

HYDE PARK PLACE ESTATE CHARITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
25TH MARCH 2021

Charity Registration Number: 212439

HYDE PARK PLACE ESTATE CHARITY

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HYDE PARK PLACE ESTATE CHARITY

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity number 212439

Trustees

Rector and Churchwardens' Endowment Fund

Mr M A Hewitt
Revd R N S Leece
Mr G Barnes

Ecclesiastical Trustees

Mr M A Hewitt
Revd R N S Leece
Mr S Roberts
Mr A Jones
Mr G Barnes

Civil Trustees

Mr M A Hewitt
Mrs Lillian Ibbett (Appointed 23 September 2020)
Revd R N S Leece
Mrs J Prendergast
Councillor Mrs H Acton
Mrs A Larkey
Mr G Barnes
Cllr Mark Shearer

Clerk to the Trustees Ms Y Eddy (from December 2021)
Ms S Vaughan (until December 2021)

Principal office St George's Vestry
2A Mill Street
London W1S 1FX

Independent Auditor Mazars LLP
2nd Floor
6 Sutton Plaza
Sutton Court Road
Sutton
Surrey, SM1 4FS

Bankers The Royal Bank of Scotland
London, Cavendish Square (A) Branch
28 Cavendish Square
London W1G 0DB

Investment Managers Rathbones
8 Finsbury Circus
London EC2M 7AZ

CCLA Investment Management Limited
Senator House, 85 Queen Victoria Street
London EC4V 4ET

HYDE PARK PLACE ESTATE CHARITY

REPORT OF THE TRUSTEES

The Trustees have pleasure in presenting their report and the financial statements for the trusts for the year ended 25th March 2021. The financial statements are prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) as amended by Update Bulletin 1) and Financial Reporting Standard 102 (FRS 102) and the accounting policies set out on pages 10 and 11.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity was established under a Scheme approved by order of the Chancery Division dated 7th May 1914 as varied by Schemes of the Charity Commission dated 4th July 1968 and 6th July 1989. Charity number: 212439.

Recruitment, Appointment and Induction of Trustees

Ecclesiastical Trustees

These are the Rector and Churchwardens *ex officio* and two other persons, all appointed by the Parochial Church Council of St George's, Hanover Square.

Civil Trustees

These are the Rector and Churchwardens *ex officio* and five other persons, all appointed by Westminster City Council.

New Trustees undergo an induction to brief them on their legal obligations under charity law, the content of the Schemes and the decision-making processes of the Charity. They meet key members of the management and other Trustees.

Risk management

A risk management programme is in place and, where appropriate, systems or procedures are established to mitigate any risks the charity might face. These procedures, along with the Risk Register, are regularly reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

The Ecclesiastical Trustees meet twice yearly to discuss income allocations and other requests for financial assistance brought by the clergy of the district churches which were carved out of the original Parish.

The Civil Trustees meet four times a year to discuss grant applications and other requests for financial assistance from residents of the London Borough of the City of Westminster.

In each case, the Clerk to the Trustees has been appointed to manage the day-to-day operations of the Charity, which include finance and other operations in the support of the Charity's objects.

Key Management Personnel

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day to day basis. As such they are considered to be the following:

- The Trustees
- The Clerk

All Trustees give of their time freely and no Trustee received any remuneration in the year, except as set out in Note 3.

Related Parties

St George's Church, Hanover Square with The Grosvenor Chapel, South Audley Street is a charity with the responsibility of co-operating with the incumbent, The Revd. Roderick Leece and the Priest-in-charge of the Grosvenor Chapel, The Revd. Dr Richard Fermer, in promoting within and beyond the ecclesiastical parish the whole mission of the Church: spiritual, pastoral, social and ecumenical. It also has responsibilities for maintaining the Church of St George, Hanover Square and the Grosvenor Chapel, South Audley Street. The Church Rector Revd. Roderick N S Leece, Mr M A Hewitt and Mr G Barnes, members of the Church PCC, are Trustees of this charity. The Church receives grant funding and loans from this charity.

