

**ST ANDREW HOLBORN
CHURCH FOUNDATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

Registered Charity No. 213715

ST ANDREW HOLBORN CHURCH FOUNDATION**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

We present our report and financial statements (incorporating the results for St Andrew Holborn Trading Limited) for the year ended 31 December 2020.

OBJECTS AND ACTIVITIES

The objects of the Charity are set out in the Trust Deed dated 17 February 1964. This provides that the Charity may apply its income for the following purposes:

- (a) the payment of salaries of church officials and others employed to assist the Vicar in the performance of his duties;
- (b) the maintenance, insurance, repair and renewal of the fabric, fittings and ornaments of the Guild Church of St. Andrew Holborn, its churchyard, the Rectory House (vicarage) and the Court House; and
- (c) the cost of heating and lighting of the Guild Church of St Andrew Holborn and the upkeep of services.

We continued to ensure that the Charity's income was applied in accordance with the stated objects and in particular supported the major project to complete the refurbishment of the interior of the church, the last payment for which was made during 2020.

We aim also to maximise the income achievable through the careful management of our fixed assets. We do this partly by letting the Lodge and parking spaces on the forecourt on the premises and partly through income from St Andrew Holborn Trading Ltd.

We are joint shareholders with the Guild Church Council (GCC) in St Andrew Holborn Trading Ltd. The company was established to provide a source of income for both charities by managing the hire of rooms and facilities in the Court House and the church for meetings, concerts, recitals, exhibitions and other events. The company is managed separately by a Board of Directors and all profits generated are distributed equally between the Charity and the GCC.

Plans for future periods

We will continue to support the Guild Vicar and the GCC in the expansion of its mission and the upkeep of the fabric of the church. In 2021, in discussion with the GCC, we aim to start a programme of repair and stabilisation of the external stonework of the nave of the church.

ACHIEVEMENTS AND PERFORMANCE**Public benefit**

In carrying out our work and preparing this report, we have had regard to the Charity Commission's public benefit guidance.

St Andrew Holborn is a Grade I listed church. The present building was designed by Sir Christopher Wren, though parts of it date back over 1,000 years. It is a major landmark in the City and is of considerable historical, heritage, architectural, charitable, community, social and educational importance. The main purpose of the Church Foundation is financial support for the maintenance and mission of this important building.

As a Guild Church, St Andrew Holborn's focus of service is the surrounding working population. Although the Government required people to work from home where possible and there were, therefore, far fewer people in London during the pandemic, the church was open (Government regulations and guidelines permitting) every weekday for people to engage in silent prayer or reflection, to seek solace or just sit during this very

ST ANDREW HOLBORN CHURCH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

difficult period. The North Garden and the North Churchyard were also open during this time, providing valuable open space. Services were, however, less frequent.

ACHIEVEMENTS AND PERFORMANCE (continued)

St Andrew Holborn is visited by tourists, local schools and community groups keen to discover its architecture and historical links. It is also used by the growing local street population as a safe place where they can keep warm and dry during the day when the local hostels are closed.

Services in the church – to which all are welcome – are typically held on Monday-Friday and the Wednesday evening Mass is followed by a simple meal. Lunchtime services provide a quiet, reflective and prayerful haven in the middle of a busy day.

Towards the end of 2018, we agreed, on behalf of the GCC, to employ a part-time Priest Missioner from January 2019. The aim of this post was to reach out beyond the services offered during the working week to develop the mission of the church to the working community. The pandemic meant that the focus of the Priest Missioner's work shifted to keeping our website up-to-date with the latest information about opening times and services and to a more active role in taking services as required.

St Andrew Holborn has for many years provided a space for the Russian Orthodox Parish of the Dormition of the Mother of God to hold its services. These continued during the pandemic as circumstances permitted.

St Andrew Holborn also administers an important network of charities which undertake significant work with the poor, the vulnerable, the young and elderly and those in immediate need. The staff who oversee the day-to-day business of these charities are jointly employed by the Church Foundation, the charities themselves and St Andrew Holborn Trading Ltd.

2020

2020 was a difficult year for everyone. The impact of the coronavirus pandemic was felt acutely in London during the first wave in the spring and again from the autumn as a new, more easily transmissible variant spread across the country starting in the south-east of England. Everyone was advised to stay at home and that advice, combined with the impact of the lockdowns, left London virtually empty of workers.

