

**HYDE PARK PLACE ESTATE CHARITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
25TH MARCH 2022**

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	<p><i>Rector and Churchwardens' Endowment Fund</i> Mr M A Hewitt Revd R N S Leece Mr G Barnes</p> <p><i>Ecclesiastical Trustees</i> Mr M A Hewitt Revd R N S Leece Mr S Roberts Mr A Jones Mr G Barnes</p> <p><i>Civil Trustees</i> Mr M A Hewitt Mrs Lillian Ibbett Revd R N S Leece Mrs J Prendergast Cllr Mrs H Acton Mrs A Larkey Mr G Barnes Cllr Mark Shearer</p>
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 2022. 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 11 – 13.

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 £196,229 were made by Civil Trustees (2021: £200,814) 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 £184,242 during the year (2021: £167,456). The fund balance at the end of the year was £90,133 (2021: £102,756).

Ecclesiastical Trustees

During the year, total distributions of £268,288 were made by the Ecclesiastical Trustees (2021: £328,152) 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 £84,233 (2021: £76,300) and net income of £59,312 (2021: £124,224). The fund balance at the end of the year was £651,180 for the General fund and £203,268 for the Pension Fund (2021: £644,760 and £184,767 respectively).

Rector and Churchwardens' Endowment Fund

The excess of income over expenditure for the year was £355,734 (2021: £323,695). Moieties totalling £264,733 (2021: £239,800) were paid to Ecclesiastical and Civil Trustees during the year. The balance at the end of the year was £477,819 (2021: £386,818).

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. Negotiations continued during the year in relation to the application under existing Leasehold Enfranchisement regulations made by existing leaseholders for the purchase of the freehold of one of the freehold properties in the prior year. This transaction completed on 28th February 2022 in the net amount of £1,110,321, when the freehold was sold.

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, though number 12 was sold in February 2022.

As at 25 March 2022, the charity held £1,422,400 of restricted funds and £18,168,355 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.

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;
- 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.

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

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

FOR AND ON BEHALF OF THE TRUSTEES



Mr M A Hewitt
Trustee

25th January 2023

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 Charity (the 'charity') for the year ended 25 March 2022 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 2022 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company laws) 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.

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

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 industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements.

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance and income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

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 charity's members as a body. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

Mazars LLP

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Dated: *25th January 2023*

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 2022

	Note	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Restricted Funds 2021 (Restated, Note 1i) £	Endowment Funds 2021 £	Total Funds 2021 (Restated, Note 1i) £
Income and endowments from:							
Investments	7	508,456	-	508,456	483,811	-	483,811
Other income	7	4,077	-	4,077	3,956	-	3,956
Total income	7	<u>512,533</u>	<u>-</u>	<u>512,533</u>	<u>487,767</u>	<u>-</u>	<u>487,767</u>
Expenditure on:							
Raising funds	7,8	-	60,754	60,754	-	59,153	59,153
Charitable activities	7	502,137	-	502,137	556,864	-	556,864
Total expenditure	7,8	<u>502,137</u>	<u>60,754</u>	<u>562,891</u>	<u>556,864</u>	<u>59,153</u>	<u>616,017</u>
Net (expenditure)/income before gains on investments		10,396	(60,754)	(50,358)	(69,097)	(59,153)	(128,250)
Net gains/(losses) on investments	7,8	92,903	979,966	1,072,869	250,973	4,485,704	4,736,677
Net movements in funds		103,299	919,212	1,022,511	181,876	4,426,551	4,608,427
Reconciliation of funds							
Fund balances at 26th March 2021 (Restated, Note 1i)		1,319,101	17,249,143	18,568,244	1,137,225	12,822,592	13,959,817
Fund balances at 25th March 2022		<u>1,422,400</u>	<u>18,168,355</u>	<u>19,590,755</u>	<u>1,319,101</u>	<u>17,249,143</u>	<u>18,556,244</u>