HYDE PARK PLACE ESTATE CHARITY

REPORT OF THE TRUSTEES (continued)

St George's Hanover Square Foundation is a charity set up to support the repair and maintenance of the fabric and facilities of St George's Church, Hanover Square. The Rector, Revd. Roderick N S Leece and Mr M Hewitt, are Trustees of this charity. The charity makes grants to St George's Hanover Square Foundation.

Details of transactions taking place with related parties, are shown in notes 3 and 10 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objects and Principal Activities

The purpose of the Charity, as defined in the Schemes described above, is to pay moieties to the Ecclesiastical and Civil Trustees from net income, deriving from the endowment of the charity from land in Paddington which had been bought by the Rectors and Churchwardens of St George's, Hanover Square in 1769 for laying out as a burial ground. The moiety paid to the Ecclesiastical Trustees is applied, after certain fixed payments to the Rector and Churchwardens of the Parish Church, towards the preservation and maintenance of the district churches which had been carved out of the original parish, in discretionary gifts to the clergy of such churches, or for any ecclesiastical purpose within the said district.

The moiety paid to the Civil Trustees is to be applied for the benefit of persons in the London Borough of The City of Westminster in the relief of need, in relief of sickness or for advancement of life.

The Trustees confirm that they have had due regard to the guidance on public benefit issued by the Charity Commission when planning the charity's objectives and activities for the year.

Grant making policy

The charity makes grants to individuals and applications are invited and reviewed against specific criteria, as well as the objects of the charity, to determine whether a grant should be made. The use of grants is monitored through reports back from those receiving grants.

The beneficiaries of the Ecclesiastical Charity, namely the district churches, clergy and other ecclesiastical organisations within the old historic parish of St George's Hanover Square, are kept informed of the grant making facilities available.

The Civil Charity, which exists to support the people and organisations within the City of Westminster, is listed in a number of charity directories, and information is available on our website. The charity has on-going relations with a number of organisations in the City of Westminster, including City of Westminster Social Services, St John's Hospice, Age UK Westminster, Family Lives, Home-Start Westminster, Octavia Housing and Single Homeless Project. Applications are invited from all these organisations, and grants are made on a regular basis.

REVIEW OF OPERATIONS IN THE YEAR

Civil Trustees

During the year, total grants made of £200,814 were made by Civil Trustees (2020: £230,285) to be applied for the benefit of residents of the London Borough of the City of Westminster. The Charity has enjoyed very positive feedback from the beneficiaries during the year. These grants were paid from receipts which totalled £167,456 during the year (2020: £224,212). The fund balance at the end of the year was £102,756 (2020: £121,538).

Ecclesiastical Trustees

During the year, total distributions of £323,152 were made by the Ecclesiastical Trustees (2020: £282,150) to be applied for the benefit of the district churches and their clergy, subsequent to fixed payments to the Rector and Churchwardens of St George's, Hanover Square, as stipulated under the terms of the Schemes. These were paid from moiety transfers of £76,300 (2020: £218,000) and net income of £124,224 (2020: £108,331). The fund balance at the end of the year was £644,760 for the General fund and £184,767 for the Pension Fund (2020: £581,337 and £143,427 respectively).

Rector and Churchwardens' Endowment Fund

The excess of income over expenditure for the year was £323,695 (2020: £500,431). Moieties totalling £239,800 (2020: £436,000) were paid to Ecclesiastical and Civil Trustees during the year. The balance at the end of the year was £374,818 (2020: £290,923).

HYDE PARK PLACE ESTATE CHARITY

REPORT OF THE TRUSTEES (continued)

Land values

The trustees consider that it is impracticable to ascertain the market values of its freehold properties, as they are held on long leaseholds and are therefore shown at nil value. Occasionally properties are sold and therefore market value can be ascertained for that particular property. Once this is available the property is recognised at market value. During the year, an application under existing Leasehold Enfranchisement regulations was made by current leaseholders for the purchase of the freehold of one of the freehold properties. The expected net proceeds from the sale of the property has been included as the fair value of the property as at 25 March 2021. See note 2 for more details.

FINANCIAL REVIEW

The charity derives the vast majority of its ongoing income from its listed investments, and also charges ground rent on the properties of 12 and 21 Hyde Park Place.