Our sister charities, Bromfield's Educational Foundation and St Andrew Holborn & Stafford's Charity, felt the effects of the social problems created by the pandemic – not least of which were unemployment and isolation – most sharply and will no doubt continue to do so for some time to come.

Apart from emergency repairs to the fabric, necessary office functions and the work of the grants officer, virtually all activity in the church and the Court House ceased abruptly in mid-March when the first lockdown was imposed. Our staff began to work remotely immediately and, when the Government announced its Job Retention Scheme to support jobs during the pandemic, four of the team were placed on full furlough. As the year progressed, however, and there was still no prospect of events activity picking up, it became necessary to declare one post in the Events Team redundant.

The church was re-opened as soon as permitted and, from September, lunchtime services resumed. We have been pleased, amidst the anxieties of the pandemic, to be able to offer a much-needed place of refuge, calm and spiritual support.

Apart from a vacancy in January, the Lodge was let throughout the year. Parking spaces in the forecourt were fully let. Both sources of income, therefore, contributed fully to our ability to meet our objects and financial obligations.

ST ANDREW HOLBORN CHURCH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

We rely on the support of our dedicated and hardworking staff to discharge our responsibilities for the smooth running of the Charity. We are acutely aware of the additional burdens that have been placed on their resourcefulness and resilience over the course of the pandemic and we are deeply grateful to them for helping to bring the Charity through in reasonably good shape.

FINANCIAL REVIEW

Results for the Year

The Group result showed net expenditure for the year amounting to £709,568 compared to net expenditure in the preceding year of £156,288. This included realised and unrealised losses on investments of £547,236 and £110,053 respectively. The net expenditure meant that total fund balances decreased from £15,398,395 to £14,688,827.

Our staff continue to monitor all contracts to ensure best value for money and to achieve savings through good housekeeping.

We have provided a Letter of Comfort and current account support to St Andrew Holborn Trading Company Ltd and brought that into operation in June 2020. Our support is guaranteed until at least March 2021. Support during the year amounted to £30,915.

Investments

During 2020 the Finance & Investment Committee undertook a review of investment performance over recent years. This process resulted in the appointment of Sarasin Partners LLP after due consideration of a number of possible alternative managers. The transfer of our investments to Sarasin was substantially complete by the end of the year.

At the end of a very difficult year globally, income generated by those investments was down at £137,910 (2019: £200,185).

Our investment in the Property Income Trust for Charities managed by Mayfair Capital Investment Management Ltd was valued at £2,827,865 at the end of the year (2019: £3,005,565). The investment generated an income for the year of £125,097 (2019: £167,043).

Reserves

At 31 December 2020 group unrestricted reserves were £14,688,827 of which £6.5m represented the value of 5-7 St Andrew Street, which encompasses the Court House, vicarage, offices and the Lodge and £4,697 represents other fixed assets held for the group's own use. As such reserves amounted to £8,184,130.

ST ANDREW HOLBORN CHURCH FOUNDATION**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020****STATEMENT OF TRUSTEES' RESPONSIBILITIES**

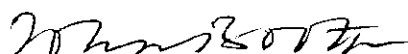
Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Foundation's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue to operate.

Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with relevant legislation and the trust deed. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governance and administrative details of the Charity are to be found on pages 5-7 of this report.

Approved by the Trustees and signed on their behalf by:



JDS Booth
Chairman

Date: 9 June 2021

ST ANDREW HOLBORN CHURCH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust deed provides for there to be a maximum of seven Trustees, either appointed by the St Andrew Holborn Guild Church Council (GCC), or *ex officio* – the Guild Vicar and the two Churchwardens. There continued to be one vacancy during 2020.

New Trustees are mentored by an existing Trustee and are provided with a trustee file, which includes a copy of the governing document, a copy of the latest annual accounts and a copy of CC3 *The Essential Trustee* published by the Charity Commission. Trustees have the opportunity to attend trustee training.

Policy is set by the Trustees. Responsibility for operational delivery is delegated to the staff and overseen by the Director and Clerk to the Trustees.

The Trustees met on four occasions during the year, once face-to-face and three times by video conference.

