

COVENT GARDEN AREA TRUST

England & Wales · Charity number 299874

Details

Other names	C G A T
Status	Registered
Legal form	Charitable company
Company number	02280893
Registered	1988-08-04
Register	View on the Charity Commission register

Contact

Address	Covent Garden Area Trust 2nd floor 20 Bedford Street Covent Garden London WC2E 9HP
Phone	02072409418
Email	admin@cgareatrust.org.uk
Website	www.coventgardentrust.org.uk

Activities

Objects: (1) TO ACQUIRE FROM THE LONDON RESIDUARY BODY A FREEHOLD OR LEASEHOLD INTEREST OR INTERESTS IN CERTAIN PROPERTIES SITUATED IN THE AREA OF CENTRAL LONDON BOUNDED BY KINGSWAY, ALDWYCH, HIGH HOLBORN, SHAFTESBURY AVENUE, CHARING CROSS ROAD AND THE STRAND FOR THE PURPOSE OF CARE, CONSERVATION, MAINTENANCE, PROTECTION AND ENHANCEMENT OF THE PROPERTIES. (2) THE CONSERVATION OF TH COVENT GARDEN AREA AND ITS ARCHITECTURAL CHARACTER, ITS BUILDINGS AND FEATURES OF HISTORICAL OR ARCHITECTURAL INTEREST AND THE DEVELOPMENT OF ITS SPECIAL QUALITIES IN THE PUBLIC INTEREST INCLUDING THE PRESERVATION OF THE MIX OF RESIDENTIAL, BUSINESS AND OTHER USES WHICH CHARACTERISES THE AREA. FOR FURTHER DETAILS SEE CLAUSE 3 OF MEMORANDUM.

Activities: The Covent Garden Area Trust is a charity set up on the abolition of the Greater London Council. Its objects include the conservation of the Covent Garden Area, its architectural character, its buildings and features of historical or architectural interest. By virtue of its 150 year lease, it exercises powers over changes of use and alterations to key buildings known as "the Protected Lands".

Classification

- **How:** Other Charitable Activities
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** SEE OBJECTS
- Camden
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£193,385	£123,064	-	-
2024-03-31	£177,940	£129,172	-	-
2023-03-31	£152,590	£103,949	-	-
2022-03-31	£143,892	£87,428	-	-
2021-03-31	£122,714	£55,724	-	-

Trustees

Name	Role	Appointed
Andrew Christopher Caruso		2026-04-07
Christopher John Mason		2019-02-12
Elizabeth Ann Bax		2016-12-08
Faye Watson Davies		2021-04-07
JOANNA LOUISE CHAMBERS		2009-07-07
James Francis Patrick Monahan		2019-11-26
Jeannine Saba		2023-01-10
Mark Shearer		2019-02-12
Paul Velluet		2018-11-27
Peter James Scutt		2025-01-07
Stewart Carroll		2023-01-10
Terence Alban Sharrott		2025-01-07
Thomas Robert Campbell		2025-02-28

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England & Wales - Charity number 299874

Accounts

COMPANY REGISTRATION NUMBER: 02280893
CHARITY REGISTRATION NUMBER: 299874

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Financial Statements
31 March 2025

FERGUSON MAIDMENT & CO.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2025

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2025.

CHAIRMAN'S STATEMENT

Introduction

The Trust was set up after the abolition of the Greater London Council to oversee the conservation of and to manage change in the land the GLC had owned and transformed in the late 1970s. The remit includes care for the architecture, environment and special qualities of the heart of Covent Garden, and our purpose is to 'celebrate, conserve, and enhance the special character of Covent Garden'. The historic buildings and the public realm between them (collectively known as the 'Protected Lands') also fall within the Covent Garden Conservation Area. Managing all of the above can be complex when there are increasing commercial and social demands and in view of how the world has changed since the pandemic.

The 'Protected Lands' in the Trust's care include:

- Covent Garden's market building, built in 1830-31 to house London's fruit and vegetable market until it moved in 1974
- Bedford Chambers, the elegant, arcaded building north-west of the Piazza, which dates back to 1870
- the museum block, which houses the London Transport Museum and Russell Chambers
- 25-31 James Street.
- 7, 9 and 10 Floral Street
- Jubilee Hall.

Not surprisingly, the Trust also takes an interest in the areas that border the 'protected lands' and how local planning, highways and licensing standards are enforced there.

Although the underleases for each plot enable the Trust to fulfil its objectives to a degree, its powers are often inhibited by the conflicting views and commercial interests of the current freehold landlord, Shaftesbury Capital. This requires a degree of compromise and often leads to disappointment on both sides.

Local Planning Matters

CGAT is regularly consulted on local planning and Listed Building Consent applications and on projects that could potentially affect the area's heritage in some way, or negatively impact residents, businesses and visitors. A few examples are mentioned below.

Jubilee Sports Hall

The Jubilee Hall Trust has been attempting to surrender the lease in order to pay off accumulated debts and to reinvest in other enterprises. CGAT's covenant on the land parcel specifies that the upper part of the building is used as a community sports hall. The Trust is concerned that a new occupier might depart from this principle and is supporting efforts to maintain this important community asset.

As a result of efforts on the part of the Covent Garden Community Association (CGCA), the hall has been included on Westminster City Council's List of Assets of Community Value (ACV) under the Localism Act 2011 where it will remain until December 2029.

Former Saville Theatre

The former Saville Theatre (presently Odeon Shaftesbury Avenue) is a Grade II listed building on Shaftesbury Avenue that was built between 1930-1931 in a striking contemporary style. The building is proposed to be redeveloped behind retained facades, but locals and other admirers of the building's architecture are concerned that the reconstruction will cause serious harm to the listed building and that the proposed hotel block, which will protrude above the current elevation, will spoil its appearance and

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

setting. There are also concerns around the principal loss of cultural use once re-purposed as a hotel.

Local and national amenity organisations (including Historic England, SAVE Britain's Heritage, the Bloomsbury Association, and the CGCA) have been working together to try to prevent the scheme from going ahead, so far unsuccessfully, as planning permission has now been granted to the property developer. Unless an appeal is effective, demolition works will soon begin.

Various interested parties are considering the merits of a judicial review and will consider the likelihood of success as well as the further investment of time and money.

Westminster's Conservation Area Study & Management Plan

The Trust has not been able to obtain any progress updates from Westminster City Council on the Conservation Area Study in the last six months, or more. The Trust would like to integrate elements of the study in its own refreshed guidance.

Guinness at Old Brewers Yard (Diageo)

The project continues to make progress under the new oversight of Bennett Construction Ltd (Beck Interiors went into administration in 2024). The internal fit out of buildings on the Mercer Walk site is near completion, including internal décor, lighting and the installation of brewery equipment. Works to Shelton Street, Langley Street and Old Brewer's Yard are in the earlier stages whereas the fit out of the Neal Street site is now complete. Recent planning applications have been submitted for changes to building services, minor design features and public signage. The project end date has now been extended to the end of 2025.

The Other House (25-31 Wellington Street)

Structural works at the site are now complete and the project is moving into the next phase which will see the completion of the new façade, the installation of windows, and a continuation of works to the interior. Plant and lift installations are in progress. The most recent planning application was to rebuild the roof, to reconstruct the façade and to replace the windows. The project is expected to complete in later on this year.

The Trust's Focus

The main priorities at the moment are to update guidance and to better understand how the powers in the headlease can be put to best use for the protection of Covent Garden's character and heritage.

CGAT Guidance

In order to make consistently robust decisions that genuinely benefit and promote the 'Protected Lands', the Trust's current guidance documents, 'Caring for Covent Garden' and 'The Environmental Study' will be updated and merged into one conservation and management guide. It is hoped that the guidance will make it easier for tenants, prospective tenants, landlords and trustees to have relevant guiding principles and to work together for the good of Covent Garden. The updated guidance will also contain elements of the recent consultation document on alfresco dining, plus information on handling major incidents.

Jozef Gwizdala was recently appointed as a part-time Project Manager to oversee the guidance updates. Jozef has a background in business and studied Urban Design and City Planning for his postgraduate degree at UCL. He also works for the Seven Dials Trust. Jozef will work along with smaller groups of trustees to progress the work and will tap into their expertise in more specialist areas whenever needed.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Special Covent Garden Purposes

Closely linked to the updates to our guidance is our understanding of the terms of the CGAT headleases. The leases contain very specific wording and phrases that can be interpreted or understood in different ways. We have therefore been working with our legal advisors and trustees to reach a more definitive conclusion as to how phrases like "Special Covent Garden Purposes" should be understood, especially with relation to market building uses and the character of Covent Garden. Our conclusions will influence the guidance updates as well as our enforcement of the headlease.

Applications for Consent

We continue to receive expert advice from our Surveyor, Justine Morris, on proposed alterations, changes of use and other land and property management matters requiring the Trust's consent.

