms and procedures for appointments are set out in the articles.

The board of Trustees meets at least once a year, sometimes remotely.

Trustee induction and training

New Trustees undergo orientation training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charitable Company. During the year updates are sent to the Trustees on topical issues of which they need to be aware. Further briefings and training are provided at the Annual board meeting.

Trustees are updated and advised on legal issues by Daniel Clifford Law LLP solicitors.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

Organisation

The Charitable Company exists to support The Church of Jesus Christ of Latter-day Saints ("the Church"). The Trustees are members of the Church.

The Church is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Accordingly, advice as to the interests of the Church is given to the Charitable Company via the shareholder and is reflected in the Trustees' decisions.

Employees

The Charitable Company has no employees, and does not envisage having any.

Related parties

The Charitable Company is owned solely by PRI. One of the Trustees and officers of PRI is also an authorised agent of the Utah corporation known as the Church of Jesus Christ of Latter-day Saints ("CHC") (formerly known as the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints). The Church of Jesus Christ of Latter-day Saints (Great Britain) ("GB"), the Church's primary organ in the UK, is also owned by CHC, and consequently is treated as a related party in this report and financial statements. GB is also a registered charity.

The Charitable Company has a close relationship with GB, and the wider Church. There is regular cooperation between the charities when necessary.

Public benefit

The Trustees receive training on the guidance on public benefit published by the Charitable Company Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The next training day will take place at the Annual General Meeting.

The Charitable Company achieves a public benefit by financially supporting the Church and its charitable endeavours.

Policies

Full policies are available from the Charitable Company's offices.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

Investment powers and policy

Under the Memorandum and Articles of Association, the Charitable Company has the power to invest in any way the Trustees deem to be in the best interests of the Charitable Company.

The Charitable Company's objective is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Its current aim is to do this by investing in UK commercial property.

The Charitable Company expects to make relatively few individual investments, but they would be expected to be relatively large. Each investment will be carefully and extensively considered by the Trustees and their advisors. The appetite for risk is low.

Fundraising

Although the Charitable Company has sufficient income to fund day to day costs, such that fundraising is not normally necessary, it anticipates that it may need to raise funds in the near future, in order to procure certain capital improvements to its investment property (see below). Any such funds will be secured from PRI or the wider Church.

Should other significant investment opportunities present themselves in the future that would require further funds which cannot be provided out of income, the Charitable Company and its shareholder will consider injecting more capital into the Charitable Company.

Objectives and activities

The object of the Charitable Company is:

- To promote and further the religious and other charitable work of The Church in the United Kingdom and elsewhere.

The Charitable Company does this by investing in and holding commercial property for the benefit of the Church. The policy is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Success is to be measured in commercial terms, and over the long term.

The activities in the period to which this report relates involve the purchase (in December 2019) and leasing of a tenanted commercial office property valued at circa £100m in central London, the collecting of rents, and the making of the grants to GB.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

Achievements and performance

The Charitable Company has achieved its aims for the period:

Investments

The Charitable Company currently achieves this aim by investing in UK commercial property, and donating the profits to relevant Church entities, as per the Charitable Company's Investment Policy.

In the relevant period, the Charitable Company held just one investment, being Alder Castle, 10 Noble Street, London, EC2V 7J, which it acquired on 31 December 2019. Alder Castle is a commercial property subject to existing leases to commercial clients.

This investment falls within the objects of the Charitable Company as it promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK in 3 ways:

- It is a grade A investment property situated in the heart of the City of London.
- It is fully tenanted (subject to the below) and so provides rental income which will be further used to support the charitable work of the Church.
- It will provide a space for a chapel for a congregation of the Church to meet in the centre of London.

Management of the leases was delegated to CBRE under a property management agreement. Funds received from the leases are paid to Covent Garden IP Ltd's CBRE account.

It was decided in 2022 that one floor of Alder Castle, which became vacant in the period, should be leased to GB as a space for a chapel for a congregation of the Church to meet in the centre of London. This process is underway. As of the date of this report:

- Permission for this change of use has been obtained.
- The lease with GB commenced on 1 June 2023.
- Works are underway to fit out the space for the new tenant and they are expected to be complete by February or March 2024.
- Once these works are completed, GB will use the space for a chapel for a congregation to meet in the centre of London.

Whilst this investment in Alder Castle has resulted in the Charitable Company being unable to make any donation to the Church during this period, it has nonetheless fulfilled its aims by

- Providing space to GB; and
- Investing its property portfolio to better facilitate Church activities.

Donations

The Trustees did not make a donation to GB in the period, as it was decided that the profits should be applied to investment in Alder Castle (see above)

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Significant events

One of the tenants of Alder Castle, Lloyds Bank, gave notice to terminate its tenancy in August 2022. The lease will now be taken by GB – see above for more details.

Income and profits

The Charitable Company's total income for the period was £5,029,848 (2021: £5,582,528). Total losses for the period were £8,651,867 (2021: £2,945,278). Total surplus for the period excluding losses on revaluation of fixed assets was £3,053,183 (2021: £1,804,722).

Reserves and donation policy

The Charitable Company will retain sufficient reserves to cover its operating costs. Its reserves at the end of the period were £95,855,188 (2021: £104,507,055), which include investment property to be held for the foreseeable future with a value of £86,700,001. Free reserves excluding the investment property were £9,155,187 (2021: £6,757,055) at the period end. Its existing commitments were £842,958 (2021: £2,064,545).

Beyond this, the Charitable Company will retain profits sufficient to investigate and enter into further investments should worthwhile opportunities arise.

All remaining income will be donated to a Church entity. In most cases this will be GB.

Risks

Although it is not clear yet what long-term effect the COVID-19 pandemic is likely to have on working patterns in central London, this may affect the income of the Charitable Company in the medium to long term. These changes do not pose a material risk, as its investments are unencumbered and there is no significant prospect of the Charitable Company's income falling below its costs.

The Trustees will maintain this low risk profile by only making similarly low risk investments, and by taking professional advice on all aspects of management.

Plans for future periods

As noted above, GB has decided to establish a meeting house in central London, and Alder Castle is a suitable site. Renovations have begun on part of Alder Castle to make it suitable for use as a meeting house. The lease with GB commenced on 1 June 2023. Works are underway to fit out the space for the new tenant and they are expected to be complete by February or March 2024.

In addition, CG decided in early 2023 to purchase another commercial property in Wembley, London. This purchase price of £74,000,000 was funded by donations to the Charitable Company from PRI, its shareholder, and the deal closed on 25 May 2023. The addition of the new property will roughly double the capital base of the Charitable Company, and further its aim of providing stable funding for the Church.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern, risks and uncertainties

The main risk the Charitable Company faces is that the income from its investments reduces. In changing economic circumstances, this is a possibility. However,

- the Charitable Company's rental income is highly unlikely to reduce below the Charitable Company's expenses;
- although expenditure in the following period may exceed income on account of an exceptional one-off investment, that investment will be funded from further donations to the Charitable company from the wider Church, with such funding agreed before liabilities are accrued;
- the Charitable Company has no debt; and
- the shareholder has guaranteed the Charitable Company future financial support, where necessary.