HYDE PARK PLACE ESTATE CHARITY

BALANCE SHEET

AS AT 25TH MARCH 2022

	Note	2022 £	2021 (Restated, Note 11) £
Fixed assets			
Investments	2	17,640,763	17,738,281
Long term debtors			
Loan	5	1,710,556	1,674,103
Current assets			
Debtors (Restated, Note 11)	5	1,272,387	169,879
Investments	4	51,814	55,210
Cash at bank and in hand		761,934	733,234
		<u>2,086,135</u>	<u>958,323</u>
Creditors: Amounts falling due within one year	6	<u>(1,846,699)</u>	<u>(1,802,463)</u>
Net current (liabilities)		239,436	(844,139)
Net assets	9	<u>19,590,755</u>	<u>18,568,244</u>
Reserves			
Restricted funds (Restated, Note 11)	7	1,422,400	1,319,101
Endowment funds	8	18,168,355	17,249,143
		<u>19,590,755</u>	<u>18,568,244</u>

Approved by the Board of Trustees on 25th January 2023, and signed on its behalf by:



Mr M A Hewitt
Trustee

HYDE PARK PLACE ESTATE CHARITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 25TH MARCH 2022

	2022		2021	
	£	£	£	£
Cash provided by/(used in) operating activities (see below)		(72,214)		(183,155)
Cash flows from investing activities				
Proceeds from the sale of investments	2,190,912		2,044,842	
Purchase of investments and reinvestment	<u>(2,093,394)</u>		<u>(1,988,680)</u>	
Cash (used in)/provided by investing activities		<u>97,518</u>		<u>56,162</u>
Net cash inflow/(outflow)		25,304		(126,993)
Cash and cash equivalents at 26 March 2021		<u>788,444</u>		<u>915,437</u>
Cash and cash equivalents at 25 March 2022		<u><u>813,748</u></u>		<u><u>788,444</u></u>
Cash flows from operating activities:				
Net income/(expenditure)		1,022,511		(128,250)
(Increase)/Decrease in debtors		(1,138,961)		66,315
Increase/(Decrease) in creditors		<u>44,236</u>		<u>(121,220)</u>
Cash provided by/(used in) operating activities		<u>(72,214)</u>		<u>(183,155)</u>

HYDE PARK PLACE ESTATE CHARITY
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2022

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 2022 show net current assets of £239,436 (2021: net current liabilities £844,139). The reason for the net current assets is due to proceeds from the sale of the Investment Property in February 2022 being receivable as at year-end. Furthermore, there is 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, reducing the net current asset position.

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 2022**

(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 sold. The net proceeds from the sale of the property have been recognised as the fair value of the property, then the proceeds on the sale have been recognised as a receivable at year-end, as these were held by the solicitor as at 25 March 2022. 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 2022
(continued)

(I) Prior year restatement

During the period, the trustees made a prior period adjustment in relation to restricted funds. This has resulted in an increase in restricted funds brought forward by £12,000 and the corresponding entry increasing debtors. This change has increased the net movement in funds for the prior period by £12,000 and has also increased prior year net assets and funds by the same amount.

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

FOR THE YEAR ENDED 25TH MARCH 2022

(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 2022 £
Market value at 26th March 2021	1,771,307	3,310,451	1,094,217	11,562,306	17,738,281
Less: Disposals			(1,110,321)	(1,080,591)	(2,190,912)
Add: Acquisitions at cost	-	-	-	1,345,441	1,345,441
Gains on revaluation	152,513	269,739	16,104	309,597	747,953
Market value at 25th March 2022	<u>1,923,821</u>	<u>3,580,190</u>	<u>-</u>	<u>12,136,753</u>	<u>17,640,763</u>
Historical cost at 25th March 2022	<u>946,394</u>	<u>235,987</u>	<u>-</u>	<u>9,032,765</u>	<u>11,309,362</u>

Hyde Park Place Estate Charity has 2 loans totalling £1,770,556 (2021: £1,734,103) outstanding with Rathbones Investment, secured against their listed investment portfolio.

Included within freehold properties was one property which was valued in the prior year following an application under existing Leasehold Enfranchisement regulations. The net proceeds from the sale of the property were £1,110,321, and this has been disclosed as the fair value on sale. The property was sold in February 2022, with the proceeds due being recognised as a receivable at year end.

Included in Listed Investments are cash deposits under the management of the Investment Managers totalling £189,945 (2021: £180,548).