Applications (21 in total) were received in respect of the following Protected Lands properties during the year 1st April 2024 to 31st March 2025:

Date	Property	Application type
May 2024	Unit 22 the market building	Alterations
May 2024	Unit 5b the market building	Alterations
June 2024	London Transport Museum	Alterations
June 2024	Jubilee Hall	Alterations
June 2024	1a Tavistock Street	Alterations
August 2024	Units 4 & 37 the market building	Alterations
August 2024	Unit 13 the market building	Alterations
August 2024	Unit 3a the market building	Alterations
September 2024	Unit 3a the market building	Change of use
November 2024	Unit 20b the market building	Change of use
November 2024	Unit 5a the market building	Alterations
November 2024	South wells of the market building	Alterations
January 2025	Unit 34 the market building	Change of use
February 2025	Units 17 & 18 the market building	Change of use
February 2025	Units 17b & 18b the market building	Alterations
February 2025	Unit 35 the market building	Alterations
February 2025	Unit 6 the market building	Change of use
February 2025	Unit 19 the market building	Change of use
February 2025	Unit 34 the market building	Change of use
February 2025	Bedford Chambers, 1-7 The Piazza	Alterations
March 2025	11-12 Russell Street & 45 Wellington Street	Alterations

Trust Matters

Amendments to CGAT's Articles

In January, adjustments were made to the Trust's Articles of Association to allow for the use of modern technology at Trust meetings (such as Zoom and Microsoft Teams) and to allow trustees to serve one extra term (four instead of three, after a one-year break). Article 19 was amended to include the London Transport Museum in the list of local organisations that can nominate trustees to the board and to allow for greater flexibility when selecting such organisations in the future. All seven amendments were passed at an EGM held on the 7th of January 2025.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Policy Updates

The need for consistency and unity across the Trust has prompted a review of existing management policies and the creation of new ones where needed. A Behaviour & Values policy was adopted early in 2025, and our existing Investment and Reserves policies were both updated. An outdated Anti Bribery & Declaration of Interests policy has been refreshed and now includes a new Gifts & Hospitality policy and register. All policies are available to trustees via an online 'SharePoint' site.

Member Benefits

The Trust would like to offer members something in return for their support. Different options are currently being evaluated, and members will be canvassed to find out what they would find attractive.

Trust Finances

The Trust's finances are in a stable position. Ground rents for 2024-25 were in the region of £171k and income from applications around £38k. All funds not used for day-to-day operations are invested on the Flagstone CAF Charity platform. The platform provides good rates of interest on earnings and makes it simple to manage investments so that funds are available when needed. Each individual investment (up to £85,000) is protected by the Financial Services Compensation Scheme (FSCS).

The Trust's bank reserves are currently held in the following accounts:

Aldermore Easy Access savings account	£16,601
Aldermore 6 Month Fixed Rate savings account	£28,838
Lloyds Business account	£77,833
United Trust Bank charity deposit account	£80,000
Cambridge & Counties fixed rate bond	£75,000
Flagstone investment management account	£458,258

The combined income from bank interest for the year 2024-25 was £11,290 (interest in 2023-24 totalled £13,190). This decrease in interest earned throughout the year reflects the transfer of over £350k from bank accounts to the Flagstone investment platform.

The Trust's total income slightly increased compared to the previous year to £135,459 (2023-24: £129,149) reflecting a 4.66% increase in ground rent income. The increase in ground rent income was offset by decreases in income from applications for change of use and alterations. Overall expenditure has decreased slightly from the previous year to £123,054 (2023-24: £129,172) reflecting decreased rent as well as surveyor fees and service charges payable.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Our Thanks

The Trust continues to work collaboratively with the recently merged Shaftesbury Estate and Capital and Counties (now called Shaftesbury Capital) Westminster and Camden councils and ward councillors, the Seven Dials Trust, and the Covent Garden Community Association.

Thanks go to our dedicated trustees for their hard work and support, all of which is voluntary and unpaid. Also, to our members and volunteers for their continued support and interest in the Trust's work.

The Trust would not function without Alana Rhoden (the Trust's Administrator), Justine Morris (Surveyor at Blanchflower Lloyd Baxter) and Miriam Holland (the Trust's Heritage Consultant). Thanks also go to our legal advisors Farrer & Co and Keystone Law and to our auditors, Ferguson Maidment & Co for their guidance and advice.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Reference and administrative details

Registered charity name COVENT GARDEN AREA TRUST

Charity registration number 299874

Company registration number 02280893

Principal office and registered office 20 Bedford Street
Covent Garden
London
WC2E 9HP
United Kingdom

The trustees

Josephine Weir	(Resigned 26 November 2024)
Elizabeth Bax	
Joanna Chambers	
Peter Scutt	(Appointed 7 January 2025)
Terence Sharrott	(Appointed 7 January 2025)
Mark Shearer	
Paul Velluet	
Christopher Mason	
James Monahan	
Faye Davies	
Thomas Robert Campbell	(Appointed 28 February 2025)
Ella Lewis-Colloins	(Appointed 31 January 2025)
Anoma Radkevitch	(Resigned 28 April 2025)
Stewart Carroll	
Jeannine Saba	

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Year ended 31 March 2025

Trust Administrator	Alana Rhoden
Auditor	Ferguson Maidment & Co. Chartered accountants & statutory auditor 167 Fleet Street London EC4A 2EA
Bankers	Aldemore Bank 1st Floor Block B Western House Lynch Wood Peterborough PE2 6FZ Lloyds Banking Group Fourth Floor 25 Gresham Street London EC2V 7HN

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Structure, governance and management

Covent Garden Area Trust is a registered charity with the Charity Commission under the Charities Act 2011.

a) Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by Memorandum and Articles of Association dated 13 August 1988.

b) Appointment of Trustees

The appointment of new and additional Trustees rests with the existing Trustees, confirmed by members at the AGM.

c) Policies adopted for the induction and training Trustees

Every Trustee is provided with relevant Charity Commission leaflets and literature. There is no formal induction process, but a prospective trustee will be invited to attend a trustees' meeting to discuss the nature of the Foundation and the responsibilities of Trustees.

d) Organisational structure and decision making

The Trustees meet regularly to manage the affairs of the Trust. Day to day management is delegated to the Administrator who reports to the Chairman in terms of his or her role as an employee of the Trust.

e) Risk Management

The Trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

The principal activities of the charity are the conservation of the Covent Garden area and its architectural character and the development of its special qualities in the public interest, including the preservation of its mix of residential, business and other uses which characterise the area. Its objects are also the protection, maintenance, enhancement and promotion of the Covent Garden Protected Lands and their popularity and reputation as an attractive area providing high quality shopping and catering facilities together with other appropriate quality uses from time to time.

The board of Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on the public benefit of the charity.

Achievements and performance

A full report of the charity's achievements and performance during the year is provided in the Chairman's statement on pages 1 to 6.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

Financial review

A financial review of the charity is provided in the Chairman's statement on pages 1 to 6.

Reserves and reserves policy

A full review of the reserves and reserves policies are shown in the Chairman's Statement on pages 1 to 6.

Plans for future periods

A full review of the plans for future periods is contained within the Chairman's statement on pages 1 to 6.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 7th October 2025 and signed on behalf of the board of trustees by:



Christopher Mason
Chair

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Responsibilities Statement

Year ended 31 March 2025

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST

Year ended 31 March 2025

Opinion

We have audited the financial statements of COVENT GARDEN AREA TRUST (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2025

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

COVENT GARDEN AREA TRUST

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Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2025

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

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 extent to which the audit was considered capable of detecting irregularities including fraud

We obtained an understanding of the legal and regulatory frameworks within which the Covent Garden Area Trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and inappropriate revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2025

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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Paul Manalo FCA (Senior Statutory Auditor)

For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

167 Fleet Street
London
EC4A 2EA

7th October 2025

COVENT GARDEN AREA TRUST

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Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2025

		2025		2024
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
Income and endowments				
Charitable activities	5	176,748	176,748	162,597
Investment income	6	5,347	5,347	2,153
Other income	7	11,290	11,290	13,190
Total income		<u>193,385</u>	<u>193,385</u>	<u>177,940</u>
Expenditure				
Expenditure on charitable activities	8,9	123,186	123,186	129,172
Other expenditure	11	(122)	(122)	—
Total expenditure		<u>123,064</u>	<u>123,064</u>	<u>129,172</u>
Net income and net movement in funds		<u>70,321</u>	<u>70,321</u>	<u>48,768</u>
Reconciliation of funds				
Total funds brought forward		563,458	563,458	514,690
Total funds carried forward		<u>633,779</u>	<u>633,779</u>	<u>563,458</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

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Statement of Financial Position

31 March 2025

	Note	2025 £	£	2024 £
Fixed assets				
Tangible fixed assets	16		12,925	10,971
Current assets				
Debtors	17	44,012		41,226
Investments	18	–		25,268
Cash at bank and in hand		615,957		525,389
		<u>659,969</u>		<u>591,883</u>
Creditors: amounts falling due within one year	19	<u>39,115</u>		<u>39,396</u>
Net current assets			<u>620,854</u>	<u>552,487</u>
Total assets less current liabilities			<u>633,779</u>	<u>563,458</u>
Net assets			<u>633,779</u>	<u>563,458</u>
Funds of the charity				
Unrestricted funds			<u>633,779</u>	<u>563,458</u>
Total charity funds	22		<u>633,779</u>	<u>563,458</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 7th October 2025, and are signed on behalf of the board by:



Christopher Mason
Trustee

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2025

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 20 Bedford Street, Covent Garden, London, WC2E 9HP, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from charitable activities is recognised when earned.
- income from other sources is recognised when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture & Equipment	- 25% reducing balance
-----------------------	------------------------

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Covent Garden Area Trust is a charitable company limited by guarantee and registered in England & Wales, and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

5. Charitable activities

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Rent receivable	135,460	135,460	129,149	129,149
Administration fees - applications by tenants	41,288	41,288	33,448	33,448
	<u>176,748</u>	<u>176,748</u>	<u>162,597</u>	<u>162,597</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Income from listed investments	5,347	5,347	2,153	2,153

7. Other income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Bank and building society interest	11,290	11,290	13,190	13,190

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Direct costs	8,853	8,853	19,130	19,130
Support costs	114,333	114,333	110,042	110,042
	<u>123,186</u>	<u>123,186</u>	<u>129,172</u>	<u>129,172</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2025 £	Total fund 2024 £
Direct costs	8,853	74,204	83,057	106,608
Governance costs	—	40,129	40,129	22,564
	<u>8,853</u>	<u>114,333</u>	<u>123,186</u>	<u>129,172</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

10. Analysis of support costs

	Analysis of support costs £	Total 2025 £	Total 2024 £
Staff costs	28,499	28,499	28,538
Premises	32,925	32,925	39,372
Communications and IT	3,011	3,011	1,769
General office	9,630	9,630	17,797
Governance costs	40,128	40,128	22,566
	<u>114,193</u>	<u>114,193</u>	<u>110,042</u>

11. Other expenditure

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Gain/Loss on disposal of investments held for charity's own use	(122)	(122)	—	—

12. Net income

Net income is stated after charging/(crediting):

	2025 £	2024 £
Depreciation of tangible fixed assets	1,787	1,137
Gains on disposal of tangible fixed assets	(122)	—

13. Auditors remuneration

	2025 £	2024 £
Fees payable for the audit of the financial statements	3,650	3,650

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025 £	2024 £
Wages and salaries	27,456	27,456
Employer contributions to pension plans	1,043	1,082
	<u>28,499</u>	<u>28,538</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

14. Staff costs *(continued)*

The average head count of employees during the year was 1 (2024: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

15. Trustee remuneration and expenses

During the year, no remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2024 - Nil). No members of the Board of Trustees received reimbursement of expenses (2024 - Nil).

16. Tangible fixed assets

	Fixtures and fittings £	Library collection £	Total £
Cost			
At 1 April 2024	32,511	7,562	40,073
Additions	<u>3,741</u>	<u>—</u>	<u>3,741</u>
At 31 March 2025	<u>36,252</u>	<u>7,562</u>	<u>43,814</u>
Depreciation			
At 1 April 2024	29,102	—	29,102
Charge for the year	<u>1,787</u>	<u>—</u>	<u>1,787</u>
At 31 March 2025	<u>30,889</u>	<u>—</u>	<u>30,889</u>
Carrying amount			
At 31 March 2025	<u>5,363</u>	<u>7,562</u>	<u>12,925</u>
At 31 March 2024	<u>3,409</u>	<u>7,562</u>	<u>10,971</u>

The Library Collection's value is reviewed annually. In the opinion of the trustees, its current value exceeds its book value and, in order to present a true and fair view, no depreciation is provided for.

17. Debtors

	2025	2024
	£	£
Trade debtors	22,065	18,162
Prepayments and accrued income	13,311	13,831
Other debtors	<u>8,636</u>	<u>9,233</u>
	<u>44,012</u>	<u>41,226</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

18. Investments

	2025	2024
	£	£
Current asset investment	—	25,268

19. Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals and deferred income	3,650	3,650
Social security and other taxes	1,038	1,115
Deferred income	34,111	33,128
Other creditors	316	1,503
	<u>39,115</u>	<u>39,396</u>

20. Deferred income

Deferred Income relates to rent receivable in advance that spreads across two accounting periods.

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,043 (2024: £1,082).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2024	Income	Expenditure	At 31 March 2025
	£	£	£	£
General funds	<u>563,458</u>	<u>193,385</u>	<u>(123,064)</u>	<u>633,779</u>

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
General funds	<u>514,690</u>	<u>177,940</u>	<u>(129,172)</u>	<u>563,458</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

23. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2025 £
Tangible fixed assets	12,924	12,924
Current assets	659,970	659,970
Creditors less than 1 year	(39,115)	(39,115)
Net assets	633,779	633,779

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	10,972	10,972
Current assets	591,884	591,884
Creditors less than 1 year	(39,398)	(39,398)
Net assets	563,458	563,458

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Not later than 1 year	26,500	26,500
Later than 1 year and not later than 5 years	39,750	66,250
	66,250	92,750

25. Related parties

No related party transactions have been entered into during the year that need to be disclosed under FRS 102.

COVENT GARDEN AREA TRUST

England & Wales - Charity number 299874

Accounts

COMPANY REGISTRATION NUMBER: 02280893
CHARITY REGISTRATION NUMBER: 299874

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Financial Statements
31 March 2024

FERGUSON MAIDMENT & CO.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

CHAIRMAN'S STATEMENT

Introduction

The mission of the Covent Garden Area Trust (CGAT) is, in part, to 'celebrate, conserve, and enhance the special character of Covent Garden'. The Trust is head lessee for the 'protected lands' which are comprised of historic buildings and the public realm between them within the central part of the Covent Garden Conservation Area and include:

- Covent Garden's market building, built in 1830-31 to house London's main fruit and vegetable market;
- Bedford Chambers, the elegant, arcaded building north-west of the Piazza, which dates back to 1870;
- the museum block, which houses the London Transport Museum and Russell Chambers;
- 25-31 James Street, and
- 7, 9 and 10 Floral Street
- Jubilee Hall.

The corresponding underlease for each of the above plots of land (held for a term of 150 years less 1 day from 24th June 1988) empowers the Trust to fulfil its objective to conserve and protect the aforementioned buildings as well as the character of the area. The Trust also takes an interest in the areas immediately adjacent to central Covent Garden and in the application and promotion of high planning standards locally, with particular focus on the approaches to the Protected Lands.

All of the buildings within the 'protected lands' now in the freehold ownership of the recently merged Shaftesbury estate with those of the former Capital and Counties, now known together as Shaftesbury Capital. The recent transfer of the James Street and Floral Street properties from Lothbury to Shaftesbury Capital means the Trust now only deals with one freeholder and also that they are the only tenant in the four separate lots or parcels.

Relationship with Shaftesbury Capital & Post Covid Re-set

The Trust's relationship with Shaftesbury Capital over the last year has not been easy as they make efforts to recover financial losses incurred during the pandemic and maximise outside areas used for catering. The Trust continues to contain changes that, in the long term, are deemed to be damaging to the setting of the Central Market building (in particular) or to the character and special nature of the Covent Garden Piazza as an open space. This has at times, caused some tension between the two organisations and has moved the Trust to seek legal advice regarding the powers granted to it by the head leases and covenants on the Jubilee Hall and market.

CGAT's view is that the treatment of the setts around the market building and the coverage of the piazza with ancillary equipment should now revert to what was agreed and implemented for 10 or more years before the pandemic, i.e., small tables and chairs that do not detract from the setting of the central market building with umbrellas that can be collapsed and equipment that can be put away at night, thereby keeping the piazza as clear of clutter as possible and complying with all covenants in the lease. The Trust feels that the spread of tables and chairs and additional screens and planters was temporarily tolerable to allow spaced out dining in 2020/21 but is, in the long term, excessive as it damages the

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

character of the place. As covid provisions lapse, the Trust is of the view that those temporary gains should be reversed to the arrangement agreed in 2009 which respected all terms of the lease.

Local Planning Matters

While there have been no new significant local planning projects in the last year, we continue to be consulted on various ongoing projects and issues that affect the infrastructure or impact on residents, businesses and tourists.

Alfresco Dining and installations on the Piazza

The extended outside eating areas arguably impede access onto and around the piazza and spoil the setting of the grade II* listed building. We have therefore been working with Shaftesbury Capital to reduce the amount of clutter on the piazza, to increase the amount of open, public space and to make sure that the area is safe for all to enter and to leave, including in the event of an emergency, should that be necessary. We also encourage high quality equipment for temporary events or marketing promotions which is in keeping with the Trust's responsibilities for protecting and enhancing a unique heritage asset.

Conservation Area Audit for Covent Garden

The local area audit for Covent Garden is now in progress and is being led by Stephen Levrant Heritage Architecture, in collaboration with Westminster City Council. CGAT met with the consultants to discuss what should ideally be included in the audit and was also able to comment further via the consultation website. The Trust also had the opportunity to assist with the development of the Public Realm Framework adopted by the City Council in February 2022 with a learned analysis of the area and an ongoing set of recommendations for the appropriate management of this most unusual urban composition that is in the Trust's care

Old Brewers Yard – Diageo

Work to create the 'Guinness experience' in the heart of Covent Garden is well underway. Trustees are keeping a close eye on developments with the intention of managing any undesirable elements early on. The summer period saw the start of the internal fit out, including the installation of new brewery equipment. Although the target date for completion of this project is October 2024, we expect that to change and were recently informed that the construction company hired to complete the build, Beck Interiors, has gone into administration.