The Church Foundation, the Associated Charities (St Andrew Holborn & Stafford's Charity, Bromfield's Educational Foundation, Parish Estates Charity and Lady Elizabeth Hatton's Charity) and St Andrew Holborn Trading Ltd delegate to the Finance and Investment Committee the review of financial and investment matters. The Finance and Investment Committee met twice during the year, on both occasions by video conference.

The Charity is a 50% shareholder (with the GCC) in St Andrew Holborn Trading Ltd. St Andrew Holborn Trading Ltd is a registered company (04982141) and is managed by a Board of Directors independently of the Charity and the GCC, but consistently with the aims of the Charity and the GCC. Profits from St Andrew Holborn Trading Ltd are shared equally between the Charity and the GCC and the relationship with St Andrew Holborn Trading Ltd is reviewed on a regular basis in accordance with guidance issued by the Charity Commission.

The Charity has joint contracts of employment with the Associated Charities and St Andrew Holborn Trading Ltd. Employment costs are shared on a time spent basis. The Finance and Investment Committee reviews salaries on an annual basis and considers these in line with similar organisations.

The Trustees do not receive any benefit from the Charity.

Risk management

The Trustees have given consideration to the major risks to which the charity is exposed and have satisfied themselves that systems and procedures are established to manage those risks. Risks are reviewed annually.

Given the Charity's dependence on investment income, the Trustees have in particular recognised the risk to their ability to meet their objects associated with significant volatility in investment markets and a resulting loss of investment income.

The Trustees have also recognised the risk to the Charity's ability to meet its objects if the profits from St Andrew Holborn Trading Ltd were to fall short of expectations.

Investment Policy

The St Andrew Holborn Church Foundation's investments are managed on a total return basis with a medium risk tolerance and due regard to diversification with the objective that a combination of income and capital growth will support the ongoing activities of the Charity whilst maintaining the real capital value of the investments over the longer term. The Trustees are aware of the risk in respect of the volatility of investment returns to meet the annual needs of maintaining both the Grade I and Grade II listed buildings. The Finance and Investment Committee formally meets the Investment Managers twice a year.

ST ANDREW HOLBORN CHURCH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Church Foundation is committed to responsible investment and takes into account environmental, social and governance issues. Our exposure to investments in assets limited under guidelines issued by the Church of England's Ethical Investment Advisory Group is monitored regularly by the Finance and Investment Committee in discussion with our investment managers.

From 2005-2020, the investment portfolio was managed by Cazenove Capital on an advisory basis. Following a tender process, Sarasin Partners LLP were appointed to manage the portfolio in May 2020, the transfer from Cazenove Capital being completed by the end of the year. The portfolio now forms part of the Sarasin Endowments Fund Class A Inc. Reporting is quarterly and the overall investment portfolio is reviewed twice a year by the Finance and Investment Committee.

Reserves Policy

The Trustees aim to maintain a reserve fund sufficient to produce, on average, an annual income roughly commensurate with the annual running costs of the estate. This also enables any extraordinary and urgent needs to be met, in line with the provisions of the Scheme.

The substantial estate of Grade I and Grade II listed buildings and the maintenance liability associated with these require the Charity to maintain a high level of reserves. In 2020, a total of £90,374 was spent on maintenance and repair work to the church and the estate.

Major works which had been planned for spring 2020 to the exterior of the church had to be delayed as a result of the coronavirus pandemic. However, we hope to reschedule these for 2021. This will make further significant calls on the Charity's reserves.

ADMINISTRATIVE DETAILS

St Andrew Holborn Church Foundation is a registered Charity and is governed by its Trust Deed. It is registered with the Charity commission under number 213715.

The Charity's offices are at 5 St Andrew Street, London EC4A 3AF.