So there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415a of the Companies Act 2006.

Disclosure of information to auditor

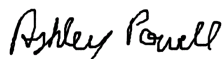
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ashley John Powell

Trustee

Date: 25/9/2023

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees (who are also the directors of Covent Garden IP Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company 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 (FRS102);
- Make judgements and accounting estimates that are reasonable and prudent;

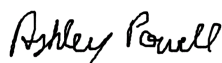
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees 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 Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Ashley John Powell

Trustee

Date: 25/9/2023

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD

Opinion

We have audited the financial statements of Covent Garden IP LTD (the 'Charitable Company') for the year ended 31 December 2022, which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards 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 Charitable Company's affairs as at 31 December 2022 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 Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 Charitable Company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the Trustees' conclusions, we considered the inherent risks associated with the Charitable Company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the Charitable Company's financial resources or ability to continue operations over the going concern period.

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.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

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 Charitable Company'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 Directors 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' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included in the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included in the Trustees' Report.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; 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, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) 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 Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006 and Charities Act 2011;
- We understood how the Charitable Company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and through our legal and professional expenses review;

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

- We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgements made by management in its significant accounting policies
 - Identifying and testing journal entries, with a focus on manual postings, back dated journals, entries posted by individuals outside of our expectation and journal entries posted in the closing and accounts preparation period
 - Review of related parties for undisclosed transactions
 - Inspecting the board minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the charity sector
 - Understanding of the legal and regulatory requirements specific to the entity including:
 - the provisions of the applicable legislation
 - guidance issued by the charities Commission.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income and management override of controls; and

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF COVENT GARDEN IP LTD (CONTINUED)

- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Charitable Company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement
 - The Charitable Company's control environment, including:
 - the policies and procedures implemented by the Charitable Company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
 - the adequacy of procedures for authorisation of transactions and review of management accounts
 - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Jim McLarnon ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Senior Statutory Auditor, Chartered Accountants

Birmingham
Date: 25/9/2023

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Investments	3	5,029,848	5,029,848	5,582,528
Total income		5,029,848	5,029,848	5,582,528
Expenditure on:				
Investment management costs	4	1,952,664	1,952,664	1,457,513
Charitable activities	6	24,001	24,001	2,320,293
Total expenditure		1,976,665	1,976,665	3,777,806
Net movement in funds before other recognised (losses)		3,053,183	3,053,183	1,804,722
Other recognised (losses):				
Losses on revaluation of fixed assets		(11,705,050)	(11,705,050)	(4,750,000)
Net movement in funds		(8,651,867)	(8,651,867)	(2,945,278)
Reconciliation of funds:				
Total funds brought forward		104,506,955	104,506,955	107,452,233
Net movement in funds		(8,651,867)	(8,651,867)	(2,945,278)
Total funds carried forward		95,855,088	95,855,088	104,506,955

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 26 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)
REGISTERED NUMBER: 12063279

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investment property	8	86,700,001	97,750,000
Current assets			
Debtors	9	1,095,859	435,425
Cash at bank and in hand	13	8,902,286	8,386,175
		<u>9,998,145</u>	<u>8,821,600</u>
Creditors: amounts falling due within one year	10	(842,958)	(2,064,545)
Net current assets		<u>9,155,187</u>	<u>6,757,055</u>
Total assets less current liabilities		<u>95,855,188</u>	<u>104,507,055</u>
Net assets excluding pension asset		<u>95,855,188</u>	<u>104,507,055</u>
Total net assets		<u><u>95,855,188</u></u>	<u><u>104,507,055</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds			
General funds		95,855,088	104,506,955
Share capital	11	100	100
		<u>95,855,188</u>	<u>104,507,055</u>
Total funds		<u><u>95,855,188</u></u>	<u><u>104,507,055</u></u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

In producing these financial statements, the trustees have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Ashley John Powell

Trustee

Date: 25/9/2023

The notes on pages 18 to 26 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	12	516,111	2,370,092
Change in cash and cash equivalents in the year		516,111	2,370,092
Cash and cash equivalents at the beginning of the year		8,386,175	6,016,083
Cash and cash equivalents at the end of the year	13	8,902,286	8,386,175

The movement in net debt for the current period is identical to the movements in cash flows set out above.

The notes on pages 18 to 26 form part of these financial statements

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Covent Garden IP Ltd is a company and registered charity, limited by shares, incorporated in England and Wales. Its registered office is 187 Penns Lane, Sutton Coldfield, West Midlands, B76 1JU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), and the Companies Act 2006.

Covent Garden IP Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The main risk the Charitable Company faces is that the income from its investments reduces. Given the COVID-19 pandemic and the potential for it to change the desirability of central London commercial space, this is a possibility. However,

- the Charitable Company's rental income is highly unlikely to reduce below the Charitable Company's expenses;
- although expenditure in the following period may exceed income on account of an exceptional one off investment, that investment will be funded from further donations to the Charitable company from the wider Church, with such funding agreed before liabilities are accrued;
- the Charitable Company has no debt; and
- the shareholder has guaranteed the Charitable Company future financial support, where necessary.

The Charitable Company has prepared a cash flow forecast to monitor the above risks and ability to continue as a going concern, covering the period up to 31 December 2024. This shows and confirms the low risk profile. In addition, the Charitable Company has the financial support of its parent, PRI.

So there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

Where a donation of a fixed asset is received, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charitable Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charitable Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and predominantly relates to the costs of managing, maintaining and running the investment property.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Investments

Investment property is carried at fair value determined annually by the trustees, informed by periodic valuations carried out and derived from external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The Charitable Company only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Judgements and estimates

The charitable company estimated the value of the investment property at the period end. The valuation has been based on comparable transactional evidence in the market place together with the assessment of the quality and length of the income stream, current rental values, prospects of growth, outgoings and capital values.

2.11 Company status

The Charitable Company is limited by share capital, incorporated in England and Wales (No. 12063279) and regulated by its Memorandum and Articles of Association.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.12 Trustees and employees' remuneration

The Charitable Company had no employees during the period and therefore no payments of salary or benefits have been made during the year exceeding £60,000.

Trustees did not receive any remuneration or reimbursement of expenses during the period.

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Rental income	4,157,959	4,157,959	4,723,387
Service charge income	871,889	871,889	859,141
	<u>5,029,848</u>	<u>5,029,848</u>	<u>5,582,528</u>

4. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Utilities	228,853	228,853	324,756
Management fees	134,373	134,373	101,578
General building supplies	97,216	97,216	131,422
Legal and professional fees	155,953	155,953	20,000
Property maintenance	807,152	807,152	381,038
Security	381,678	381,678	337,195
Property rates	23,256	23,256	24,726
Insurances	53,769	53,769	50,097
Cleaning	70,414	70,414	85,817
Bank charges	-	-	884
	<u>1,952,664</u>	<u>1,952,664</u>	<u>1,457,513</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants	-	-	2,300,000

During the prior year, a grant of £2,300,000 was made to The Church of Jesus Christ of Latter-day Saints (Great Britain).