As at 25 March 2021, the charity held £1,307,101 of restricted funds and £17,229,143 of endowment funds.

Investment powers and policy

The Trustees' policy is to maintain income whilst preserving the real value of endowment funds. The funds are invested, as permitted by the scheme approved by order of the Chancery Division dated 7th May 1914 as varied by orders of the Charity Commission dated 4th July 1968 and 6th July 1989, as quoted investments managed by Rathbones Investment Managers.

Risks

The major risks facing the charity and mitigating actions are:

- Destruction of premises housing the Charity – risk mitigated by alarm system, off-site data back up and insurance policy.
- Staff safety issues are dealt with by vigilance, CCTV surveillance and access control.

Remaining lesser risks and remedial steps are detailed in risk register referred to previously.

The Trustees have considered the impact of the withdrawal of the United Kingdom from the European Union (Brexit). The Trustees are monitoring events and their potential impact on the charity, however at this stage Brexit is not expected to have a significant impact on the charity.

The trust gains the majority of its income from investments. The current Coronavirus pandemic has had a direct effect on share performance and dividend policies. The Trustees anticipate that this will have a short term impact on the levels of income received, but expect this to increase once more and become more predictable once again in the short term.

Reserves policy

The charity has no 'free' reserves as all the funds are restricted and have to be distributed in accordance with the laid down criteria. A reserves policy as such is therefore inappropriate.

PLANS FOR THE FUTURE

The Trustees plan to continue to operate the charity in accordance with the governing documentation, and will look to explore any new investment vehicles that may increase the income available, whilst securing the charity's capital assets over the medium term. It is not expected that any pension will be payable from the Ecclesiastical Trustees Pension Fund in the foreseeable future. The Trustees will therefore seek to invest the income received to date in a long term investment vehicle, offering the potential for greater returns, until the funds are deemed necessary.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;

HYDE PARK PLACE ESTATE CHARITY**REPORT OF THE TRUSTEES (continued)**


- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material
- departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trusts will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and which enable them to ascertain the financial position of the trust and which ensure that the financial statements comply with the scheme dated 7th May 1914 as varied by the Orders dated 4th July 1968 and 6th July 1989 and the Charities Act 2011. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Vestry
2a Mill Street
London W1S 1FX

25-Jan-2022

FOR AND ON BEHALF OF THE TRUSTEES


Mark Hewitt (Jan 25, 2022 13:15 GMT)

Mr M A Hewitt
Trustee

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF
HYDE PARK PLACE ESTATE CHARITY

Opinion

We have audited the financial statements of Hyde Park Place Estate (the 'Charity') for the year ended 25 March 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 25 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report.

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF
HYDE PARK PLACE ESTATE CHARITY
(continued)

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 3 and 4, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF
HYDE PARK PLACE ESTATE CHARITY
(continued)

- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Trustees which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report

This report is made solely to the Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: Mazars LLP
Mazars LLP (Jan 25, 2022 14:53 GMT)

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Dated: 25-Jan-2022

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

HYDE PARK PLACE ESTATE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 25TH MARCH 2021

	Note	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
Income and endowments from:							
Investments	7	471,811	-	471,811	522,362	-	522,362
Other income	7	3,956	-	3,956	106,212	-	106,212
Total income	7	<u>475,767</u>	<u>-</u>	<u>475,767</u>	<u>628,574</u>	<u>-</u>	<u>628,574</u>
Expenditure on:							
Raising funds	7	-	59,153	59,153	-	51,227	51,227
Charitable activities	7	556,864	-	556,864	535,072	-	535,072
Total expenditure	7	<u>556,864</u>	<u>59,153</u>	<u>616,017</u>	<u>535,072</u>	<u>51,227</u>	<u>586,299</u>
Net (expenditure)/income before gains on investments		(81,097)	(59,153)	(140,250)	93,502	(51,227)	42,275
Net gains/(losses) on investments	7,8	<u>250,973</u>	<u>4,485,704</u>	<u>4,736,677</u>	<u>(63,688)</u>	<u>(1,684,096)</u>	<u>(1,747,784)</u>
Net movements in funds		169,876	4,426,551	4,596,427	29,814	(1,735,323)	(1,705,509)
Reconciliation of funds							
Fund balances at 26th March 2020		<u>1,137,225</u>	<u>12,822,592</u>	<u>13,959,817</u>	<u>1,107,411</u>	<u>14,557,915</u>	<u>15,665,326</u>
Fund balances at 25th March 2021		<u>1,307,101</u>	<u>17,249,143</u>	<u>18,556,244</u>	<u>1,137,225</u>	<u>12,822,592</u>	<u>13,959,817</u>