Trustees

The following are Trustees of the Charity:

The Rt Revd Jonathan Baker, Bishop of Fulham	Guild Vicar
Mr John Booth (Chairman)	Churchwarden
Mrs Susan Johns	Churchwarden
Mrs Eileen Clark	
Dr Brian Hanson, CBE	
The Rt Revd Graham James	

ST ANDREW HOLBORN CHURCH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Officers and Staff

Director and Clerk to the Trustees	Mr Nicholas Hills
Events Manager	Mrs Caroline Bithell
Site Manager	Mr Daniel Gallagher (until March 2021)
Events Administrator	Miss Josie Groom (until July 2020)
Site Technician	Mr Victor Mullen (Acting Site Manager from April 2021)
Grants Officer	Miss Anna Paterson
Finance Administrator	Miss Anna Szekely

Principle advisors

Investment Managers:	<p>Cazenove Capital (until September 2020) 1 London Wall Place, London EC2Y 5AU</p> <p>Mayfair Capital Investment Management Ltd 2 Cavendish Square, London W1G 0PU</p>	<p>Sarasin & Partners LLP (from September 2020) Juxon House 100 St Paul's Churchyard London EC4M 8BU</p>
Auditors:	<p>Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD</p>	
Property Advisors:	<p>Knight Frank, 1 Wapping High Street, London E1W 1BH</p>	
Bankers:	<p>Lloyds Bank plc Holborn Circus Branch London EC1N 2HP</p>	
Solicitors:	<p>Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD</p>	
Inspecting Architects :	<p>HMDW Architects 16 Swains Lane, London N6 6QS</p>	

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ST ANDREW HOLBORN CHURCH FOUNDATION

Opinion

We have audited the financial statements of St Andrew Holborn Church Foundation (the 'charity') for the year ended 31st December 2020 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 31st December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ST ANDREW HOLBORN CHURCH FOUNDATION

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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' 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 page 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to comply with the Charities SORP was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to comply with the Charities SORP, through discussions with management and a review of the documented policies, procedures and controls.
- We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud may occur by considering the key risks impacting the financial statements. These included risks associated with income recognition, management override of controls and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach was ensuring that all income was properly identified and accounted for and that only valid and appropriate expenditure was charged to the charity's funds, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records, and the review of government support scheme grants received to ensure they were not fraudulently claimed.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the trustees with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charity.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE ST ANDREW HOLBORN CHURCH FOUNDATION**


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

Use of our report

This report is made solely to the charity's 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 charity's 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 charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

**65 Leadenhall Street
London EC3A 2DA**

9 June 2021


KNOX CROPPER LLP
Chartered Accountants
Statutory Auditors

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

ST ANDREW HOLBORN CHURCH FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds 2020	Total Funds 2020	Total Funds 2019
		£	£	£
INCOME FROM:				
Grants, Donations and Legacies		69,404	69,404	143
Investments	2	365,119	365,119	465,740
Other		500	500	-
Share of Joint Venture Profit		5,228	5,228	22,364
TOTAL INCOME		<u>440,251</u>	<u>440,251</u>	<u>488,247</u>
EXPENDITURE ON:				
Raising Funds	3	73,504	73,504	34,488
Charitable Activities	4	419,026	419,026	914,302
Other Expenditure		-	-	65,199
TOTAL EXPENDITURE		<u>492,530</u>	<u>492,530</u>	<u>1,013,989</u>
		(52,279)	(52,279)	(525,742)
Net Gains/(Losses) on Investments	8	<u>(657,289)</u>	<u>(657,289)</u>	<u>369,454</u>
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		(709,568)	(709,568)	(156,288)
TOTAL FUNDS BROUGHT FOWARD		15,398,395	15,398,395	15,554,683
TOTAL FUNDS CARRIED FORWARD		<u>14,688,827</u>	<u>14,688,827</u>	<u>15,398,395</u>

None of the Foundation's activities was acquired or discontinued during the above two financial years.


ST ANDREW HOLBORN CHURCH FOUNDATION

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		Group	Foundation	Group	Foundation
		£	£	£	£
FIXED ASSETS					
Freehold Property	7a	6,500,000	6,500,000	6,500,000	6,500,000
Investment Property	7b	5,000	5,000	5,000	5,000
Other Fixed Assets	7c	4,697	4,697	4,803	4,803
Investments	8	8,027,811	8,027,811	8,760,050	8,760,050
Investment in Trading Company	9	17,319	1	29,915	1
		14,554,827	14,537,509	15,299,768	15,269,854
CURRENT ASSETS					
Debtors	10	54,505	54,505	103,625	103,625
Cash at Bank and In Hand		132,290	132,290	71,256	71,256
		186,795	186,795	174,881	174,881
Creditors: Amounts falling due within one year	11	(52,795)	(52,795)	(76,254)	(76,254)
Net Current Assets		134,000	134,000	98,627	98,627
TOTAL NET ASSETS					
		14,688,827	14,671,509	15,398,395	15,368,481
FUNDS					
Unrestricted General Fund		14,688,827	14,671,509	15,398,395	15,368,481
TOTAL FUNDS		14,688,827	14,671,509	15,398,395	15,368,481