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Accountancy	23,456	23,456	20,080
Bank charges	545	545	213
Grants	-	-	2,300,000
	<u>24,001</u>	<u>24,001</u>	<u>2,320,293</u>

7. Auditor's remuneration

	2022 £	<i>2021 £</i>
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	35,000	28,000
Fees payable to the Charitable Company's auditor in respect of: All non-audit services not included above	<u>7,850</u>	<u>6,400</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Investment property

	Freehold investment property £
Valuation	
At 1 January 2022	97,750,000
Additions	655,051
Deficit on revaluation	(11,705,050)
At 31 December 2022	86,700,001

Investment Property was valued as at 31 December 2022 by Colliers International Property Consultants Limited, professional external valuers. The valuation was undertaken in accordance with the 'RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards)' prepared by the Royal Institute of Chartered Surveyors (the "Red Book"). The valuation is derived from the market rent and the key assumptions are the investment yields as per the below

Yield	
Initial	0.37%
Equivalent	5.22%
Reversionary (27/10/26)	6.17%

9. Debtors

	2022 £	2021 £
Trade debtors	995,078	74,939
Other debtors	67,277	339,209
Prepayments and accrued income	33,504	21,277
	1,095,859	435,425

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	128,913	133,279
Other taxation and social security	-	173,918
Accruals and deferred income	714,045	1,757,348
	842,958	2,064,545

Deferred income amounts to £295,020 (2021: £1,251,186).

	2022	2021
	£	£
Deferred income at 1 January 2022	1,251,186	1,176,539
Resources deferred during the year	295,020	1,251,185
Amounts released from previous periods	(1,251,186)	(1,176,538)
	295,020	1,251,186

Deferred income is in relation to rental income received in advance.

11. Share capital

	2022	2021
	£	£
100 Ordinary shares at £1.00 each	100	100

100 Ordinary shares were issued at par on incorporation.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	3,053,183	1,804,722
Adjustments for:		
(Increase)/decrease in debtors	(660,434)	170,440
(Decrease)/increase in creditors	(1,221,587)	394,930
Investment property additions	(655,050)	-
Net cash (used in)/provided by operating activities	516,112	2,370,092

13. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	8,902,286	8,386,175
Total cash and cash equivalents	8,902,286	8,386,175

14. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	8,386,175	516,111	8,902,286

15. Related party transactions

Covent Garden IP Ltd made a grant of £Nil (2021: £2,300,000) to The Church of Jesus Christ of Latter-day Saints (Great Britain) during the year.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Controlling party

The Board considers that the immediate parent undertaking of the Charitable Company is Property Reserve Inc, a non-profit corporation based in Utah, USA by virtue of the fact that it is the sole shareholder of the Charitable Company. The ultimate parent undertaking is considered to be The Church of Jesus Christ of Latter-day Saints, also based in Utah, USA.

17. Post Balance Sheet Events

It was decided in 2022 that one floor of Alder Castle, which became vacant in the period, should be leased to the Church of Jesus Christ of Latter-day Saints (Great Britain) as a space for a chapel for a congregation of the Church to meet in the centre of London. The lease commenced on 1 June 2023. In addition, Covent Garden IP Ltd decided in early 2023 to purchase another commercial property in Wembley, London. This purchase price of £74,000,000 was funded by donations to the Charitable Company from PRI, its shareholder, and the deal closed on 25th May 2023.

COVENT GARDEN IP LTD

England & Wales - Charity number 1185976

Accounts

Registered number: 12063279
Charity number: 1185976

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

CONTENTS

	Page
Reference and administrative details of the Charitable Company, its Trustees and advisers	1
Trustees' report	2 - 7
Trustees' responsibilities statement	8
Independent auditor's report on the financial statements	9 - 13
Statement of financial activities	14
Balance sheet	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 27

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Ashley John Powell, Managing Director Juan Roberto Hernandez, Director of Temporal Affairs Michael Kurt Dehner, Director
Company registered number	12063279
Charity registered number	1185976
Principal office and registered office	187 Penns Lane Sutton Coldfield West Midlands B76 1JU
Independent auditor	Grant Thornton UK LLP Chartered Accountants 17th Floor 103 Colmore Row Birmingham West Midlands B3 3AG
Bankers	HSBC 34 Poplar Road Solihull West Midlands B91 3AF Citibank CitiGroup Centre 33 Canada Square London E14 5LB
Solicitors	Daniel Clifford Law LLP 76 Caledonian Road London N1 9DN

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of Covent Garden IP Limited ("the Charitable Company") for the year to 31 December 2021.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Trustees' report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

Governing document

The Charitable Company is a company limited by shares and a registered charity. The Charitable Company is governed by its Memorandum and Articles of Association which have not been amended since incorporation.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Appointment of Trustees

The directors of the Charitable Company are its Trustees for the purpose of charity law and throughout this report and collectively referred to as the Trustees.

As set out in the Articles of Association, new or additional directors are to be appointed by the sole shareholder Property Reserve Inc ("PRI"), a Utah non-profit corporation, providing such persons are willing so to act, either to fill a vacancy or as an additional Trustee. Terms and procedures for appointments are set out in the articles.

The board of Trustees meets at least once a year, sometimes remotely.

Trustee induction and training

New Trustees undergo orientation training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charitable Company. During the year updates are sent to the Trustees on topical issues of which they need to be aware. Further briefings and training are provided at the Annual board meeting.

Trustees are updated and advised on legal issues by Daniel Clifford Law LLP solicitors.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

Organisation

The Charitable Company exists to support The Church of Jesus Christ of Latter-day Saints ("the Church"). The Trustees are members of the Church.

The Church is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Accordingly, advice as to the interests of the Church is given to the Charitable Company via the shareholder and is reflected in the Trustees' decisions.

Employees

The Charitable Company has no employees, and does not envisage having any.

Related parties

The Charitable Company is owned solely by PRI. One of the Trustees and officers of PRI is also an authorised agent of the Utah corporation known as the Church of Jesus Christ of Latter-day Saints ("CHC") (formerly known as the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints). The Church of Jesus Christ of Latter-day Saints (Great Britain) ("GB"), the Church's primary organ in the UK, is also owned by CHC, and consequently is treated as a related party in this report and financial statements.

The Charitable Company has a close relationship with its sister charity, GB, and the wider Church. There is regular cooperation between the charities when necessary.

Public benefit

The Trustees receive training on the guidance on public benefit published by the Charitable Company Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The next training day will take place at the Annual General Meeting.

The Charitable Company achieves a public benefit by financially supporting the Church and its charitable endeavours.

Policies

Full policies are available from the Charitable Company's offices.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

Investment powers and policy

Under the Memorandum and Articles of Association, the Charitable Company has the power to invest in any way the Trustees deem to be in the best interests of the Charitable Company.

The Charitable Company's objective is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Its current aim is to do this by investing in UK commercial property

The Charitable Company expects to make relatively few individual investments, but they would be expected to be relatively large. Each investment will be carefully and extensively considered by the Trustees and their advisors. The appetite for risk is low.