HYDE PARK PLACE ESTATE CHARITY

BALANCE SHEET

AS AT 25TH MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	2	17,738,281	13,057,766
Long term debtors			
Loan	5	1,674,103	1,777,204
Current assets			
Debtors	5	157,879	133,093
Investments	4	55,210	65,024
Cash at bank and in hand		733,234	850,413
		<u>946,323</u>	<u>1,048,530</u>
Creditors: Amounts falling due within one year	6	<u>(1,802,463)</u>	<u>(1,923,683)</u>
Net current (liabilities)		(856,140)	(875,153)
Net assets	9	<u>18,556,244</u>	<u>13,959,817</u>
Reserves			
Restricted funds	7	1,307,101	1,137,225
Endowment funds	8	17,249,143	12,822,592
		<u>18,556,244</u>	<u>13,959,817</u>

Approved by the Board of Trustees on 25-Jan-2022 , and signed on its behalf by:

Mark Hewitt
 Mark Hewitt (Jan 25, 2022 13:15 GMT)

Mr M A Hewitt
Trustee

HYDE PARK PLACE ESTATE CHARITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 25TH MARCH 2021

	2021		2020	
	£	£	£	£
Cash (used in)/provided by operating activities (see below)		(183,155)		32,566
Cash flows from investing activities				
Proceeds from the sale of investments	2,044,842		1,952,958	
Purchase of investments and reinvestment	<u>(1,988,680)</u>		<u>(1,899,889)</u>	
Cash provided by investing activities		<u>56,162</u>		<u>53,069</u>
Net cash(outflow)/inflow		(126,993)		85,635
Cash and cash equivalents at 26 March 2020		<u>915,437</u>		<u>829,802</u>
Cash and cash equivalents at 25 March 2021		<u><u>788,444</u></u>		<u><u>915,437</u></u>
Cash flows from operating activities:				
Net (expenditure)/income		(140,250)		42,275
Decrease in debtors		78,315		48,156
(Decrease) in creditors		<u>(121,221)</u>		<u>(57,865)</u>
Cash (used in)/provided by operating activities		<u><u>(183,155)</u></u>		<u><u>32,566</u></u>

HYDE PARK PLACE ESTATE CHARITY
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2021

1 ACCOUNTING POLICIES

(a) Legal form

Hyde Park Place Estate Charity is an unincorporated, registered charity, with its principal office at St George's Vestry, 2A Mill Street, London W1S 1FX.

(b) Accounting convention

The financial statements are prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) as amended by Update Bulletin 1) and Financial Reporting Standard 102 (FRS 102).

The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity meets the definition of a public benefit entity under FRS102.

(c) Going concern

The financial statements for the year ended 25 March 2021 show net current liabilities of £856,140 (2020: net current liabilities £875,153). The reason for the net current liabilities is due to a loan drawdown from Rathbones, which the charity have subsequently loaned to St George's Church, Hanover Square. The loan to St George's Church Hanover Square is a long term loan, whereas the loan from Rathbones is repayable on demand, therefore treated as a current liability.

The loan from Rathbones is secured against the investment portfolio, as explained in note 6 of the financial statements. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(d) Income

Income is accounted for when receivable.

(e) Expenditure

Raising funds

This relates to commission to Estate Agents for collection of rent.

Charitable activities

Charitable expenditure is expenditure of the charity to fulfil its objects.

Grants and moiety payments are accounted for when paid or awarded, if that award creates a binding obligation on the charity.

It also includes the grants paid to cover the cost of repairs to properties and other sundry expenses.