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

	£
Direct	12,136,753
Indirect	<u>5,504,010</u>
	<u>17,640,763</u>

3 TRUSTEES' TRANSACTIONS

As the incumbent of St George's Church, Hanover Square, Revd R N S Leece received moieties of £33,178 (2021: £33,178) and grants of £7,550 (2021: £7,800) as stipulated under the terms of the Schemes. During the year social security costs of £5,980 (2021: £13,953) were paid. He is also owed £10,000 (2021: £29,000) 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 2022**

(continued)

4 CURRENT ASSET INVESTMENTS

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

	2022	2021
	£	£
Ecclesiastical funds	6,697	6,693
Rector and Churchwarden funds	45,117	48,517
	<u>51,814</u>	<u>55,210</u>

5 DEBTORS (Restated, Note 1I)

	2022	2021
	£	£
Debtors due after more than one year:		
Loan to St George's Church, Hanover Square	1,710,556	1,674,103
Debtors due within one year:		
Accrued interest and dividends	32,236	32,598
Other debtors (Restated, Note 1I)	1,180,151	77,281
Loan to St George's Church, Hanover Square	60,000	60,000
	<u>1,272,387</u>	<u>169,879</u>

6 CREDITORS

	2022	2021
	£	£
Sundry creditors	16,365	13,875
Accruals	59,778	54,485
Loan from Rathbones	1,770,556	1,734,103
	<u>1,846,699</u>	<u>1,802,463</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 2022

(continued)

7 RESTRICTED FUNDS

	Rector & Churchwardens Endowment Income Fund £	Ecclesiastical Trustees General Fund £	Pension Fund Income £	Civil Trustees £	Total 2022 £
Income and endowments from					
Rents receivable	12,117	-	-	-	12,117
UK listed investment income	372,231	124,041	-	-	496,272
Interest receivable	-	67	-	-	67
Other Income – lease extension	-	335	-	3,742	4,077
Total income and endowments	384,348	124,443	-	3,742	512,533
Expenditure on					
<i>Raising funds:</i>					
Rent collection commission	-	-	-	-	-
<i>Charitable activities:</i>					
Grants made (Note 11)	-	40,250	-	196,229	236,479
Payments to Incumbents	-	51,340	-	-	51,340
Payments to Assistant Clergy	-	21,950	-	-	21,950
Moieties to Rector and Churchwardens of St George's Church	-	105,842	-	-	105,842
Payments for maintenance of St George's Church	-	41,482	-	-	41,482
Secretarial expenses	-	7,424	-	9,000	16,424
Bank charges and interest	26	-	-	6	32
Trustees' liability insurance	586	-	-	-	586
Legal Fees	19,200	-	-	-	19,200
Governance: Audit and Accountancy					
- Current year	8,802	-	-	-	8,802
Total expenditure	28,614	268,288	-	205,235	502,137
Net gains/(losses) on investments	-	66,032	18,501	8,370	92,903
Net income/(expenditure)	355,734	(77,813)	18,501	(193,123)	103,299
Transfer between funds	(264,733)	84,233	-	180,500	-
Net movement in funds	91,001	6,420	18,501	(12,623)	103,299
Fund balances at 26 th March 2021	386,818	644,760	184,767	102,756	1,319,101
Fund balances at 25th March 2022	477,819	651,180	203,268	90,133	1,422,400

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2022

(continued)

7 RESTRICTED FUNDS (continued)

	Rector & Churchwardens Endowment	Ecclesiastical Trustees	Civil Trustees	Total 2021 (Restated, Note 11)
	Income Fund	General Fund	Pension Fund Income	
	£	£	£	£
Income and endowments				
Total income and endowments	342,587	129,224	-	475,767
Prior year restatement (Note 11)	12,000	-	-	12,000
Total income and endowments	354,587	129,224	-	487,767
Total expenditure	18,892	328,152	-	556,864
Net gains/(losses) on investments	-	186,051	41,340	250,973
Net income/(expenditure)	335,695	(12,877)	41,340	181,876
Transfer between funds	(239,800)	76,300	-	-
Net movement in funds	95,895	63,423	41,340	181,876
Fund balances at 26 th March 2020	290,923	581,337	143,427	1,137,225
Fund balances at 25th March 2021 (Restated, Note 11)	386,818	644,760	184,767	1,319,101

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.