Fundraising

Although the Charitable Company has sufficient income to fund day to day costs, such that fundraising is not normally necessary, it anticipates that it may need to raise funds in the near future, in order to procure certain capital improvements to its investment property (see below). Any such funds will be secured from PRI and or the wider Church.

Should other significant investment opportunities present themselves in the future that would require further funds which cannot be provided out of income, the Charitable Company and its shareholder will consider injecting more capital into the Charitable Company.

Strategic report

Objectives and achievements

The object of the Charitable Company is:

- To promote and further the religious and other charitable work of The Church in the United Kingdom and elsewhere.

The Charitable Company does this by investing in and holding commercial property for the benefit of the Church. The policy is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Success is to be measured in commercial terms, and over the long term.

The current activities involve the leasing of a tenanted commercial office property valued at circa £100m in central London, the collecting of rents, and the making of the first grants to GB.

The short-term aim is the establishment of this investment business and the making of the first Grants to GB.

The Charitable Company has achieved its aims for the period:

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Strategic report (continued)

Investments

The Charitable Company currently achieves this aim by investing in UK commercial property, and donating the profits to relevant Church entities, as per the Charitable Company's Investment Policy.

The Charitable Company holds just one investment, being Alder Castle, 10 Noble Street, London, EC2V 7J, which it acquired on 31 December 2019. Alder Castle is a commercial property subject to existing leases to commercial clients.

This investment falls within the objects of the Charitable Company as it promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK in 3 ways:

- It is a grade A investment property situated in the heart of the City of London.
- It is fully tenanted (subject to the below) and so provides rental income which will be further used to support the charitable work of the Church.
- It will provide a space for a chapel for a congregation of the Church to meet in the centre of London.

Management of the leases was delegated to CBRE under a property management agreement. Funds received from the leases are paid to Covent Garden IP Ltd's CBRE account.

Donations

The Trustees made a donation to GB of £2,300,000 within the period, in furtherance of its objects.

Financial review

Significant events

One of the tenants of Alder Castle, Lloyds Bank PLC, has given notice to terminate its tenancy in August 2022. Although not relevant to the period to which this report relates, this will impact on the plans and income for the following period.

Income and profits

The Charitable Company's total income for the period was £5,582,528 (2020: £110,200,304). Total losses for the period were £2,945,278 (2020: profit of £107,452,233). Total surplus for the period excluding losses on revaluation of fixed assets was £1,804,722 (2020: £108,821,174).

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves and donation policy

The Charitable Company will retain sufficient reserves to cover its operating costs. Its reserves at the end of the period were £104,507,055 (2020: £107,452,333), which include investment property to be held for the foreseeable future with a value of £97,750,000. Free reserves excluding the investment property were £6,757,055 (2020: £4,952,333) at the period end. Its existing commitments were £2,064,545 (2020: £1,669,615), being deferred income and other creditors.

Beyond this, the Charitable Company will retain profits sufficient to investigate and enter into further investments should worthwhile opportunities arise.

All remaining income will be donated to a Church entity. In most cases this will be GB.

Risks

Although it is not clear yet what long-term effect the COVID-19 pandemic is likely to have on working patterns in central London, this may affect the income of the Charitable Company in the medium to long term. These changes do not pose a material risk, as its investments are unencumbered and there is no significant prospect of the Charitable Company's income falling below its costs.

The Trustees will maintain this low risk profile by refraining from entering into new arrangements in the foreseeable future, and by taking professional advice on all aspects of management.

Plans for future periods

GB has also indicated that it would like to establish a meeting house in central London, and considers that Alder Castle would be a suitable site. The Trustees agree that this would be a suitable use of Alder Castle, and in accordance with the Company's purpose; they have therefore decided to, after Lloyd's have vacated the building, renovate part of Alder Castle to make it suitable for use as a meeting house; designs are underway. Permission for this change of use has been obtained. We are confident that the Charitable entity has met its objectives this financial year and that it will continue to do so.

The costs of renovating Alder Castle to make it suitable for GB will prohibit the Charitable Company from making a donation to the Church within the period following the one to which this report relates. It may, in addition, be necessary to seek a further cash injection from the wider Church to fund the renovation, but the Church has indicated to the Trustees that such funds are available if so needed.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern, risks and uncertainties

The main risk the Charitable Company faces is that the income from its investments reduces. Given the COVID-19 pandemic and the potential for it to change the desirability of central London commercial space, this is a possibility. However,

- the Charitable Company's rental income is highly unlikely to reduce below the Charitable Company's expenses;
- although expenditure in the following period may exceed income on account of an exceptional one off investment, that investment will be funded from further donations to the Charitable company from the wider Church, with such funding agreed before liabilities are accrued;
- the Charitable Company has no debt; and
- the shareholder has guaranteed the Charitable Company future financial support, where necessary.

So there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

Disclosure of information to auditor

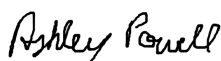
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ashley John Powell

Trustee

Date: 14/9/2022

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees (who are also the directors of Covent Garden IP Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company 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 set out in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

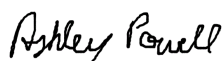
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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 charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Ashley John Powell

Trustee

Date: 14/9/2022

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF COVENT GARDEN IP LTD

Opinion

We have audited the financial statements of Covent Garden IP Ltd (the 'Charitable Company') for the year ended 31 December 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards 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 Charitable Company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.

In our evaluation of the Trustees' conclusions, we considered the inherent risks associated with the Charitable Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the Charitable Company's financial resources or ability to continue operations over the going concern period.

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 Charitable Company'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.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

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.

The responsibilities of the Trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Trustee's Report.

Responsibilities of directors for the financial statements

As explained more fully in the Trustee's Responsibilities Statement as set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP, the Charities Act 2011, the Companies Act 2006, and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgments made by management in its significant accounting policies
 - Identifying and testing journal entries
 - Identifying and testing related party transactions
 - Inspecting the board minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the charitable company operates, and
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The charitable company's control environment, including
 - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations
 - The adequacy of procedures for authorisation of transactions and review of management accounts, and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



William Devitt
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Senior Statutory Auditor, Chartered Accountants

Birmingham
Date: 14/9/2022

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Total funds	<i>Total funds 13 months ended</i>
	Note	31 December 2021 £	31 December 2021 £	31 December 2020 £
Income from:				
Donations and legacies	3	-	-	105,086,485
Investments	4	5,582,528	5,582,528	5,113,819
Total income		5,582,528	5,582,528	110,200,304
Expenditure on:				
Investment management costs	5	1,457,513	1,457,513	1,360,797
Charitable activities	7	2,320,293	2,320,293	18,333
Total expenditure		3,777,806	3,777,806	1,379,130
Net movement in funds before other recognised gains/(losses)		1,804,722	1,804,722	108,821,174
Other recognised gains/(losses):				
Losses on revaluation of fixed assets	9	(4,750,000)	(4,750,000)	(1,368,941)
Net movement in funds		(2,945,278)	(2,945,278)	107,452,233
Reconciliation of funds:				
Total funds brought forward		107,452,233	107,452,233	-
Net movement in funds		(2,945,278)	(2,945,278)	107,452,233
Total funds carried forward		104,506,955	104,506,955	107,452,233