HYDE PARK PLACE ESTATE CHARITY**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 25TH MARCH 2021**

(continued)

(f) Investments

Investments are shown in the balance sheet at the fair value at that date.

Realised gains or losses on disposal of investments are calculated by reference to the last year end market value or acquisition cost if later. Realised and unrealised gains or losses are accounted for through the Statement of Financial Activities for the year.

The trustees consider that it is impracticable to ascertain the market values of its freehold properties, as they are held on long leaseholds and are therefore shown at nil value. Occasionally properties are sold and therefore market value can be ascertained for that particular property. Once this is available the property is recognised at market value. During the year, one of the freehold properties was put on the market for sale. The expected net proceeds from the sale of the property has been included as the fair value of the property as at 25 March 2021. See note 2 for more details.

(g) Debtors

Grants receivable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

(h) 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 opening of the deposit.

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

(j) Financial instruments

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

(k) Funds

The endowment of the charity represents those investments which must be held permanently by the charity. The distribution of the income from these investments is restricted by way of one moiety of half of the income to be paid to the Ecclesiastical Trustees of the Charity and the other moiety paid to the Civil Trustees.

The fund transfer is in accordance with the scheme regulated by order of the Chancery Division dated 7th May 1914 as varied by the Charity Commission Orders dated 4th July 1968 and 6th July 1989.

HYDE PARK PLACE ESTATE CHARITY**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 25TH MARCH 2021**

(continued)

2 FIXED ASSET INVESTMENTS

	Charities Official Investment Fund Income Shares £	Central Board of Finance of Church of England Investment Shares £	Freehold Properties £	Listed Investments £	Total 2021 £
Market value at 26th March 2020	1,387,132	2,592,505	-	9,078,129	13,057,766
Less: Disposals				(2,044,842)	(2,044,842)
Add: Acquisitions at cost	-	-	-	1,988,680	1,988,680
Gains on revaluation	384,175	717,946	1,094,217	2,540,339	4,736,677
Market value at 25th March 2021	<u>1,771,307</u>	<u>3,310,451</u>	<u>1,094,217</u>	<u>11,562,306</u>	<u>17,738,281</u>
Historical cost at 25th March 2021	<u>946,394</u>	<u>235,987</u>	<u>-</u>	<u>8,913,413</u>	<u>10,095,794</u>

Hyde Park Place Estate Charity has 2 loans totalling £1,734,103 (2020: £1,837,204) outstanding with Rathbones Investment, secured against their listed investment portfolio.

Included within freehold properties is one property which was valued during the year following an application under existing Leasehold Enfranchisement regulations. The expected net proceeds from the sale of the property are £1,094,217, and this has been disclosed as the fair value of the property as at 25 March 2021. As of January 2022, the property has not yet been sold.

Included in Listed Investments are cash deposits under the management of the Investment Managers totalling £180,548 (2020: £198,312).

The investments are split between direct and indirect investments as follows:

	£
Direct	11,562,306
Indirect	<u>6,175,975</u>
	<u>17,738,281</u>

3 TRUSTEES' TRANSACTIONS

As the incumbent of St George's Church, Hanover Square, Revd R N S Leece received moieties of £33,178 (2020: £38,676) and grants of £7,800 (2020: £7,300) as stipulated under the terms of the Schemes. During the year social security costs of £13,953 (2020: £6,074) were paid. He is also owed £29,000 (2020: £43,000) from the sale of leases at the year end.

During the year, no income was received from trustees and no reimbursed expenses were paid to trustees.

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2021

(continued)

4 CURRENT ASSET INVESTMENTS

Current asset investments represents funds held on deposit in the UK.

5 DEBTORS

	2021	2020
	£	£
Debtors due after more than one year:		
Loan to St George's Church, Hanover Square	1,674,103	1,777,204
Debtors due within one year:		
Accrued interest and dividends	32,598	24,735
Other debtors	65,281	48,358
Loan to St George's Church, Hanover Square	60,000	60,000
	<u>157,879</u>	<u>133,093</u>

6 CREDITORS

	2021	2020
	£	£
Sundry creditors	13,875	10,884
Accruals	54,485	73,318
Loan from Rathbones	1,734,103	1,837,204
Social Security	-	2,277
	<u>1,802,463</u>	<u>1,923,683</u>

The loan from Rathbones is secured on the charity's investment portfolio.