Approved by the Board of Trustees on 9 June 2021 and signed and on its behalf by:



 J D S Booth
 Chairman

ST ANDREW HOLBORN CHURCH FOUNDATION

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 Total Funds £	2019 Total Funds £
Net Cash Provided by (used in) Operating Activities	A	(420,585)	(828,159)
Cash flows from investing activities			
Dividends interest and rents from investments		415,238	465,740
Investment management fees		(23,497)	(20,211)
Purchase of property, plant and equipment		(2,896)	(1,097)
Proceeds from sale of investments		4,673,921	141,520
Purchase of investments		(4,702,818)	-
Distributions from joint venture		17,824	24,147
Net cash provided by (used in) investing activities		<u>377,772</u>	<u>610,099</u>
Cash flows from financing activities			
Net Cash Expended by (used in) financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		(42,813)	(218,060)
Cash and cash equivalents at the beginning of the reporting period	B	235,803	453,863
Cash and cash equivalents at the end of the reporting period	B	<u>192,990</u>	<u>235,803</u>

A. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net Income/(expenditure) for the reporting period	(709,568)	(156,288)
Depreciation charge	3,002	2,038
(Gains)/Losses on Investments	657,289	(369,454)
Dividends, interest and rent from investments	(365,119)	(465,740)
Investment management fees	18,494	19,917
(Increase)/decrease in debtors	(3,063)	150,003
Increase/(decrease) in creditors	(16,392)	13,729
Share of joint venture profit	(5,228)	(22,364)
Net cash provided by (used in) operating activities	<u>(420,585)</u>	<u>(828,159)</u>

B. Analysis of cash and cash equivalents

Cash at bank and in hand	132,990	71,256
Cash at Investment Managers	60,700	164,547
Total cash and cash equivalents	<u>192,990</u>	<u>235,803</u>

C. Analysis of changes in net funds

	At 01/01/2020 £	Cashflows £	At 31/12/2020 £
Cash and Cash Equivalents	<u>235,803</u>	<u>(42,813)</u>	<u>192,990</u>

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

(a) Statutory Information

St Andrew Holborn Church Foundation is an unincorporated charity registered in England and Wales. The charity's registered number and principal office address can be found on page 6 of the Trustees' Report.

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

(b) Basis of Accounting

The Accounts have been prepared under the historical cost convention as modified by the revaluation of investments at market value and in accordance with applicable Accounting Standards. They have been prepared in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 March 2018) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS 102. The functional currency of the Charity is £ sterling.

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

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(c) Fixed Assets

Freehold Property is included at market value which is appraised annually by the Trustees. Independent valuations are obtained at least every five years, and therefore no depreciation is charged. Any changes in Market Value are reflected through the Statement of Financial Activities.

Annual impairment reviews are undertaken by the Trustees at each balance sheet date. This review involves assessing current property market conditions and their impact on the estimated market value of the Foundation's properties.

Other fixed assets which represent computer and other furniture and equipment are depreciated over the estimated useful life of the asset concerned at the following rates: - computer, furniture and equipment 33%.

(d) Income

Income is recognised in the year once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income is deferred only when the Foundation has to fulfil conditions before becoming entitled to it or the donor has specified that the income has to be spent in a future period.

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

(e) Resources Expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- **Costs of Raising Funds**
The cost of raising funds consists of costs associated with maximising rental income.
- **Charitable Activities**
Costs of Charitable Activities include the direct costs of the running and maintenance of the Church as well as an allocation of support costs.
- **Support Costs**
Support costs have been allocated between activities based on staff time and include Governance costs, which comprises all costs involving the public accountability of the Charity and its compliance with regulation and good practice. Support Costs are shown net of the share of administration costs recharged to the sister charities.

(f) Fund Accounting

The designated funds may be used by the Foundation in furtherance of its charitable objectives at the discretion of the Trustees.