The Other House (Wellington Block)

We receive regular updates on the progress of the Wellington Block project via a project newsletter and have received positive feedback on the noise levels and on the amount of consultation with local residents and businesses. The Trust is also regularly invited to community liaison meetings with the developer. The estimated end date for the project is August 2025.

Save Museum Street

As the project has now been given the go-ahead by Camden council and various other governing bodies, the Museum Street Community Liaison Group (MSCLG) has been formed to manage the impact of the work and to safeguard the community's interests through collaboration and cooperation with the developer, Simten. A contractor for the work has not yet been appointed.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

Historic Gas lamps

CGAT recently supported the listing of a number of heritage gas lamps in the area. As supporters of the Covent Garden Lighting Partnership, we feel that care should be taken to retain historic features in the area, including the original gas lamps which date back to the 1880s and include historic details such as columns and brackets which are not easy to replicate and help to promote and maintain Covent Garden's special character. The maintenance of original items, adapted if necessary, is a preferred conservation measure to some proposals to create quasi replica units with an approximate appearance to the historic equipment.

Our Focus

This year, the Trust's focus has been the promotion of Covent Garden as a high-quality tourist, shopping and dining destination, clearing the piazza of excessive clutter and pressing the tenants to ensure that any installations, pop-ups, or exhibitions are high quality and in keeping with the area's reputation as a major London icon. We will continue to pressure the tenant to eradicate sub tenants that sell goods that are not high quality or do not have the mark of artisan craftspeople.

CGAT Legal Position

We are in the process of verifying our legal powers and the detailed interpretation of the terms of the CGAT headleases to ensure that we remain within our powers and capacity to reasonably object to any undesirable changes, uses or additions to the market building or to the piazza and (as we believe) its listed setts and barrow ramps.

Applications for Consent

We continue to receive expert advice from our Surveyor, Justine Morris, on proposed alterations, changes of use and other land and property management matters requiring the Trust's consent.

Applications were received in respect of the following Protected Lands properties during the year 1st April 2023 to 31st March 2024:

Date	Property	Application type
April 2023	Unit 10 the market building	Change of use
May 2023	Unit 22 the market building	Change of use
June 2023	Unit 10 the market building	Alterations
June 2023	Unit 8 the market building	Change of use
July 2023	Unit 11 the market building	Alterations
July 2023	Units 1 & 38 the market building	Change of use
August 2023	Bedford Chambers	Alterations
September 2023	Unit 8 the market building	Alterations
September 2023	Unit 22 the market building	Change of use
October 2023	London Transport Museum	Alterations
October 2023	Market building festoon lighting	Alterations
December 2023	Unit 4 the market building	Change of use
January 2024	Units 1 & 38 the market building	Alterations
January 2024	Unit 5a the market building	Change of use
January 2024	Unit 40 the market building	Alterations
February 2024	Units 25, 26, 48 & 49 the market building	Alterations
February 2024	Unit 4 the market building	Alterations
March 2024	Unit 4 the market building	Alterations

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

Trust Matters

Updating CGAT's Guidance

We continue the work to update our 2004 guidance 'Caring for Covent Garden – A Conservation & Management approach' which includes the Trust's preferred approach to alfresco dining arrangements, sustainability, emergency access, and the long-term strategy for maintaining the special character of the market building and the piazza. Producing guidance that is useful and that meets the needs of both tenant and landlord has been more complicated and time-consuming than we initially anticipated. We recently consulted with local stakeholders on a draft approach to alfresco dining and will soon hold workshops and consult with them on the look and feel of Covent Garden and what could evolve to change things that have not worked as well as expected. The Trust was set up with two areas of responsibility, the first to conserve the historic asset yet also be sympathetic to business needs and the promotion of the place as a high-quality shopping area. Resolving the potential conflict between these responsibilities is best done through discussion and collaboration, where appropriate.

Trustee Retention & Recruitment

In the last year CGAT has experienced a few trustee losses for a number of reasons. At present, we still have our core trustees but would like to encourage more with an interest in the area and in conservation to join us. With that in mind we plan to make some changes to our articles in order to be able to invite staff members from the London Transport Museum to join CGAT as nominated trustees. We also plan to change our Articles so that elected trustees with valued knowledge and experience are not forced to retire after a limited term.

Subgroup Changes

The Planning subgroup is now the Protected Lands Working Group; the adjustment in name and remit allows the group's members to better cover CGAT's full area of responsibility. The terms of reference were amended to reflect the changes and the changes were agreed at a regular Trust meeting.

CGAT Chair

Chris Mason took up the post of Chair at the last AGM (5th December 2023) having previously served as Vice Chair and Joanna Chambers and Peter Scutt have both ably supported and assisted Chris as joint Vice Chairs.

Rent Ceremony

This year's Rent Ceremony was both successful and very enjoyable, thanks in large part to the support of a number of new faces, as well as our loyal long-time members and supporters. We also had a fantastic brass band (shout out to Brass Squad!) who were perfect for the occasion. Thanks to Nick and Omid, our local street performers, and a massive thank you to Alan, our inimitable Town Crier. Thanks also to Shaftesbury Capital for their continued support of this annual event. We couldn't deliver our "peppercorn rents" without you.

Changes to the CGAT Logo

After much deliberation and discussion over concepts, our mission, and what we stand for, the Trust settled on a simple line drawing of the market building as the new logo and has rolled out several applications which can be used in different ways.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Trust Finances

The Trust collected ground rents for 2023-24 totalling around £129k and income from applications of around £34k. Surplus funds continue to be wisely invested and protected via the Flagstone CAF Charity investment platform which protects individual investments of £85k or less under the FSCS. The platform works well for the Trust and allows us to maximise our earnings and to make sure that they are safeguarded and available should we ever need to seek legal counsel, arbitration or initiate court proceedings over proposals that are harmful to the protected lands or damaging to the reputation and character of Covent Garden.

The Trust's bank reserves are currently held in the following accounts:

Aldermore Easy Access savings account	£57,527
Aldermore 6 Month Fixed Rate savings account	£27,803
Lloyds Treasurers Business account	£90,627
United Trust Bank charity deposit account	£80,000
Cambridge & Counties fixed rate bond	£75,000
Flagstone investment management account	£341,701

The combined income from bank interest for the year 2023-24 was £13,190 (interest in 2022-23 totalled £1,791).

The Trust's investment of £25,000 in undated preference shares with Canaccord Genuity Wealth Management was terminated on 30 June with a value of £25,268.

Trust finances and reserves

The Trust's total income increased compared to the previous year to £177,940 (2022-23: £152,592) reflecting an 11% increase in ground rent income. Overall expenditure has increased significantly from the previous year to £129,172 (2022-23: £103,949) reflecting increased rental and service charge costs from the new office premises.

Reserves

The current level of reserves held by the Trust at the end of this financial year is £583,516 (this figure is made up of sums that are currently invested or held in savings accounts or bonds as at October 2024).

The Trust has an essential need to maintain reserves which are above average but appropriate. At present, its income (which derives principally from its ground rents) is approximately £200,000 per annum and an optimum level of capital reserves approximating to three month's working costs (approximately £40,000) is considered appropriate for the following reasons:

(1) The Trust's principal remit involves control over the freeholders of the buildings included in its lease in respect of alterations and changes of use. The Trust has the right to refuse consent where it deems appropriate in order to fulfil its function responsibly. By nature of this very function, the Trust is frequently obliged to make judgements of a subjective nature which may be challenged and, if taken to arbitration by the freeholders, render it liable to a high level of legal costs against which there is no reasonably priced indemnity insurance available on the market.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Reserves *(continued)*

To date, the Trust has only been taken to arbitration once and won its case. Had it lost, its own costs alone would have been of the order of £156,000. This would have seriously affected the Trust's liquidity.

(2) Sufficient reserves must be held to allow for the winding up of the Trust, the discharge of its debts, and its obligations to its employee(s).

The Trust will undertake an annual review of its reserves policy.

Our thanks to:

We continue to work collaboratively with the recently formed Shaftesbury Capital, Westminster and Camden councils and ward councillors, the Seven Dials Trust, and the Covent Garden Community Association. As mentioned earlier, we have also had the opportunity to support the Bloomsbury Association ('Save Museum Street') and interact positively with the developers of the Wellington Block, the Guinness Experience and 90 Long Acre projects.

Thanks to our dedicated trustees for their hard work and support, all of which is voluntary and unpaid. Also, to our members and volunteers for their continued support and interest in the Trust's work.

Thanks to Alana Rhoden (the Trust's Administrator), Justine Morris (Surveyor at Blanchflower Lloyd Baxter) and to Miriam Holland (our Heritage Consultant), for their hard work, advice, and support.