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2021

(continued)

7 RESTRICTED FUNDS

	Rector & Churchwardens Endowment Income Fund £	Ecclesiastical Trustees General Fund £	Pension Fund Income £	Civil Trustees £	Total 2021 £	Total 2020 £
Income and endowments from						
Rents receivable	1,000	-	-	-	1,000	1,000
UK listed investment income	341,587	129,082	-	-	470,669	520,417
Interest receivable	-	142	-	-	142	945
Other Income – lease extension	-	-	-	3,956	3,956	106,212
Total income and endowments	342,587	129,224	-	3,956	475,767	628,574
Expenditure on						
<i>Raising funds:</i>						
Rent collection commission	-	-	-	-	-	-
<i>Charitable activities:</i>						
Grants made (Note 11)	-	115,250	-	200,814	316,064	273,135
Payments to Incumbents	-	54,250	-	-	54,250	53,240
Payments to Assistant Clergy	-	17,150	-	-	17,150	17,750
Moieties to Rector and Churchwardens of St George's Church	-	98,526	-	-	98,526	119,538
Payments for maintenance of St George's Church	-	37,976	-	-	37,976	48,772
Secretarial expenses	-	5,000	-	9,000	14,000	14,000
Bank charges and interest	24	-	-	6	30	46
Trustees' liability insurance	629	-	-	-	629	486
Legal Fees	9,689	-	-	-	9,689	-
Governance: Audit and Accountancy						
- Current year	8,550	-	-	-	8,550	8,105
Total expenditure	18,892	328,152	-	209,820	556,864	535,072
Net gains/(losses) on investments	-	186,051	41,340	23,582	250,973	(63,688)
Net income/(expenditure)	323,695	(12,877)	41,340	(182,282)	169,876	29,814
Transfer between funds	(239,800)	76,300	-	163,500	-	-
Net movement in funds	83,895	63,423	41,340	(18,782)	169,876	29,814
Fund balances at 26 th March 2020	290,923	581,337	143,427	121,538	1,137,225	1,107,411
Fund balances at 25th March 2021	374,818	644,760	184,767	102,756	1,307,101	1,137,225

HYDE PARK PLACE ESTATE CHARITY**NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 25TH MARCH 2021

(continued)

7 RESTRICTED FUNDS (continued)

The endowment of the charity represents those investments which must be held permanently by the charity. It is the net income received by the Rector and Churchwardens of St George's, Hanover Square, from land in Paddington which had been bought by them in 1769 for laying out as a burial ground. It is regulated by order of the Chancery Division dated 7th May 1914 as varied by the Charity Commission Orders dated 4th July 1968 and 6th July 1989. Any capital gains and losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

The scheme requires the distribution of the income which is restricted by way of one moiety or half of the income to be paid to the Ecclesiastical Trustees of the Charity and the other moiety to the Civil Trustees.

The moiety paid to the Ecclesiastical Trustees is restricted to certain fixed payments to the Rector and Churchwardens of the Parish Church, towards the preservation and maintenance of the district churches which had been carved out of the original parish, in discretionary gifts to the clergy of such churches, or for any ecclesiastical purpose within the said district.

The moiety paid to the Civil Trustees is to be applied for the benefit of persons in the London Borough of The City of Westminster in the relief of need, in relief of sickness or for advancement of life.

8 ENDOWMENT FUNDS

	Rector and Churchwardens Endowment Capital Fund £	Ecclesiastical Trustees Burial Fund £	Pension Fund - Capital £	Total Funds 2021 £
Fund balances at 26 th March 2020	9,820,731	2,551,984	449,877	12,822,592
Investment managers' fees	(59,153)	-	-	(59,153)
Gains on realisations of investments	266,336	-	-	266,336
Unrealised gains on investments	3,368,220	717,946	133,202	4,219,368
Fund balances at 25 th March 2021	<u>13,396,134</u>	<u>3,269,930</u>	<u>583,079</u>	<u>17,249,143</u>

The endowment funds are described in note 7 above.