(g) Investments

The Charity's investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are arrived at by comparing the net sale proceeds with the market value at the end of the previous financial year. Unrealised gains and losses represent the difference between the market value of investments still held at the end of the financial year with their value at the beginning of the year or with their cost if purchased subsequently.

(h) Consolidation

The investment in St Andrew Holborn Trading Limited is accounted for as a joint venture. These financial statements account for the joint venture using the equity method.

(i) Pensions

The Foundation operates a defined contribution pension scheme for its staff. In accordance with FRS 102, Pension contributions are charged to the Statement of Financial Activities in the period to which they relate. Royal London provides their service with a multi-manager portfolio offering.

(j) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

(k) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

- Fair value Freehold Property

Land and buildings are measured at each reporting date at fair value less accumulated depreciation. The directors assess the fair value based on recent market values and periodically obtain an appraisal from a professionally qualified valuer. In determining fair value on this basis, the valuation remains sensitive to fluctuations in the property market.

- Useful life of tangible fixed assets

The depreciation charge on tangible fixed assets is based on management's estimate of useful life and residual value. This is subject to uncertainty and reviewed by management at each reporting date.

2. INVESTMENT INCOME

	2020		2019	
	£	£	£	£
Rental Income		102,014		97,873
Investment Income				
- Cazenove	137,910		200,185	
- Pitch	125,097		167,043	
		263,007		367,228
Interest Receivable		98		639
		<u>365,119</u>		<u>465,740</u>

3. COSTS OF RAISING FUNDS

	2020	2019
	£	£
Investment Management Fees	18,494	19,917
Support Costs (Note 5)	55,010	14,571
	<u>73,504</u>	<u>34,488</u>

4. CHARITABLE ACTIVITIES

	Upkeep & Maintenance of the Church	Ministry Support	2020	2019
	£	£	£	£
Staff Costs	70,242	7,805	78,047	85,696
Maintenance and Repair Work	90,374	-	90,374	554,429
Clergy Costs	-	100,390	100,390	99,747
Church Heat & Light	15,063	-	15,063	17,534
Insurance	2,367	-	2,367	9,420
Support Costs (Note 5)	87,187	45,598	132,785	147,476
	<u>265,233</u>	<u>153,793</u>	<u>419,026</u>	<u>914,302</u>
2019	<u>2,156,119</u>	<u>113,708</u>	<u>914,302</u>	

Within Maintenance and Repair Work is grants to St Andrew Holborn Church amounting to £53,833 (2019: £427,583).

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5. SUPPORT COSTS

	2020	2019
	£	£
Staff Costs	111,113	72,575
Staff Training	1,165	773
Insurance	1,267	1,254
Establishment Costs	37,223	51,766
Computer Costs	12,164	13,088
Postage & Stationery	6,625	5,842
Depreciation	3,002	2,037
Professional Fees	2,967	1,858
Irrecoverable VAT	14,740	25,516
Sundry Expenses	1,507	1,795
Governance Costs	5,975	6,315
Amounts recharged to associated charities	(9,953)	(20,772)
	<u>187,795</u>	<u>162,047</u>

Included within Governance Costs is amounts payable to the auditors for the audit of the financial statements of £5,975 (2019: £5,855) and within Professional Fees is £1,350 (2019: £1,350) for non-audit services.

6. STAFF COSTS

	2020	2019
	£	£
Salaries	160,745	133,197
National Insurance	12,745	11,394
Pension Costs	15,669	13,680
Termination Payments	-	-
	<u>189,159</u>	<u>158,271</u>

The Charity's employees have joint contracts of employment with the 4 sister charities at St Andrew Holborn and with St Andrew Holborn Trading Ltd. Together they employed an average of 7 (2019: 7) staff during the year, none of whom received employee benefits in excess of £60,000 (2019: one, £60,000 - £70,000). Employment costs are shared on a time spent basis.

Key management personnel is defined as the trustees and the Clerk to the Trustees. No trustee received any remuneration for their role as a trustee (2019: £Nil). The total remuneration of key management personnel was £72,392 (2019: £74,598) of which the Charity's share was £48,063 (2019: £56,177).