Thanks too to our lawyers, Farrer & Co and to our auditors, Ferguson Maidment & Co for their expertise and advice.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Reference and administrative details

Registered charity name COVENT GARDEN AREA TRUST

Charity registration number 299874

Company registration number 02280893

Principal office and registered office 20 Bedford Street
Covent Garden
London
WC2E 9HP
United Kingdom

The trustees	Chris Mason	Chair (Co-opted in January 2019)
	Peter Scutt	(Vice Chair)
	Elizabeth Bax	(Elected)
	Faye Davies	(Nominated by RIBA)
	Joanna Chambers	(Vice Chair Nominated by RTPi)
	Sue Carvell	(Nominated by ROH 7th October 2022)
	Mark Shearer	(Nominated by Westminster City Council)
	Terry St.Clair	(Elected at AGM 27th November 2018)
	Paul Velluet	(Elected 4th July 2018)
	Josephine Weir	(Nominated by CGCA)
	Jim Monahan	(Elected at AGM 27th November 2019)
	Anoma Radkevitch	(Elected at AGM 10th January 2023)
	Jeannine Saba	(Elected at AGM 10th January 2023)
	Stewart Carroll	(Elected at AGM 10th January 2023)

Trust administrator Alana Rhoden

Auditor Ferguson Maidment & Co.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

Bankers Aldemore Bank
1st Floor
Block B Western House
Lynch Wood
Peterborough
PE2 6FZ

Lloyds Banking Group
Fourth Floor
25 Gresham Street
London
EC2V 7HN

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Structure, governance and management

Covent Garden Area Trust is a registered charity with the Charity Commission under the Charities Act 2011.

a) Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by Memorandum and Articles of Association dated 13 August 1988.

b) Appointment of Trustees

The appointment of new and additional Trustees rests with the existing Trustees, confirmed by members at the AGM.

c) Policies adopted for the induction and training Trustees

Every Trustee is provided with relevant Charity Commission leaflets and literature. There is no formal induction process, but a prospective trustee will be invited to attend a trustees' meeting to discuss the nature of the Foundation and the responsibilities of Trustees.

d) Organisational structure and decision making

The Trustees meet regularly to manage the affairs of the Trust. Day to day management is delegated to the Administrator who reports to the Chairman in terms of his or her role as an employee of the Trust.

e) Risk Management

The Trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

The principal activities of the charity are the conservation of the Covent Garden area and its architectural character and the development of its special qualities in the public interest, including the preservation of its mix of residential, business and other uses which characterise the area. Its objects are also the protection, maintenance, enhancement and promotion of the Covent Garden Protected Lands and their popularity and reputation as an attractive area providing high quality shopping and catering facilities together with other appropriate quality uses from time to time.

The board of Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on the public benefit of the charity.

Achievements and performance

A full report of the charity's achievements and performance during the year is provided in the Chairman's statement on pages 1 to 5.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Financial review

A financial review of the charity is provided in the Chairman's statement on pages 1 to 5.

Reserves and reserves policy

A full review of the reserves and reserves policies are shown in the Chairman's Statement on pages 1 to 6.

Plans for future periods

A full review of the plans for future periods is contained within the Chairman's statement on pages 1 to 5.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and

they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report for 2023-24 was approved on 5th November 2024 and signed on behalf of the board of trustees by:



Christopher Mason
Chair

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Responsibilities Statement

Year ended 31 March 2024

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST

Year ended 31 March 2024

Opinion

We have audited the financial statements of COVENT GARDEN AREA TRUST (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2024

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

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 extent to which the audit was considered capable of detecting irregularities including fraud

We obtained an understanding of the legal and regulatory frameworks within which the Covent Garden Area Trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and inappropriate revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2024

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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Paul Manalo FCA (Senior Statutory Auditor)

For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

		2024		2023
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Charitable activities	5	162,597	162,597	149,897
Investment income	6	2,153	2,153	902
Other income	7	13,190	13,190	1,791
Total income		<u>177,940</u>	<u>177,940</u>	<u>152,590</u>
Expenditure				
Expenditure on charitable activities	8,9	129,172	129,172	103,949
Total expenditure		<u>129,172</u>	<u>129,172</u>	<u>103,949</u>
Net income and net movement in funds		<u>48,768</u>	<u>48,768</u>	<u>48,641</u>
Reconciliation of funds				
Total funds brought forward		514,690	514,690	466,049
Total funds carried forward		<u>563,458</u>	<u>563,458</u>	<u>514,690</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Position

31 March 2024

	Note	2024 £	£	2023 £
Fixed assets				
Tangible fixed assets	15		10,971	12,108
Current assets				
Debtors	16	41,226		30,676
Investments	17	25,268		23,785
Cash at bank and in hand		525,389		482,636
		<u>591,883</u>		<u>537,097</u>
Creditors: amounts falling due within one year	18	<u>39,396</u>		<u>34,515</u>
Net current assets			<u>552,487</u>	<u>502,582</u>
Total assets less current liabilities			<u>563,458</u>	<u>514,690</u>
Net assets			<u>563,458</u>	<u>514,690</u>
Funds of the charity				
Unrestricted funds			<u>563,458</u>	<u>514,690</u>
Total charity funds	21		<u>563,458</u>	<u>514,690</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 5th November 2024 and are signed on behalf of the board by:



Christopher Mason
Chair

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 20 Bedford Street, Covent Garden, London, WC2E 9HP, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from charitable activities is recognised when earned.
- income from other sources is recognised when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture & Equipment	- 25% reducing balance
-----------------------	------------------------

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Covent Garden Area Trust is a charitable company limited by guarantee and registered in England & Wales, and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

5. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Rent receivable	129,149	129,149	115,925	115,925
Administration fees - applications by tenants	33,448	33,448	33,972	33,972
	<u>162,597</u>	<u>162,597</u>	<u>149,897</u>	<u>149,897</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Income from listed investments	2,153	2,153	902	902

7. Other income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank and building society interest	13,190	13,190	1,791	1,791

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Direct costs	19,130	19,130	20,100	20,100
Support costs	110,042	110,042	83,849	83,849
	<u>129,172</u>	<u>129,172</u>	<u>103,949</u>	<u>103,949</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Direct costs	19,130	87,478	106,608	78,566
Governance costs	—	22,564	22,564	25,383
	<u>19,130</u>	<u>110,042</u>	<u>129,172</u>	<u>103,949</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

10. Analysis of support costs

	Analysis of support costs £	Total 2024 £	Total 2023 £
Staff costs	28,538	28,538	26,744
Premises	39,372	39,372	13,022
Communications and IT	1,769	1,769	1,790
General office	17,797	17,797	16,910
Governance costs	22,566	22,566	25,383
	<u>110,042</u>	<u>110,042</u>	<u>83,849</u>

11. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>1,137</u>	<u>1,515</u>

12. Auditors remuneration

	2024 £	2023 £
Fees payable for the audit of the financial statements	<u>3,650</u>	<u>2,880</u>

13. Staff costs

The average head count of employees during the year was 1 (2023: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

14. Trustee remuneration and expenses

During the year, no remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2023 - Nil). No members of the Board of Trustees received reimbursement of expenses (2023 - Nil).

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

15. Tangible fixed assets

	Fixtures and fittings £	Library collection £	Total £
Cost			
At 1 April 2023 and 31 March 2024	<u>32,511</u>	<u>7,562</u>	<u>40,073</u>
Depreciation			
At 1 April 2023	27,965	–	27,965
Charge for the year	<u>1,137</u>	<u>–</u>	<u>1,137</u>
At 31 March 2024	<u>29,102</u>	<u>–</u>	<u>29,102</u>
Carrying amount			
At 31 March 2024	<u>3,409</u>	<u>7,562</u>	<u>10,971</u>
At 31 March 2023	<u>4,546</u>	<u>7,562</u>	<u>12,108</u>

The Library Collection's value is reviewed annually. In the opinion of the trustees, its current value exceeds its book value and, in order to present a true and fair view, no depreciation is provided for.

16. Debtors

	2024 £	2023 £
Trade debtors	18,162	11,092
Prepayments and accrued income	13,831	9,712
Other debtors	9,233	9,872
	<u>41,226</u>	<u>30,676</u>

17. Investments

	2024 £	2023 £
Current asset investment	<u>25,268</u>	<u>23,785</u>

18. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	3,650	2,850
Social security and other taxes	1,115	1,183
Deferred income	33,128	29,757
Other creditors	1,503	725
	<u>39,396</u>	<u>34,515</u>

19. Deferred income

Deferred Income relates to rent receivable in advance that spreads across two accounting periods.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,082 (2023: £976).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
General funds	<u>514,690</u>	<u>177,940</u>	<u>(129,172)</u>	<u>563,458</u>

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
General funds	<u>466,049</u>	<u>152,590</u>	<u>(103,949)</u>	<u>514,690</u>

22. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	10,972	10,972
Current assets	591,884	591,884
Creditors less than 1 year	(39,398)	(39,398)
Net assets	<u>563,458</u>	<u>563,458</u>

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	12,108	12,108
Current assets	537,098	537,098
Creditors less than 1 year	(34,516)	(34,516)
Net assets	<u>514,690</u>	<u>514,690</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Not later than 1 year	26,500	18,744
Later than 1 year and not later than 5 years	66,250	90,969
	<u>92,750</u>	<u>109,713</u>

24. Related parties

No related party transactions have been entered into during the year that need to be disclosed under FRS 102.