9 NET ASSETS BY FUND

	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed asset investments	489,138	17,249,143	17,752,681
Long term debtors	1,674,103	-	1,674,103
Net current liabilities	(856,140)	-	(856,140)
Total net assets	<u>1,307,101</u>	<u>17,249,143</u>	<u>18,556,244</u>

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2021

(continued)

10 RELATED PARTY TRANSACTIONS

St George's Church, Hanover Square with The Grosvenor Chapel, South Audley Street

The charity had the following transactions with St George's Church:

- paid general moieties in the year of £63,293 (2020: £81,228);
- paid leases moieties in the year of £nil (2020: £nil);
- made payments and grants in the year totalling £71,250 (2020: £19,234) for the maintenance of St George's Church;
- paid £14,000 during the year (2020: £14,000) for secretarial assistance. Secretarial assistance was provided by the former Clerk, S Vaughan, who is considered Key Management Personnel. S Vaughan resigned as Clerk after the year end and was replaced by Y Eddy;
- provided a loan of £650,000 in 2011 which has been extended so that repayment that was originally due by December 2017, has been reviewed and extended annually. After accumulated interest, the total outstanding loan is £138,604 (2020: £212,241) at the year end; and
- provided loans to the value of £1,585,000 in 2020 and 2021. After accumulated interest, the total outstanding loan is £1,595,498 (2020: £1,623,373) at the year end.

St Georges Hanover Square Foundation

The charity had the following transactions with St George's Hanover Square Foundation:

- paid general moieties in the year of £37,976 (2020: £28,972);
- paid leases moieties in the year of £nil (2020: £19,800).

11 GRANTS MADE

Grants payable for the relief of hardship, the relief of sickness and the advancement of education comprise of the following:

	Civil	Ecclesiastical	2021 Total
	£	£	£
Institutional			
All Souls Clubhouse	5,000		5,000
Anna Freud Centre for Children and Families	5,000		5,000
Central London Samaritans	5,000		5,000
Church Homeless Trust	5,000		5,000
Crisis UK	5,000		5,000
Depaul UK	5,000		5,000
DreamArts	5,000		5,000
Encouragement through the Arts and Talking	5,000		5,000
FareShare	5,000		5,000
Future Frontiers	3,650		3,650
Hyde Park Appeal Charity	4,000		4,000
Listening Books	4,500		4,500
London Handel Society	5,000		5,000
Macmillan Cancer Support	5,000		5,000
Carried forward	67,150	-	67,150

HYDE PARK PLACE ESTATE CHARITY**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 25TH MARCH 2021**

(continued)

11 GRANTS MADE (continued)

	Civil	Ecclesiastical	2021 Total
	£	£	£
Brought forward	67,150	-	67,150
Marylebone Project	5,000		5,000
Motor Neurone Disease Association	5,000		5,000
North Paddington Youth Club	5,000		5,000
Octavia Foundation	5,000		5,000
Open Age	5,000	-	5,000
River House Trust	3,500	-	3,500
Royal Trinity Hospice	5,000	-	5,000
Shobana Jeyasingh Dance	3,400	-	3,400
St Andrew's Club	5,000	-	5,000
St George's Hanover Square	-	71,250	71,250
St George's School	8,000	4,000	12,000
St John's Hospice	5,000	-	5,000
St Mary's Bourne Street	-	20,000	20,000
St Mungo's	5,000	-	5,000
The Avenues Youth Project	5,000	-	5,000
The Connection at St Martin-in-the-Fields	5,000	-	5,000
The Friends of St Mary's Hospital Paddington	5,000	-	5,000
The Grosvenor Chapel	-	20,000	20,000
The Mosaic Community Trust	5,000	-	5,000
The Nucleo Project	2,500	-	2,500
The Passage	5,000	-	5,000
The Prince's Trust	5,000	-	5,000
University of Westminster	5,000	-	5,000
West End Community Trust	3,420	-	3,420
West London Mission	5,000	-	5,000
Westminster Befriend a Family	4,978	-	4,978
Zaccheus 2000 Trust	5,000	-	5,000
Other grants	17,166	-	17,166
	200,814	115,250	316,064