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 27 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)
REGISTERED NUMBER: 12063279

BALANCE SHEET
AS AT 31 DECEMBER 2021

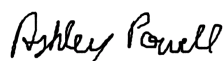
	Note	2021 £	2020 £
Fixed assets			
Investment property	9	97,750,000	102,500,000
		<u>97,750,000</u>	<u>102,500,000</u>
Current assets			
Debtors	10	435,425	605,865
Cash at bank and in hand		8,386,175	6,016,083
		<u>8,821,600</u>	<u>6,621,948</u>
Creditors: amounts falling due within one year	11	(2,064,545)	(1,669,615)
Net current assets		<u>6,757,055</u>	<u>4,952,333</u>
Total assets less current liabilities		<u>104,507,055</u>	<u>107,452,333</u>
Net assets excluding pension asset		<u>104,507,055</u>	<u>107,452,333</u>
Total net assets		<u><u>104,507,055</u></u>	<u><u>107,452,333</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds			
General funds		104,506,955	107,452,233
Share capital	12	100	100
Total unrestricted funds		<u>104,507,055</u>	<u>107,452,333</u>
Total funds		<u><u>104,507,055</u></u>	<u><u>107,452,333</u></u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Ashley John Powell

Date: 14/9/2022

The notes on pages 18 to 27 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

		31 December	<i>13 months ended</i>
	Note	2021	<i>31 December</i>
		£	<i>2020</i>
			£
Cash flows from operating activities			
Net cash used in operating activities	13	2,370,092	<i>6,115,916</i>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	<i>(99,833)</i>
Net cash provided by/(used in) investing activities		-	<i>(99,833)</i>
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		2,370,092	6,016,083
Cash and cash equivalents at the beginning of the year		6,016,083	-
Cash and cash equivalents at the end of the year	14	8,386,175	<i>6,016,083</i>

The movement in net debt for the current period is identical to the movements in cash flows set out above.

The notes on pages 18 to 27 form part of these financial statements

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Covent Garden IP Ltd is a company and registered charity, limited by shares, incorporated in England and Wales. Its registered office is 187 Penns Lane, Sutton Coldfield, West Midlands, B76 1JU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), and the Companies Act 2006.

Covent Garden IP Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The prior accounting period was for 13 months from 1 December 2019 to 31 December 2020.

2.2 Going concern

The main risk the Charitable Company faces is that the income from its investments reduces. Given the COVID-19 pandemic and the potential for it to change the desirability of central London commercial space, this is a possibility. However,

- the Charitable Company's rental income is highly unlikely to reduce below the Charitable Company's expenses;
- although expenditure in the following period may exceed income on account of an exceptional one off investment, that investment will be funded from further donations to the Charitable company from the wider Church, with such funding agreed before liabilities are accrued;
- the Charitable Company has no debt; and
- the shareholder has guaranteed the Charitable Company future financial support, where necessary.

So there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

Where a donation of a fixed asset is received, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charitable Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charitable Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight-line basis over the lease term.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and predominantly relates to the costs of managing, maintaining and running the investment property.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All expenditure is inclusive of irrecoverable VAT.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Investments

Investment property is carried at fair value determined annually by the trustees, informed by periodic valuations carried out and derived from external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The Charitable Company only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Judgements and estimates

The charitable company estimated the value of the donated property, as well as the value of investment property at the period end. The estimation uncertainty is low.

2.11 Company status

The Charitable Company is limited by share capital, incorporated in England and Wales (No. 12063279) and regulated by its Memorandum and Articles of Association.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.12 Trustees and employees remuneration

The Charitable Company had no employees during the period and therefore no payments of salary or benefits have been made during the year exceeding £60,000.

Trustees did not receive any remuneration or reimbursement of expenses during the period.

3. Income from donations and legacies

	Unrestricted funds	Total funds	<i>Total funds 13 months ended 31 December 2020 £</i>
	31 December 2021 £	31 December 2021 £	
Donations			
Donation of investment property	-	-	103,769,108
Donation of pre transfer property income	-	-	1,317,377
Total donations received	<u>-</u>	<u>-</u>	<u>105,086,485</u>
	<u>-</u>	<u>-</u>	<u>105,086,485</u>
	<u>-</u>	<u>-</u>	<u>105,086,485</u>

4. Investment income

	Unrestricted funds	Total funds	<i>Total funds 13 months ended 31 December 2020 £</i>
	31 December 2021 £	31 December 2021 £	
Rental income	4,723,387	4,723,387	4,063,260
Service charge income	859,141	859,141	1,050,559
	<u>5,582,528</u>	<u>5,582,528</u>	<u>5,113,819</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Investment management costs

	Unrestricted funds	Total funds	<i>Total funds 13 months ended 31 December 2020</i>
	31 December 2021 £	31 December 2021 £	<i>£</i>
Utilities	324,756	324,756	250,384
Management fees	101,578	101,578	60,000
General building supplies	131,422	131,422	(1,034)
Legal and professional fees	20,000	20,000	20,750
Property maintenance	381,038	381,038	601,627
Security	337,195	337,195	296,962
Property rates	24,726	24,726	6,394
Insurances	50,097	50,097	42,721
Cleaning	85,817	85,817	82,993
Bank charges	884	884	-
Total 2021	<u>1,457,513</u>	<u>1,457,513</u>	<u>1,360,797</u>

6. Analysis of grants

	Grants to Institutions	Total funds	<i>Total funds 13 months ended 31 December 2020</i>
	31 December 2021 £	31 December 2021 £	<i>£</i>
Grants	2,300,000	2,300,000	-

During the year, a grant of £2,300,000 was made to The Church of Jesus Christ of Latter-day Saints (Great Britain).

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds	Total funds	<i>Total funds 13 months ended 31 December 2020 £</i>
	31 December 2021 £	31 December 2021 £	
Grants	2,300,000	2,300,000	-
Accountancy	(7,920)	(7,920)	6,202
Bank charges	213	213	131
Audit fees	28,000	28,000	12,000
	<u>2,320,293</u>	<u>2,320,293</u>	<u>18,333</u>

8. Auditor's remuneration

	31 December 2021 £	<i>13 months ended 31 December 2020 £</i>
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	28,000	12,000
Fees payable to the Charitable Company's auditor in respect of: All non-audit services not included above	<u>6,400</u>	<u>3,000</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Investment property

	Freehold investment property £
Valuation	
At 1 January 2021	102,500,000
Deficit on revaluation	(4,750,000)
At 31 December 2021	97,750,000

The investment property was valued by independent valuers, Colliers International, as at 31 December 2021. The fair value when donated was £103,769,108.

10. Debtors

	2021 £	2020 £
Trade debtors	74,939	584,917
Other debtors	339,209	100
Prepayments and accrued income	21,277	20,848
	435,425	605,865

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	133,279	-
Other taxation and social security	173,918	179,470
Other creditors	470,106	305,550
Accruals and deferred income	1,287,242	1,184,595
	<u>2,064,545</u>	<u>1,669,615</u>

Deferred income amounts to £1,251,186 (2020: £1,176,539).