COVENT GARDEN AREA TRUST

England & Wales - Charity number 299874

Accounts

COMPANY REGISTRATION NUMBER: 02280893
CHARITY REGISTRATION NUMBER: 299874

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Financial Statements
31 March 2023

FERGUSON MAIDMENT & CO.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

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Statement of financial activities (including income and expenditure account)	15
Statement of financial position	16
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COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

CHAIRMAN'S STATEMENT

Introduction

The mission of the Covent Garden Area Trust (CGAT) is, in part, to 'celebrate, conserve, and enhance the special character of Covent Garden'. The Trust is legally responsible for the 'protected lands' which are comprised of historic buildings and streets within the Covent Garden Conservation Area and include:

- Covent Garden's market building, built in 1831 to house London's main fruit and vegetable market;
- Bedford Chambers, the elegant, arcaded building north-west of the Piazza, which dates back to 1870;
- the museum block, which currently houses the London Transport Museum and Russell Chambers;
- 25-31 James Street, and
- 7,9 and 10 Floral Street.

The corresponding underlease for each of the above plots of land (held for a term of 150 years less 1 day from 24th June 1988) gives the Trust powers which enable it to fulfil its objective to conserve and protect the buildings and character of the area. The Trust is also responsible for the promotion of high standards of planning in the area.

Freeholders - Capco Merger

One major change this year has been the merger between Capco Covent Garden and Shaftesbury Plc (now Shaftesbury Capital). The long-term effects of this merger have yet to be seen, however the Trust is hoping for a more holistic approach to the management of the wider area now within their ownership and will be working with the organisation to ensure that a strategy is developed for that purpose.

Covid Recovery

Although most of central London is still in recovery following the Covid pandemic, there has been a huge resurgence in the number of tourists and visitors to Covent Garden which has had a positive effect on local businesses. Of concern though is the retention of the outside tables & chairs on closed streets and the piazza itself. With the relaxation of rules and guidelines to assist in business recovery, we must continue to guard against "temporary" consents becoming permanent.

Local Planning Decisions & Their Impact

We continue to receive the expert help and advice of our planning and heritage consultant, Miriam Holland, which has enabled us to comment effectively on some important planning applications that have arisen in the course of the year.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Old Brewers Yard – Diageo

Consumer Product company, Diageo, has been granted an application to convert the Old Brewer's Yard on Shelton Street into a Guinness themed brewery attraction with restaurants, outdoor seating areas, and major re-configuration of many of the outbuildings. Although CGAT sought legal advice regarding this application and voiced a number of concerns regarding different elements of the scheme (including the height of the roof extension and the modernist glazed canopy) with both the developer and the local council, it has now been given permission. We will continue to work as closely as possible with the developer to ensure as suitable and sensitive an outcome in heritage terms, but also for local residents and other businesses.

German Bierkeller

Directly opposite the Old Brewer's Yard complex at 50 Earlham Street, German Bierkeller has been granted permission to turn the premises into a Bavarian Beer house and restaurant. Whilst the Trust has no objections to the overall idea and the relatively minor plans for refurbishment, its placement next to what will be another large drinking establishment, raises major concerns around anti-social behaviour and disturbance to local residents. We are currently working with Camden and Westminster councils and the CGCA to try to ensure that plans are in place to manage these negative outcomes.

Sushi Samba & NaNa

Both of these businesses (located on the NE and the SE corners of the piazza) have been allowed a period of recovery following the Covid pandemic, which includes an enlarged external demise, oversized parasols, and glazed barriers. Neither the size of the demises or the equipment is in keeping with any recommended alfresco dining guides shared with CGAT (including our own) and not only obstructs the view of the market building but, equally importantly, could impede emergency access. Both planning applications will run until March 2024 at which time we hope to have agreed a more suitable way forward with both the landlord and Westminster council.

Save Museum Street

Following months of campaigning against proposals to demolish a number of buildings in the Bloomsbury conservation area, the Save Museum Street campaign successfully launched an alternative scheme that is more sympathetic and harmonious with its surroundings. The original plan was to demolish Selkirk House on Museum Street and replace it with a 74m high tower block with capacity for 1,700 office workers and 44 homes but following the successful Grade II listing of some of the nearby buildings, campaigners are hopeful that the developers will seriously consider not just the heritage of the area, but also the impacts of demolishing buildings on our climate. We wait to see how much of this alternative scheme is eventually incorporated into the developers' plans.

Updating CGAT's Guidance

In order to balance the pressing need for business recovery and growth and its potential impact on the residential community, with the preservation of Covent Garden's character and heritage, the Trust has undertaken to update its guidance 'Caring for Covent Garden – A Conservation & Management approach'. The refreshed guidance will include the Trust's preferred approach to alfresco dining arrangements, sustainability, emergency access, and the long-term strategy for maintaining the special character of the market building and the piazza. We are working with Shaftesbury Capital to make sure that the guidance supports their aims as much as it can and is a useful and practical document. We hope to be able to make the updated guidance available by the end of 2023.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Our Focus in 2022 - 23

Our objectives for this last year have been very much influenced by changing circumstances. This has meant finding new ways to fulfil our commission under ever more challenging circumstances. Our continuing objectives include:

- Clearly establish and understand our powers and use them effectively
- Look into ways to expand our remit and to promote the Trust's work
- Review and update our Articles of Association in line with the above
- Refresh our Caring for Covent Garden guidance
- Find ways to improve our engagement and collaboration with stakeholders, members, and the wider community
- Complete the office move

Reserves

The current level of reserves held by the Trust at the end of this financial year is £253,135. (figure comprises both Aldermore accounts and the current value of the Trust's Canaccord and Flagstone investments at October 2023).

The Trust has an essential need to maintain reserves which are above average but appropriate. At present, its income (which derives from its ground rents) is approximately £180,000 per annum and an optimum level of capital reserves approximating to three month's working costs (approximately £55,000) is considered appropriate for the following reasons:

(1) The Trust's principal remit involves control over the freeholders of the buildings included in its lease in respect of alterations and changes of use. The Trust has the right to refuse consent where it deems appropriate in order to fulfil its function responsibly. By nature of this very function, the Trust is frequently obliged to make judgements of a subjective nature which may be challenged and, if taken to arbitration by the freeholders, render it liable to a high level of legal costs against which there is no reasonably priced indemnity insurance available on the market. To date, the Trust has only been taken to arbitration once and won its case. Had it lost, its own costs alone would have been of the order of £156,000. This would have seriously affected the Trust's liquidity.

(3) Sufficient reserves must be held to allow for the winding up of the Trust, the discharge of its debts, and its obligations to its employee(s).

The Trust will undertake review its reserves policy annually.

Applications for Consent

We continue to receive expert advice from our Surveyor, Justine Morris, on proposed alterations, changes of use and other land and property management matters requiring the Trust's consent.

Applications were received in respect of the following Protected Lands properties during the year 1st April 2022 to 31st March 2023:

Date	Property	Application type
April 2022	Unit 8 the market building	Change of use
April 2022	Unit 27b the market building	Alterations
April 2022	Unit 27b the market building	Change of use
May 2022	Unit 42 the market building	Alterations

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Date	Property	Application type
May 2022	Unit 16 Market Building	Change of use
June 2022	Unit 10 market building	Change of use
July 2022	Unit 8 market building	Change of use
August 2022	Unit 16 Market Building	Alterations
August 2022	33 James Street (Bedford Chambers)	Alterations
August 2022	28-30 James Street	Alterations
August 2022	28 James Street	Change of use
August 2022	28 James Street	Alterations
September 2022	Unit 19 the market building	Alterations
September 2022	30 James Street	Change of use
September 2022	CG market building lighting, upper parts	Alterations
September 2022	Unit 11 the market building	Change of use
September 2022	Unit 5b the market building	Alterations
November 2022	Unit 8 the market building (pop-up)	Change of use
November 2022	30 James Street	Alterations
November 2022	35 The Piazza	Alterations
February 2023	Unit 6 the market building	Alterations

Trust Matters

Trustee Recruitment

With a focus on longevity and passing skills and experience on to the next generation, in the summer of 2022 CGAT decided to recruit additional trustees who would bring needed skills, abilities and a fresh outlook to the organisation. We were able to introduce five new additions to the trustee body at the 2022 AGM, all of whom were voted in at that same meeting. They are:

- Anoma Radkevitch – Bloomsbury Flowers
- Demi Smoloktou – Head of Sustainability, Dentsu International
- Jeannine Saba – Publisher of the Covent Gardener magazine
- Rebecca Whitman – Head of Events, The Conduit
- Stewart Carroll – CEO & Chair, Jubilee Market

Our new trustees have already made a valuable contribution to CGAT in terms of support, new ideas, and knowledge base and have inspired us with confidence that the Trust's work will be ably continued for many years to come.