The Foundation operates a defined contribution pension scheme for its employees. At the year end there were contributions outstanding of £Nil (2019: £2,403).

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

7. TANGIBLE ASSETS
GROUP AND FOUNDATION

	2020	2019
	£	£
(a) Freehold Property		
Valuation at 1 January 2020	6,500,000	6,500,000
Revaluation	-	-
Valuation at 31 December 2020	<u>6,500,000</u>	<u>6,500,000</u>

The Property was donated to the Foundation.

The freehold properties were revalued in September 2018 by Stanley Hicks, Chartered Surveyor.

	2020	2019
	£	£
(b) Investment Properties		
Fair Value At 1 January 2020	5,000	5,000
Sale Proceeds	-	-
Gain on Sale	-	-
Fair Value at 31 December 2020	<u>5,000</u>	<u>5,000</u>
Cost at 31 st December 2020	<u>-</u>	<u>-</u>

The Investment Property at Haymarket is let on a 125-year peppercorn lease.

(c) **Other Fixed Assets**

	Computer Equipment	Furniture and Equipment	Total
	£	£	£
Cost			
At 1 st January 2020	27,215	72,389	99,604
Additions	2,896	-	2,896
Disposals	-	-	-
Transfers	-	-	-
At 31 st December 2020	<u>30,111</u>	<u>72,389</u>	<u>102,500</u>
Depreciation			
At 1 st January 2020	23,143	71,658	94,801
Charge for Year	2,637	365	3,002
Disposal	-	-	-
Transfer	-	-	-
At 31 st December 2020	<u>25,780</u>	<u>72,023</u>	<u>97,803</u>
Net Book Value at 31 st December 2020	<u>4,331</u>	<u>366</u>	<u>4,697</u>
Net Book Value at 31 st December 2019	<u>4,072</u>	<u>731</u>	<u>4,803</u>

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8. INVESTMENTS
GROUP AND FOUNDATION

	Sarasin £	Cazenove £	PITCH £	Total 2020 £	Total 2019 £
Quoted Investments at Market Value					
Cash with Investment Managers	4,791,564	347,682	2,827,865	7,967,111	8,595,503
Total Investments	4,851,578	348,368	2,827,865	8,027,811	8,760,050
Movement in Investments					
Market value as at 1 st January 2020	-	5,589,938	3,005,565	8,595,503	8,367,569
Additions	4,702,818	-	-	4,702,818	-
Disposals	-	(4,673,921)	-	(4,673,921)	(141,520)
Realised Gains /(Losses)	-	(547,236)	-	(547,236)	1,252
Unrealised Gains/(Losses)	88,746	(21,099)	(177,700)	(110,053)	368,202
Market value at 31 st December 2020	4,791,564	347,682	2,827,865	7,967,111	8,595,503
Quoted Investments at Cost	4,702,818	332,292	2,975,600	8,010,710	6,991,353

Quoted investments with more than 5% of market value:

Security	% of Portfolio	2020 £
Property Income Trust for Charities	37.5	2,986,058
Sarasin Endowment Fund	60.1	4,791,564

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

9. INVESTMENTS IN JOINT VENTURES
GROUP AND FOUNDATION

	2020	2019
	£	£
At 1 st January 2020	29,915	31,698
Share of Profit	5,228	22,364
Distribution Received	(17,824)	(24,147)
At 31 st December 2020	<u>17,319</u>	<u>29,915</u>

The Foundation holds a 50% interest in St. Andrew Holborn Trading Limited a company registered in England and Wales.

The summary of the results for the year ended 31st December 2020 is as follows:

	2020	2019
	£	£
Turnover	77,322	212,131
Cost of Sales	(18,385)	(55,628)
Gross Profit	58,937	156,503
Other Costs	(40,410)	(109,686)
Interest Receivable	1	1
Profit	18,528	46,818
Tax	1,008	(11,171)
Profit For The Year	<u>19,536</u>	<u>35,647</u>
Retained Earnings Brought Forward	50,747	63,395
Gift Aid to Guild Church Council and Church Foundation	(35,647)	(48,295)
Retained Earnings Carried Forward	<u>34,636</u>	<u>50,747</u>

100% of the taxable profits are gift aided up to the Guild Church Council and Church Foundation.