	2021 £	2020 £
Deferred income at 1 January 2021	1,176,539	-
Resources deferred during the year	1,251,185	1,176,539
Amounts released from previous periods	(1,176,538)	-
	<u>1,251,186</u>	<u>1,176,539</u>

Deferred income is in relation to rental income received in advance.

12. Share capital

	2021 £	2020 £
100 Ordinary shares at £1.00 each	<u>100</u>	<u>100</u>

100 Ordinary shares were issued at par on incorporation.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	<i>13 months ended 2020</i> £
Net income for the year (as per Statement of Financial Activities)	1,804,722	108,821,174
Adjustments for:		
Decrease/(increase) in debtors	170,440	<i>(605,765)</i>
Increase in creditors	394,930	<i>1,669,615</i>
Donation of investment property	-	<i>(103,769,108)</i>
Net cash provided by operating activities	2,370,092	6,115,916

14. Analysis of cash and cash equivalents

	2021 £	<i>2020</i> £
Cash in hand	8,386,175	<i>6,016,083</i>
Total cash and cash equivalents	8,386,175	<i>6,016,083</i>

15. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	6,016,083	2,370,092	8,386,175
	6,016,083	2,370,092	8,386,175

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Related party transactions

During the prior year, Covent Garden IP Ltd acquired investment property at fair value of £103,769,108 by way of donation from The Church of Jesus Christ of Latter-day Saints (Great Britain). The Church of Jesus Christ of the Latter-day Saints (Great Britain) also gave with the investment property the property income pre transfer of £1,317,377.

This property is shown within investment property.

Covent Garden IP Ltd made a grant of £2,300,000 to The Church of Jesus Christ of Latter-day Saints (Great Britain) during the year.

17. Controlling party

The Board considers that the immediate parent undertaking of the Charitable Company is Property Reserve Inc, a non-profit corporation based in Utah, USA by virtue of the fact that it is the sole shareholder of the Charitable Company. The ultimate parent undertaking is considered to be The Church of Jesus Christ of Latter-day Saints, also based in Utah, USA.

COVENT GARDEN IP LTD

England & Wales - Charity number 1185976

Accounts

Registered number: 12063279
Charity number: 1185976

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

CONTENTS

	Page
Reference and administrative details of the Charitable Company, its Trustees and advisers	1
Trustees' report	2 - 7
Trustees' responsibilities statement	8
Independent auditor's report on the financial statements	10 - 13
Statement of financial activities	14
Balance sheet	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 26

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

Trustees

Daniel Clifford (appointed 26 November 2019, resigned 22 April 2020)
Ashley John Powell, Managing Director (appointed 21 June 2019)
Juan Roberto Hernandez, Director of Temporal Affairs (appointed 22 April 2020)
Michael Kurt Dehner, Director (appointed 21 June 2019)

**Company registered
number**

12063279

**Charity registered
number**

1185976

**Principal office and
registered office**

187 Penns Lane
Sutton Coldfield
West Midlands
B76 1JU

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
Colmore Plaza
20 Colmore Circus
Birmingham
West Midlands
B4 6AT

Bankers

HSBC
34 Poplar Road
Solihull
West Midlands
B91 3AF

Citibank
CitiGroup Centre
33 Canada Square
London
E14 5LB

Solicitors

Daniel Clifford Law LLP
76 Caledonian Road
London
N1 9DN

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

The Trustees are pleased to present their report together with the audited financial statements of Covent Garden IP Limited ("the Charitable Company") for the period from 1 December 2019 to 31 December 2020.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Trustees' report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, governance and management

Governing document

The Charitable Company is a company limited by shares and a registered charity. The Charitable Company is governed by its Memorandum and Articles of Association which have not been amended since incorporation.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Appointment of Trustees

The directors of the Charitable Company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

As set out in the Articles of Association, new or additional directors are to be appointed by the sole shareholder Property Reserve Inc ("PRI"), a Utah non-profit corporation, providing such persons are willing so to act, either to fill a vacancy or as an additional Trustee. Terms and procedures for appointments are set out in the articles.

The board of Trustees meets at least once a year, sometimes remotely.

Trustee induction and training

New Trustees undergo orientation training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charitable Company. During the year updates are sent to the Trustees on topical issues of which they need to be aware. Further briefings and training are provided at the Annual board meeting.

Trustees are updated and advised on legal issues by Daniel Clifford Law LLP solicitors.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

Organisation

The Charitable Company exists to support The Church of Jesus Christ of Latter-day Saints ("the Church"). The Trustees are members of the Church.

The Church is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Accordingly, advice as to the interests of the Church is given to the Charitable Company via the shareholder and is reflected in the Trustees' decisions.

Employees

The Charitable Company has no employees, and does not envisage having any.

Related parties

The Charitable Company is owned solely by PRI. One of the Trustees and officers of PRI is also an authorised agent of the Utah corporation known as the Church of Jesus Christ of Latter-day Saints ("CHC"), formerly known as the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints. The Church of Jesus Christ of Latter-day Saints (Great Britain) ("GB"), the Church's primary organ in the UK, is also owned by CHC, and consequently is treated as a related party in this report and financial statements.

The Charitable Company has a close relationship with its sister charity, GB, and the wider Church. There is regular cooperation between the charities when necessary.

Public benefit

The Trustees receive training on the guidance on public benefit published by the Charitable Company Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The next training day will take place at the Annual General Meeting.

The Charitable Company achieves a public benefit by financially supporting the Church and its charitable endeavours.

Policies

Full policies are available from the Charitable Company's offices.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

Investment powers and policy

Under the Memorandum and Articles of Association, the Charitable Company has the power to invest in any way the Trustees deem to be in the best interests of the Charitable Company.

The Charitable Company's objective is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Its current aim is to do this by investing in UK commercial property

The Charitable Company expects to make relatively few individual investments, but they would be expected to be relatively large. Each investment will be carefully and extensively considered by the Trustees and their advisors. The appetite for risk is low.

Fundraising

The Charitable Company does not anticipate having to raise funds in the near future, and has sufficient income to ensure that specific fundraising activities are not necessary.

Should significant investment opportunities present themselves in the future that would require further funds which cannot be provided out of income, the Charitable Company and its shareholder will consider injecting more capital into the Charitable Company.

Strategic report

Objectives and activities

The object of the Charitable Company is:

- To promote and further the religious and other charitable work of The Church in the United Kingdom and elsewhere.

The Charitable Company does this by investing in and holding commercial property for the benefit of the Church. The policy is to broaden the asset base of the Church and provide reliable income and increased financial security for Church organisations in the UK and elsewhere. Success is to be measured in commercial terms, and over the long term.

The current activities involve the purchase and leasing of a tenanted commercial office property valued at fair value rounded to nearest million £103m in central London, the collecting of rents, and the making of the first grants to GB.

