

**Registered number: 12063279**  
**Charity number: 1185976**

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

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

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

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

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**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

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**COVENT GARDEN IP LTD**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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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.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.

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**COVENT GARDEN IP LTD**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.

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**COVENT GARDEN IP LTD**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.

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**COVENT GARDEN IP LTD**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**(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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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

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**COVENT GARDEN IP LTD**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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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

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

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**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.

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

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**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.



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

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

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**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 pge 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.

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

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**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](http://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

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

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- 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**  
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**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>
	Note			
<b>Income from:</b>				
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>
<b>Total income</b>				
<b>Expenditure on:</b>				
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>
<b>Total expenditure</b>				
		<u>1,379,130</u>	<u>1,379,130</u>	<u>-</u>
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>108,821,174</u>	<u>108,821,174</u>	<u>-</u>
<b>Other recognised gains/(losses):</b>				
Losses on revaluation of fixed assets		(1,368,941)	(1,368,941)	-
		<u>107,452,233</u>	<u>107,452,233</u>	<u>-</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Net movement in funds		107,452,233	107,452,233	-
		<u>107,452,233</u>	<u>107,452,233</u>	<u>-</u>
<b>Total funds carried forward</b>				
		<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 £
<b>Fixed assets</b>			
Investment property	8	102,500,000	-
		<u>102,500,000</u>	<u>-</u>
<b>Current assets</b>			
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)	-
<b>Net current assets</b>		<u>4,952,333</u>	100
<b>Total assets less current liabilities</b>		<u>107,452,333</u>	<u>100</u>
<b>Net assets excluding pension asset</b>		<u>107,452,333</u>	<u>100</u>
<b>Total net assets</b>		<u><u>107,452,333</u></u>	<u><u>100</u></u>
<b>Charity funds</b>			
Restricted funds		-	-
Unrestricted funds			
General funds		107,452,233	-
Share capital	11	100	100
<b>Total unrestricted funds</b>		<u>107,452,333</u>	<u>100</u>
<b>Total funds</b>		<u><u>107,452,333</u></u>	<u><u>100</u></u>

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

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

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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**

	<b>13 months ended 31 December 2020 £</b>	<i>Period ended 30 November 2019 £</i>
<b>Cash flows from operating activities</b>		
Cash flows from operating activities	<b>109,885,024</b>	-
<b>Cash flows from investing activities</b>		
Donation of investment property	<b>(103,769,108)</b>	-
Purchase of tangible fixed assets	<b>(99,833)</b>	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(103,868,941)</b>	-
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the period</b>	<b>6,016,083</b>	-
Cash and cash equivalents at the beginning of the period	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>6,016,083</b>	-

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.



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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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**

	<b>Unrestricted funds 13 months ended 31 December 2020 £</b>	<b>Total funds 13 months ended 31 December 2020 £</b>	<i>Total funds Period ended 30 November 2019 £</i>
<b>Donations</b>			
Donation of investment property	103,769,108	<b>103,769,108</b>	-
Donation of pre-transfer property income	1,317,377	<b>1,317,377</b>	-
<b>Total donations received</b>	<u>105,086,485</u>	<u><b>105,086,485</b></u>	<u>-</u>
	<u>105,086,485</u>	<u><b>105,086,485</b></u>	<u>-</u>

**4. Investment income**

	<b>Unrestricted funds 13 months ended 31 December 2020 £</b>	<b>Total funds 13 months ended 31 December 2020 £</b>	<i>Total funds Period ended 30 November 2019 £</i>
Rental income	4,063,260	<b>4,063,260</b>	-
Service charge income	1,050,559	<b>1,050,559</b>	-
	<u>5,113,819</u>	<u><b>5,113,819</b></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**

	<b>Unrestricted funds 13 months ended 31 December 2020 £</b>	<b>Total funds 13 months ended 31 December 2020 £</b>	<i>Total funds Period ended 30 November 2019 £</i>
Utilities	250,384	<b>250,384</b>	-
Management fees	60,000	<b>60,000</b>	-
General building supplies	(1,034)	<b>(1,034)</b>	-
Legal and professional fees	20,750	<b>20,750</b>	-
Property maintenance	601,627	<b>601,627</b>	-
Security	296,962	<b>296,962</b>	-
Property rates	6,394	<b>6,394</b>	-
Insurances	42,721	<b>42,721</b>	-
Cleaning	82,993	<b>82,993</b>	-
<b>Total 2020</b>	<u>1,360,797</u>	<u><b>1,360,797</b></u>	<u>-</u>

**6. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 13 months ended 31 December 2020 £</b>	<b>Total funds 13 months ended 31 December 2020 £</b>	<i>Total funds Period ended 30 November 2019 £</i>
Accountancy	6,202	<b>6,202</b>	-
Bank charges	131	<b>131</b>	-
Audit fees	12,000	<b>12,000</b>	-
	<u>18,333</u>	<u><b>18,333</b></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**

	<b>13 months ended 31 December 2020 £</b>	<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	<b>12,000</b>	-
Fees payable to the Charitable Company's auditor and its associates in respect of:		
All non-audit services not included above	<b>3,000</b>	-

**8. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
Donated property received	<b>103,769,108</b>
Deficit on revaluation	<b>(1,368,941)</b>
Additions	<b>99,833</b>
At 31 December 2020	<b>102,500,000</b>

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**

	<b>31 December 2020 £</b>	<i>30 November 2019 £</i>
Trade debtors	584,917	-
Other debtors	100	100
Prepayments and accrued income	20,848	-
	<u>605,865</u>	<u>100</u>

**10. Creditors: Amounts falling due within one year**

	<b>31 December 2020 £</b>	<i>30 November 2019 £</i>
Other taxation and social security	179,470	-
Other creditors	305,550	-
Accruals and deferred income	1,184,595	-
	<u>1,669,615</u>	<u>-</u>

Deferred income amounts to £1,176,539.

**11. Share capital**

	<b>31 December 2020 £</b>	<i>30 November 2019 £</i>
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 PERIOD ENDED 31 DECEMBER 2020**

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

	<b>13 months ended 31 December 2020 £</b>	<i>Period ended 30 November 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	<b>108,821,174</b>	-
<b>Adjustments for:</b>		
Increase in debtors	<b>(605,765)</b>	-
Increase in creditors	<b>1,669,615</b>	-
<b>Net cash provided by operating activities</b>	<b>109,885,024</b>	-

**13. Analysis of cash and cash equivalents**

	<b>31 December 2020 £</b>	<i>30 November 2019 £</i>
Increase in cash at bank and at hand	<b>6,016,083</b>	-
<b>Total cash and cash equivalents</b>	<b>6,016,083</b>	-

**14. Analysis of changes in net debt**

	<b>Cash flows £</b>	<b>At 31 December 2020 £</b>
Cash at bank and in hand	<b>6,016,083</b>	<b>6,016,083</b>
Cash equivalents	-	-
	<b>6,016,083</b>	<b>6,016,083</b>

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**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.