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2022

(continued)

8 ENDOWMENT FUNDS

	Rector and Churchwardens Endowment Capital Fund £	Ecclesiastical Trustees Burial Fund £	Pension Fund - Capital £	Total Funds 2022 £
Fund balances at 26 th March 2021	13,396,134	3,269,930	583,079	17,249,143
Investment managers' fees	(60,754)	-	-	(60,754)
Gains on realisations of investments	100,121	-	-	100,121
Unrealised gains on investments	550,495	269,739	59,611	879,845
Fund balances at 25 th March 2022	<u>13,985,996</u>	<u>3,539,669</u>	<u>642,690</u>	<u>18,168,355</u>

The endowment funds are described in note 7 above.

9 NET ASSETS BY FUND

	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed asset investments	-	17,640,763	17,640,763
Long term debtors	1,182,964	527,592	1,710,556
Net current liabilities	239,436	-	239,436
Total net assets	<u>1,422,400</u>	<u>18,168,355</u>	<u>19,590,755</u>

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2022

(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 £69,136 (2021: £63,293);
- paid leases moieties in the year of £nil (2021: £nil);
- made payments and grants in the year totalling £1,250 (2021: £71,250) for the maintenance of St George's Church;
- paid £15,800 during the year (2021: £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 during 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 £78,286 (2021: £138,604) at the year end; and
- provided loans to the value of £1,585,000 in 2021 and 2022. After accumulated interest, the total outstanding loan is £1,692,270 (2021: £1,595,498) 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 £41,482 (2021: £37,976);
- paid leases moieties in the year of £nil (2021: £nil).

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	2022 Total
	£	£	£
Institutional			
Adventure Play Hub	5,000	-	5,000
Age UK Westminster	5,000	-	5,000
Avenues Youth Project	5,000	-	5,000
Cardboard Citizens	3,000	-	3,000
Central London Samaritans	5,000	-	5,000
Church Homeless Trust	5,000	-	5,000
Crisis UK / Christmas	5,000	-	5,000
Encouragement Through the Arts and Talking (ETAT)	5,000	-	5,000
Family Lives	4,881	-	4,881
Friends of the Elderly	2,000	-	2,000
Groundswell	5,000	-	5,000
Iris Theatre	2,600	-	2,600
London Handel Society	1,000	-	1,000
London Music Fund	4,000	-	4,000
Carried forward	57,481	-	57,481

HYDE PARK PLACE ESTATE CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 25TH MARCH 2022

(continued)

11 GRANTS MADE (continued)

	Civil	Ecclesiastical	2022 Total
	£	£	£
Brought forward	57,481	-	57,481
Macmillan Cancer Support	5,000	-	5,000
Mayfair Community Choir	2,000	-	2,000
Mousetrap Theatre Projects	4,948	-	4,948
Music Masters	5,000	-	5,000
North Paddington Youth Club	2,500	-	2,500
Open Age	5,000	-	5,000
Police Community Clubs of Great Britain	2,800	-	2,800
River House Trust	4,500	-	4,500
Royal Trinity Hospice	5,000	-	5,000
Senior Care	5,000	-	5,000
Shelter	5,000	-	5,000
St Andrew's Club	5,000	-	5,000
St George's Hanover Square	-	1,250	1,250
St George's School	8,000	4,000	12,000
St John's Hospice	5,000	-	5,000
St Mary's Bourne Street	-	15,000	15,000
St Mungo's	5,000	-	5,000
St Vincent Family Project	5,000	-	5,000
The Food Chain	4,500	-	4,500
The Grosvenor Chapel	-	20,000	20,000
The House of St Barnabas	5,000	-	5,000
The Nucleo Project	2,500	-	2,500
The Passage	5,000	-	5,000
Theatre Royal Haymarket Masterclass Trust	1,670	-	1,670
WBAF Mentoring Programme	4,978	-	4,978
West London Mission	5,000	-	5,000
Westbourne Park Family Centre	5,000	-	5,000
Whizz-Kidz	5,000	-	5,000
Woman's Trust	5,000	-	5,000
Zacchaeus 2000 Trust (Z2K)	5,000	-	5,000
Other Grants	15,352	-	15,352
	196,229	40,250	236,479