The short term aim is the establishment of this investment business and the making of the first Grants to GB.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Achievements and performance

The Charitable Company has achieved its aims for the period:

The property known as Alder Castle has been purchased. This falls within the objects of the Charitable Company as it promotes and furthers the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the UK. It does this in 3 ways. It is a grade A investment property situated in the heart of the City of London. It is fully tenanted and so will immediately provide rental income which will be further used to support the charitable work of the Church. The first donation has been made to the Church entity that carries out the main support for the Church in the UK. This donation was made outside the period to which these accounts relate but prior to the date of this report. Also, Alder Castle, will provide a space for a chapel for a congregation of the Church to meet in the centre of London. This decision was made after this accounting period, but before the preparation of this report. Permission for this change of use has been obtained. We are confident that the Charitable entity has met its objectives this financial year and that it will continue to do so.

Investments

The Charitable Company currently achieves this aim by investing in UK commercial property, and donating the profits to relevant Church entities, as per the Charitable Company's Investment Policy

The Charitable Company holds just one investment, being Alder Castle, 10 Noble Street, London, EC2V 7J, which it acquired on 31 December 2019. Alder Castle is a commercial property subject to existing leases to commercial clients.

Management of the leases was delegated to CBRE under a property management agreement. Funds received from the leases are paid to Covent Garden IP Ltd's CBRE account.

Donations

Out of this, the Trustees did not make any donations in this period, as it was the first year of trading.

Financial review

Significant events

The Donation of Alder Castle represents by far the largest income event the Charitable Company has received or anticipates receiving. Its effect was to capitalise the company and provide it with a secure asset base with which to achieve its purpose.

Income and profits

The Charitable Company's total income for the period was £110,200,304. Total profits for the period were £107,452,233.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

(continued)

Reserves and donation policy

The Charitable Company will retain sufficient reserves to cover its operating costs. Its reserves at the end of the period were £107,452,333, which included investment property to be held for the foreseeable future with a value of £102,500,000. Free reserves excluding the investment property were £4,952,333 at the period end. Its existing commitments were £1,669,615.

Beyond this, the Charitable Company will retain profits sufficient to investigate and enter into further investments should worthwhile opportunities arise.

All remaining income will be donated to a Church entity. In most cases this will be GB.

In this first period of trading, the Charitable Company has not made any such donations. However, subsequent to the period end and up to the date of this report, the Charitable Company has made donations to GB of £2,300,000.

Risks

Although the effect of the COVID-19 pandemic is likely to have an effect on working patterns in central London, and so may affect the income of the Charitable Company in the medium to long term, these changes do not pose a material risk, as its investments are unencumbered and there is no significant prospect of the Charitable Company's income falling below its costs.

The Trustees will maintain this low risk profile by refraining from entering into new arrangements in the foreseeable future, and by taking professional advice on all aspects of management.

Plans for future periods

The Charitable Company has made its first donations to the Church following the period end date. It is intended that this will establish a pattern of periodic and sustainable donations which will achieve the Charitable Company's purpose.

The Trustees have considered a response to the changing work patterns brought on by the Covid-19 pandemic, and have considered the ecclesiastical need for a meeting house to support a congregation in the centre of London. Subsequent to the accounting date but at the time of writing this report, the decision has been made to use part of Alder Castle, for this purpose.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Going concern, risks and uncertainties

The main risk the Charitable Company faces is that the income from its investments reduces. Given the COVID-19 pandemic and the potential for it to change the desirability of central London commercial space, this is a possibility. However,

- the Charitable Company's rental income is highly unlikely to reduce below the Charitable Company's expenses;
- the Charitable Company has no debt; and
- the shareholder has guaranteed the Charitable Company future financial support, where necessary.

So there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415a of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Ashley John Powell

Ashley John Powell

Trustee

Date: 30/9/2021

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 DECEMBER 2020

The Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial period. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 of the Charities SORP (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees 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 Charitable Company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Ashley John Powell

Ashley John Powell
Trustee
Date: 30/9/2021

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD

Opinion

We have audited the financial statements of Covent Garden IP Limited (the 'charitable company') for the period ended 31 December 2020, which comprise the Statement of Financial Activities (including income and expenditure), the Balance Sheet, the Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards 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 Charitable Company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company'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.

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.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Trustee's Report.

Responsibilities of directors for the financial statements

As explained more fully in the Trustee's Responsibilities Statement as set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP, the Charities Act 2011, the Companies Act 2006, and The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgments made by management in its significant accounting policies
 - Identifying and testing journal entries
 - Identifying and testing related party transactions
 - Inspecting the board minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

INDEPENDENT AUDITOR'S REPORT TO THE OF COVENT GARDEN IP LTD (CONTINUED)

- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the charitable company operates, and
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The charitable company's control environment, including
 - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations
 - The adequacy of procedures for authorisation of transactions and review of management accounts, and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



William Devitt
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Senior Statutory Auditor, Chartered Accountants

Birmingham
Date: 30/9/2021

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2020

		Unrestricted funds 13 months ended 31 December 2020 £	Total funds 13 months ended 31 December 2020 £	<i>Total funds Period ended 30 November 2019 £</i>
Income from:				
Donations and legacies	3	105,086,485	105,086,485	-
Investments	4	5,113,819	5,113,819	-
		<u>110,200,304</u>	<u>110,200,304</u>	<u>-</u>
Total income				
Expenditure on:				
Investment management costs	5	1,360,797	1,360,797	-
Charitable activities	6	18,333	18,333	-
		<u>1,379,130</u>	<u>1,379,130</u>	<u>-</u>
Total expenditure				
		<u>1,379,130</u>	<u>1,379,130</u>	<u>-</u>
Net movement in funds before other recognised gains/(losses)		<u>108,821,174</u>	<u>108,821,174</u>	<u>-</u>
Other recognised gains/(losses):				
Losses on revaluation of fixed assets		(1,368,941)	(1,368,941)	-
		<u>107,452,233</u>	<u>107,452,233</u>	<u>-</u>
Net movement in funds				
Reconciliation of funds:				
Net movement in funds		107,452,233	107,452,233	-
		<u>107,452,233</u>	<u>107,452,233</u>	<u>-</u>
Total funds carried forward				
		<u>107,452,233</u>	<u>107,452,233</u>	<u>-</u>

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 18 to 26 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)
REGISTERED NUMBER: 12063279

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	31 December 2020 £	30 November 2019 £
Fixed assets			
Investment property	8	102,500,000	-
		<u>102,500,000</u>	<u>-</u>
Current assets			
Debtors	9	605,865	100
Cash at bank and in hand		6,016,083	-
		<u>6,621,948</u>	<u>100</u>
Creditors: amounts falling due within one year	10	(1,669,615)	-
Net current assets		<u>4,952,333</u>	100
Total assets less current liabilities		<u>107,452,333</u>	<u>100</u>
Net assets excluding pension asset		<u>107,452,333</u>	<u>100</u>
Total net assets		<u><u>107,452,333</u></u>	<u><u>100</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds			
General funds		107,452,233	-
Share capital	11	100	100
Total unrestricted funds		<u>107,452,333</u>	<u>100</u>
Total funds		<u><u>107,452,333</u></u>	<u><u>100</u></u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Ashley John Powell

Ashley John Powell

Trustee

Date: 30/9/2021

The notes on pages 18 to 26 form part of these financial statements.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	13 months ended 31 December 2020 £	<i>Period ended 30 November 2019 £</i>
Cash flows from operating activities		
Cash flows from operating activities	109,885,024	-
Cash flows from investing activities		
Donation of investment property	(103,769,108)	-
Purchase of tangible fixed assets	(99,833)	-
Net cash (used in)/provided by investing activities	(103,868,941)	-
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the period	6,016,083	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	6,016,083	-

The movement in net debt for the current period is identical to the movements in cash flows set out above.