FOUNDATION

	2020	2019
	£	£
At 1 st January 2020	1	1
At 31 st December 2020	<u>1</u>	<u>1</u>

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10. DEBTORS AND PREPAYMENTS
GROUP AND FOUNDATION

	2020	2019
	£	£
Trade Debtors	14,305	1,022
Other Debtors and prepayments	23,137	32,210
Investment Income Receivable	12,157	64,340
St. Andrew Holborn Trading Ltd - Current Account	4,778	5,860
Parish Estates Charity	-	29
St Andrew Holborn Charity & Stafford's Charity	128	164
	<u>54,505</u>	<u>103,625</u>

11. CREDITORS
GROUP AND FOUNDATION

	2020	2019
	£	£
Trade Creditors	10,337	13,936
Taxation and Social Security	4,303	11,688
Accruals and Deferred Income	38,155	50,630
	<u>52,795</u>	<u>76,254</u>

Included in the above is £26,591 (2019: £28,655) of deferred income representing rental income received in advance.

12. TRUSTEES' REMUNERATION AND EXPENSES

No remuneration, directly or indirectly, out of the funds of the Foundation was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

No trustees were reimbursed expenses during the year (2019: two, £113 travel expenses).

13. TAXATION

St Andrew Holborn Church Foundation is a registered charity and is potentially exempt from taxation in respect of income and capital gains received within the categories covered by Part II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to charitable purposes.

14. OPERATING LEASES

At the balance sheet date, the Foundation had the following commitments under operating leases as follows:

	2020	2019
	£	£
Payments due in:		
Less than one year	16,640	20,073
Between two and five years	-	3,434
Greater than five years	-	-
	<u>16,640</u>	<u>23,507</u>

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

15. RELATED PARTIES

The Foundation is under the control of its Trustees who are the Vicar and two churchwardens of the Guild Church St Andrew Holborn, whose Council nominates the four other trustees.

The Foundation acts as paymaster for the staff under joint contracts of employment. In the year the charges in this respect amounted to £124,861 and were allocated to St Andrew Holborn Trading £32,733 (2019: £97,714) St Andrew Holborn & Stafford's Charity £49,464 (2019: £51,146), Bromfield's Educational Foundation £9,299 (2019: £7,224), Parish Estates Charity £1,450 (2019: £1,182) and Lady Elizabeth Hatton's Charity £Nil (2019: £Nil).

The Foundation made charges for shared administration costs to St Andrew Holborn Trading £2,829 (2019: £12,729) St Andrew Holborn & Stafford's Charity £5,915 (2019: £6,885), Bromfield's Educational Foundation £1,030 (2019: £984), Parish Estates Charity £180 (2019: £174) and Lady Elizabeth Hatton's Charity £Nil (2019: £Nil).

At the 31st December 2020 St. Andrew Holborn Church Foundation was due to be reimbursed from St Andrew Holborn Trading £4,778 (2019: £5,860), Lady Elizabeth Hatton's Charity £Nil (2019: £Nil), Parish Estates £Nil (2019: £29), St Andrew Holborn & Stafford's Charity £128 (2019: £164) and owed the Guild Church Council of St Andrew Holborn £61 (2019: £28).

16. NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Designated Funds	2020 Total
	£	£	£
Fixed Assets	14,554,827	-	14,554,827
Current Assets	186,795	-	186,795
Current Liabilities	(52,795)	-	(52,795)
	<u>14,688,827</u>	<u>-</u>	<u>14,688,827</u>

	Unrestricted Funds	Designated Funds	2019 Total
	£	£	£
Fixed Assets	15,299,768	-	15,299,768
Current Assets	174,881	-	174,881
Current Liabilities	(76,254)	-	(76,254)
	<u>15,398,395</u>	<u>-</u>	<u>15,398,395</u>

The figure for Unrestricted Funds-Fixed Assets includes £6.5m, which is the current stated value of the Freehold Property at 5-7 St Andrew Street. This Freehold Property houses the Guild Vicar of St Andrew Holborn and the offices of the Charity.

ST ANDREW HOLBORN CHURCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

17. CAPITAL COMMITMENTS

At the year end, the following capital commitments had been authorised by the Trustees but not been provided for in the financial statements.

	2020	2019
	£	£
Regeneration Project	-	-
	-	-
	-	-