The notes on pages 18 to 26 form part of these financial statements

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. General information

Covent Garden IP Ltd is a company and registered charity, limited by shares, incorporated in England and Wales. Its registered office is 187 Penns Lane, Sutton Coldfield, West Midlands, B76 1JU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Republic of Ireland (FRS 102) (effective 1 January 2019), and the Companies Act 2006.

Covent Garden IP Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The reporting period is for 13 months from 1 December 2019 to 31 December 2020. The charity was registered on 21 June 2019 therefore the first dormant accounts were from 21 June to 30 November 2019.

2.2 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight line basis over the lease term.

Where a donation of a fixed asset is received, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charitable Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charitable Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Rentals receivable under operating leases and service charge income are credited to the Statement of Financial Activities on a straight line basis over the lease term.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and predominantly relates to the costs of managing, maintaining and running the investment property.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Investments

Investment property is carried at fair value determined annually by the trustees, informed by periodic valuations carried out and derived from external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.6 Cash at bank and in hand

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

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.8 Financial instruments

The Charitable Company only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Judgements and estimates

The charitable company estimated the value of the donated property, as well as the value of investment property at the period end. The estimation uncertainty is low.

2.10 Company status

The Charitable Company is limited by share capital, incorporated in England and Wales (No. 12063279) and regulated by its Memorandum and Articles of Association.

2.11 Trustees and employees remuneration

The Charitable Company had no employees during the period and therefore no payments of salary or benefits have been made during the year exceeding £60,000.

Trustees did not receive any remuneration or reimbursement of expenses during the period.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

3. Income from donations and legacies

	Unrestricted funds 13 months ended 31 December 2020 £	Total funds 13 months ended 31 December 2020 £	<i>Total funds Period ended 30 November 2019 £</i>
Donations			
Donation of investment property	103,769,108	103,769,108	-
Donation of pre-transfer property income	1,317,377	1,317,377	-
Total donations received	<u>105,086,485</u>	<u>105,086,485</u>	<u>-</u>
	<u>105,086,485</u>	<u>105,086,485</u>	<u>-</u>

4. Investment income

	Unrestricted funds 13 months ended 31 December 2020 £	Total funds 13 months ended 31 December 2020 £	<i>Total funds Period ended 30 November 2019 £</i>
Rental income	4,063,260	4,063,260	-
Service charge income	1,050,559	1,050,559	-
	<u>5,113,819</u>	<u>5,113,819</u>	<u>-</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. Investment management costs

	Unrestricted funds 13 months ended 31 December 2020 £	Total funds 13 months ended 31 December 2020 £	<i>Total funds Period ended 30 November 2019 £</i>
Utilities	250,384	250,384	-
Management fees	60,000	60,000	-
General building supplies	(1,034)	(1,034)	-
Legal and professional fees	20,750	20,750	-
Property maintenance	601,627	601,627	-
Security	296,962	296,962	-
Property rates	6,394	6,394	-
Insurances	42,721	42,721	-
Cleaning	82,993	82,993	-
Total 2020	<u>1,360,797</u>	<u>1,360,797</u>	<u>-</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 13 months ended 31 December 2020 £	Total funds 13 months ended 31 December 2020 £	<i>Total funds Period ended 30 November 2019 £</i>
Accountancy	6,202	6,202	-
Bank charges	131	131	-
Audit fees	12,000	12,000	-
	<u>18,333</u>	<u>18,333</u>	<u>-</u>

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

7. Auditor's remuneration

	13 months ended 31 December 2020 £	<i>Period ended 30 November 2019 £</i>
Fees payable to the Charitable Company's auditor and its associates for the audit of the Charitable Company's annual accounts	12,000	-
Fees payable to the Charitable Company's auditor and its associates in respect of:		
All non-audit services not included above	3,000	-

8. Investment property

	Freehold investment property £
Valuation	
Donated property received	103,769,108
Deficit on revaluation	(1,368,941)
Additions	99,833
At 31 December 2020	102,500,000

The investment property was acquired on 31 December 2019 by way of donation from The Church of Jesus Christ of Latter-day Saints (Great Britain).

The investment property was valued by independent valuers, Colliers International, as at 31 December 2020.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

9. Debtors

	31 December 2020 £	<i>30 November 2019 £</i>
Trade debtors	584,917	-
Other debtors	100	<i>100</i>
Prepayments and accrued income	20,848	-
	605,865	<i>100</i>

10. Creditors: Amounts falling due within one year

	31 December 2020 £	<i>30 November 2019 £</i>
Other taxation and social security	179,470	-
Other creditors	305,550	-
Accruals and deferred income	1,184,595	-
	1,669,615	-

Deferred income amounts to £1,176,539.

11. Share capital

	31 December 2020 £	<i>30 November 2019 £</i>
100 Ordinary shares at £1.00 each	100	<i>100</i>

100 Ordinary shares were issued at par on incorporation.

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

12. Reconciliation of net movement in funds to net cash flow from operating activities

	13 months ended 31 December 2020 £	<i>Period ended 30 November 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	108,821,174	-
Adjustments for:		
Increase in debtors	(605,765)	-
Increase in creditors	1,669,615	-
Net cash provided by operating activities	109,885,024	-

13. Analysis of cash and cash equivalents

	31 December 2020 £	<i>30 November 2019 £</i>
Increase in cash at bank and at hand	6,016,083	-
Total cash and cash equivalents	6,016,083	-

14. Analysis of changes in net debt

	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	6,016,083	6,016,083
Cash equivalents	-	-
	6,016,083	6,016,083

COVENT GARDEN IP LTD
(A company limited by shares and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

15. Related party transactions

During the year, Covent Garden IP Ltd acquired investment property at fair value of £103,769,108 by way of donation from The Church of Jesus Christ of Latter-day Saints (Great Britain).

This property is shown within investment property.

Covent Garden IP Ltd leases part of the investment property to The Church of Jesus Christ of Latter-day Saints (Great Britain) at market rate.

The Church of Jesus Christ of Latter-day Saints (Great Britain) also gave with the investment property the property income pre transfer of £1,317,377.

16. Controlling party

The Board considers that the immediate parent undertaking of the Charitable Company is Property Reserve Inc, a non profit corporation based in Utah, USA by virtue of the fact that it is the sole shareholder of the Charitable Company. The ultimate parent undertaking is considered to be The Church of Jesus Christ of Latter-day Saints.