Events and other activity

Further to our aim of raising the Trust's profile and improving understanding of our purpose and aims, our Communications subgroup negotiated a support package with the excellent local publication, The Covent Gardener. An appropriate article or feature in each quarterly edition will have a message of support from the CGAT.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The annual Rent Ceremony was again held this year on the 29th of June. Thanks to some hard work by our administrator, trustees, the assistance of local street performers and of course our able Town Crier, Alan Myatt, this unusual event and nod to the area's history went smoothly and our "peppercorn rents" were collected.

Thanks to much hard work (and patience) by Alana and our Surveyor Justine, our move to new office accommodation (20 Bedford St.) was completed at the end of 2022, with our first Trust Council meeting held there in December last. Work to unpack, instal new furnishings, IT etc. continued into the New Year, but the location and space were agreed to be a marked improvement on previous facilities.

CGAT Chair

Peter Scutt is stepping down from the Chair having taken over on a temporary basis after David Shamash resigned at the end of 2019. Chris Mason and Joanna Chambers have continued to play a valuable supporting role as joint Vice Chairs during the year.

Wider Covent Garden

We continue to be consulted regarding developments within the Covent Garden area. Some projects are ongoing (90 Long Acre, The Wellington Block hotel project, and 1 Museum Street) while others are more recent (8 St Martin's Place and the Guinness development at Old Brewers Yard).

We remain in talks with Westminster city council regarding the production of a Conservation Audit for Covent Garden, and although agreed, the funding and other details around this important piece of work have yet to be finalised.

Trust Finances

The Governance subgroup has been considering the merits of consolidating all of its surplus funds on the Flagstone Charity investment platform (approximately £360K). This would allow the Trust to manage its funds more easily and would also allow for greater flexibility regarding where funds are invested (funds are currently invested in a number of different bank accounts and bonds banks which can be difficult to manage).

We incurred significant moving costs in November of 2022 and our annual expenditure for rent and service charges has increased as a result of the recent office move.

We also sought legal advice regarding the potential impacts of the Diageo development at Old Brewer's Yard at a cost of around £8k.

The Trust's bank reserves are currently held in the following accounts:

Aldermore Easy Access savings account	£56,762
Aldermore 1 Year Fixed Rate savings account	£104,935
Lloyds Treasurers Business account	£170,379
United Trust Bank charity deposit account	£80,000
Cambridge & Counties fixed rate bond	£75,000
Flagstone investment management account	£65,000

The combined income from bank interest for the year 2022-23 was £2,168 (interest in 2021-22 totalled £1,294).

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

The Trust's investment of £25,000 in undated preference shares with Canaccord Genuity Wealth Management was valued at £23,785 as at March 2023.

The Trust's total income increased compared to the previous year to £152,590 (2021-22: £143,892) despite a decrease of 13.7% in administration fees. Overall expenditure has increased significantly from the previous year to £103,949 (2021-22: £87,428) reflecting increased legal & professional, repairs and maintenance costs linked to the relocation of the office premises.

Our thanks to:

We continue to work collaboratively with the newly merged Shaftesbury Capital, Lothbury Investment Management, Westminster and Camden Councils, the Seven Dials Trust, and the Covent Garden Community Association. As mentioned earlier, we have also had the opportunity to work with the Bloomsbury Association ('Save Museum Street') and with the developers of the Wellington Block, Guinness Experience and 90 Long Acre projects.

Thanks to our dedicated trustees for their hard work and support, all of which is voluntary and unpaid. Also, to our members and volunteers for their continued support and interest in the Trust's work.

Thanks to Alana Rhoden (the Trust's Administrator), Justine Morris (Surveyor at Blanchflower Lloyd Baxter) and to Miriam Holland (our Heritage Consultant), for their hard work, advice, and support. Thanks too to our lawyers, Farrer & Co and to our auditors, Ferguson Maidment & Co.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Reference and administrative details

Registered charity name	COVENT GARDEN AREA TRUST
Charity registration number	299874
Company registration number	02280893
Principal office and registered office	20 Bedford Street Covent Garden London WC2E 9HP

The Trustees

Peter Scutt	(Chair)
Elizabeth Bax	(Elected)
Faye Davies	(Nominated by RIBA)
Joanna Chambers	(Nominated by RTPI)
Chris Mason	(Co-opted in January 2019)
Sharmaine Collins	(Nominated by ROH 7th October 2022)
Mark Shearer	(Nominated by Westminster City Council)
Jessica Toale	(Nominated by Westminster City Council)
Terry St.Clair	(Elected at AGM 27th November 2018)
Paul Velluet	(Elected 4th July 2018)
Josephine Weir	(Nominated by CGCA)
Jim Monahan	(Elected at AGM 27th November 2019)
Anoma Radkevitch	(Elected at AGM 10th January 2023)
Jeannine Saba	(Elected at AGM 10th January 2023)
Stewart Carroll	(Elected at AGM 10th January 2023)
Rebecca Whitman	(Elected at AGM 10th January 2023)
Demi Smoloktoui	(Elected at AGM 10th January 2023)

Auditor

Ferguson Maidment & Co.
Chartered accountants & statutory auditor
8th Floor
167 Fleet Street
London
EC4A 2EA

Bankers

Aldemore Bank
1st Floor
Block B Western House
Lynch Wood
Peterborough
PE2 6FZ

Lloyds Banking Group
Fourth Floor
25 Gresham Street
London
EC2V 7HN

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Structure, Governance and Management

Covent Garden Area Trust is a registered charity with the Charity Commission under the Charities Act 2011.

Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by Memorandum and Articles of Association dated 13 August 1988.

Appointment of Trustees

The appointment of new and additional trustees rests with the existing trustees, confirmed by members at the AGM.

Policies adopted for the induction and training trustees

Every Trustee is provided with relevant Charity Commission leaflets and literature. There is no formal induction process, but a prospective trustee will be invited to attend a trustees' meeting to discuss the nature of the organisation and the responsibilities of trustees.

Organisational structure and decision making

Trustees meet regularly to manage the affairs of the Trust. Day to day management is delegated to the Administrator who reports to the Chair in terms of his or her role as an employee of the Trust.

Risk Management

Trustees have assessed the major risks to which the organisation is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

The principal activities of the charity are the conservation of the Covent Garden area and its architectural character, the development of its special qualities in the public interest, including the preservation of its mix of residential, business, and other uses which characterise the area. Its objects are also the protection, maintenance, enhancement and promotion of the Covent Garden Protected Lands and their popularity and reputation as an attractive area providing high quality shopping and catering facilities together with other appropriate quality uses from time to time.

The board of Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on the public benefit of the charity.

Achievements and performance

A full report of the charity's achievements and performance during the year is provided in the Chairman's statement on pages 1 to 6.

Financial review

A financial review of the charity is provided in the Chairman's statement on pages 1 to 6.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Reserves and reserves policy

A full review of the reserves and reserves policies are shown in the Chairman's Statement on pages 1 to 6.

Plans for future periods

A full review of the plans for future periods is contained within the Chairman's statement on pages 1 to 6.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and

they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report for 2022-23 was approved on 7th November 2023 and signed on behalf of the board of Trustees by:



Peter Scutt, Chair

This statement was written on behalf of Peter Scutt, Chair 2023

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Responsibilities Statement

Year ended 31 March 2023

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST

Year ended 31 March 2023

Opinion

We have audited the financial statements of COVENT GARDEN AREA TRUST (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2023

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

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 extent to which the audit was considered capable of detecting irregularities including fraud

We obtained an understanding of the legal and regulatory frameworks within which the Covent Garden Area Trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and inappropriate revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2023

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.



Paul Manalo FCA (Senior Statutory Auditor)

8th Floor
167 Fleet Street
London
EC4A 2EA

For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

7th November 2023

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		2023		2022
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
Income and endowments				
Charitable activities	5	149,897	149,897	141,908
Investment income	6	902	902	902
Other income	7	1,791	1,791	1,082
Total income		<u>152,590</u>	<u>152,590</u>	<u>143,892</u>
Expenditure				
Expenditure on charitable activities	8,9	<u>103,949</u>	<u>103,949</u>	<u>87,428</u>
Total expenditure		<u>103,949</u>	<u>103,949</u>	<u>87,428</u>
Net income and net movement in funds		<u>48,641</u>	<u>48,641</u>	<u>56,464</u>
Reconciliation of funds				
Total funds brought forward		466,049	466,049	409,585
Total funds carried forward		<u>514,690</u>	<u>514,690</u>	<u>466,049</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	£	2022 £
Fixed assets				
Tangible fixed assets	15		12,108	7,762
Current assets				
Debtors	16	30,676		14,874
Investments	17	23,785		25,657
Cash at bank and in hand		482,636		450,050
		<u>537,097</u>		<u>490,581</u>
Creditors: amounts falling due within one year	18	<u>34,515</u>		<u>32,294</u>
Net current assets			502,582	458,287
Total assets less current liabilities			514,690	466,049
Net assets			514,690	466,049
Funds of the charity				
Unrestricted funds			514,690	466,049
Total charity funds	21		514,690	466,049

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 7th November 2023, and are signed on behalf of the board by:



Peter Scutt
Trustee

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 20 Bedford Street, Covent Garden, London, WC2E 9HP, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from charitable activities is recognised when earned.
- income from other sources is recognised when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture & Equipment - 25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Covent Garden Area Trust is a charitable company limited by guarantee and registered in England & Wales and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Rent receivable	115,925	115,925	102,426	102,426
Legal and survey fees - applications by tenants	—	—	97	97
Administration fees - applications by tenants	33,972	33,972	39,385	39,385
	<u>149,897</u>	<u>149,897</u>	<u>141,908</u>	<u>141,908</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from listed investments	902	902	902	902

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Sundry donations	—	—	60	60
Bank and building society interest	1,791	1,791	1,022	1,022
	<u>1,791</u>	<u>1,791</u>	<u>1,082</u>	<u>1,082</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Direct costs	20,100	20,100	17,665	17,665
Support costs	83,849	83,849	69,763	69,763
	<u>103,949</u>	<u>103,949</u>	<u>87,428</u>	<u>87,428</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Direct costs	20,100	58,466	78,566	69,640
Governance costs	—	25,383	25,383	17,788
	<u>20,100</u>	<u>83,849</u>	<u>103,949</u>	<u>87,428</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

10. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Staff costs	26,744	26,744	24,485
Premises	13,022	13,022	20,000
Communications and IT	1,790	1,790	2,903
General office	16,910	16,910	4,587
Governance costs	25,383	25,383	17,787
	<u>83,849</u>	<u>83,849</u>	<u>69,762</u>

11. Net income

Net income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>1,515</u>	<u>67</u>

12. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>2,880</u>	<u>2,650</u>

13. Staff costs

The average head count of employees during the year was 1 (2022: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

During the year, no remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2022 - Nil). No members of the Board of Trustees received reimbursement of expenses (2022 - Nil).

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

15. Tangible fixed assets

	Fixtures and fittings £	Library collection £	Total £
Cost			
At 1 April 2022	26,650	7,562	34,212
Additions	5,861	—	5,861
At 31 March 2023	32,511	7,562	40,073
Depreciation			
At 1 April 2022	26,450	—	26,450
Charge for the year	1,515	—	1,515
At 31 March 2023	27,965	—	27,965
Carrying amount			
At 31 March 2023	4,546	7,562	12,108
At 31 March 2022	200	7,562	7,762

The Library Collection's value is reviewed annually. In the opinion of the trustees, its current value exceeds its book value and, in order to present a true and fair view, no depreciation is provided for.

16. Debtors

	2023 £	2022 £
Trade debtors	11,092	3,903
Prepayments and accrued income	9,712	5,247
Other debtors	9,872	5,724
	30,676	14,874

17. Investments

	2023 £	2022 £
Current asset investment	23,785	25,657

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	2,850	2,650
Social security and other taxes	1,183	1,093
Deferred income	29,757	26,649
Other creditors	725	1,902
	34,515	32,294

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

19. Deferred income

Deferred Income relates to rent receivable in advance that spreads across two accounting periods.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £976 (2022: £879).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
General funds	466,049	152,590	(103,949)	514,690

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	409,585	143,892	(87,428)	466,049

22. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2023
	£	£
Tangible fixed assets	12,108	12,108
Current assets	537,098	537,098
Creditors less than 1 year	(34,516)	(34,516)
Net assets	514,690	514,690

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	7,762	7,762
Current assets	489,857	489,857
Creditors less than 1 year	(31,570)	(31,570)
Net assets	466,049	466,049

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	18,744	—
Later than 1 year and not later than 5 years	90,969	—
	<u>109,713</u>	<u>—</u>

24. Related parties

No related party transactions have been entered into during the year that need to be disclosed under FRS 102.

COVENT GARDEN AREA TRUST

England & Wales - Charity number 299874

Accounts

COMPANY REGISTRATION NUMBER: 02280893
CHARITY REGISTRATION NUMBER: 299874

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Financial Statements
31 March 2022

FERGUSON MAIDMENT & CO.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

CHAIRMAN'S STATEMENT

Introduction

The Covent Garden Area Trust (CGAT) was originally established (in 1988) to conserve the historic architecture, environment and unique qualities of the 97-acre Covent Garden area - bounded by Aldwych, Kingsway, High Holborn, Shaftesbury Avenue, Charing Cross Road and the Strand - situated in the heart of our capital city. The Trust's charitable objects were set down to be:

- to conserve, protect and enhance the properties for which it is Landlord (also known as the Protected Lands);
- the conservation of the Covent Garden Area, its architectural character, its buildings and the development of its special qualities in the public interest;
- and the promotion of high standards of planning in the area and the promotion of both new and traditional uses, appropriate to the area.

Having survived the worst of the Covid pandemic, the Trust was able to conclude the review of its purpose, identity and ongoing role, first started in February 2020, with a workshop held in March this year. A mission statement was adopted, to summarise:

Celebrating, conserving and enhancing the special character of Covent Garden for the benefit and enjoyment of all.

The need to determine how to best to deliver its objectives, broaden its horizons and make a more valuable contribution to the promotion of Covent Garden as a desirable destination became more crucial than ever in a time of unprecedented commercial and social challenge.

During the year to March 2022 businesses in Covent Garden have seen something of an economic recovery, though this has largely been in the leisure, food and beverage sectors as customers reacted to the easing of restrictions on movement and socialising. A recovery of financial losses and investment made during the pandemic is sought by tenants and landlords alike, but the growing task for the Trust has been to strike a balance between business recovery and growth, and the preservation of our area's character and heritage assets and increasingly, the potential impact on the residential community. However, we have continued to work with our landlords, tenants, and developers, along with Westminster City and Camden councils and other interested parties to try to achieve the best outcomes possible for Covent Garden.

Managing relationships in a way that is beneficial for recovering businesses but at the same time protects the valuable heritage assets of Covent Garden for future generations will continue to present challenges and requires ongoing tact and diplomacy, a degree of compromise, and astute forward thinking on the part of trustees.

Appointed as the Trust's Heritage Planning Consultant in July 2021, Miriam Holland has provided invaluable advice and guidance in respect of the many planning applications considered. In a number of cases this has enabled our Planning subgroup to lodge authoritative objections to harmful or unsuitable proposals and to support those which have been considered to have merit.

Two other subgroups established in the last year have also helped to achieve significant steps forward. The Communications subgroup concluded the workshop sessions in March and assisted our Administrator in updating the web site. Planning and delivering the return of our Rent Ceremony for this

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

June, and to deliver on a policy objective, a recruitment programme was launched to expand our membership and to better communicate with local stakeholders and the wider community. The Governance subgroup approved a major exercise by our Administrator to review and bring into line with best practice our financial holdings, ensuring that our finances are safe and better managed. A future review of the Trust's policies and procedures will ensure that we are compliant with rules and regulations relating to charitable trusts and operate in a more open and transparent way.

The Trust's objectives for 2022-23 have been largely determined by our earlier workshop sessions, but will also inevitably be influenced by changing events, both local and national:

- Continue to protect the properties for which it is Landlord
- Continue to promote the conservation and enhancement of the wider Covent Garden Area
- Complete the review, update and amendment of our Articles of Association
- Refresh key Trust documents; the Environmental Study & Caring for Covent Garden in particular
- Complete our office move and capitalise on the opportunities our new accommodation affords
- Increase and improve engagement and collaboration with stakeholders, members and the wider community
- Identify new activities to celebrate and enhance the special character of Covent Garden. Sustaining a distinctive place in the heart of London.

The Protected Lands

The Trust is landlord under five underleases, each held for a term of 150 years less 1 day from 24th June 1988. The demised premises known collectively as 'The Protected Lands' are:

- The Market building, Covent Garden;
- 25, 26, 27 and 28 James Street and 7 Floral Street;
- Bedford Chambers (including Cubitt's Yard);
- 9-10, 7a and 8 Floral Street;
- Land and buildings fronting Covent Garden's piazza
- and also Russell Street, Wellington Street and Tavistock Street.

The leases give the Trust powers which enable it to fulfil its objective to conserve and protect the buildings and character of the area.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year ended 31 March 2022

Applications for Consent

We remain indebted to our Surveyor, Justine Morris, whose experience and expertise allows her to provide us with invaluable guidance in considering proposed alterations, changes of use and other property management matters requiring the Trust's consent as landlord. Applications were received in respect of the following Protected Lands properties during the year 1st April 2021 to 31st March 2022:

Date	Property	Application type
April 2021	31 James Street	Alterations
April 2021	Unit 3a Market Building	Alterations
June 2021	Unit 42 Market Building	Change of use
June 2021	Unit 15 Market Building	Change of use
July 2021	Unit 34 Market Building	Change of use
July 2021	Unit 15 Market Building (basement)	Change of use
July 2021	Unit 5a Market Building	Alterations
July 2021	Unit 15 Market Building	Alterations
July 2021	Unit 34 Market Building	Alterations
August 2021	Barrow 3, East Colonnade Barrows, the market	Change of use
September 2021	Unit 33 Market Building	Alterations
September 2021	Unit 42 Market Building	Alterations
November 2021	Unit 11 Market Building	Change of use
November 2021	Unit 11 Market Building	Alterations
November 2021	Unit 15 Market Building	Alterations
November 2021	Unit 34 Market Building	Change of use
November 2021	Unit 34 Market Building	Alterations
January 2022	Unit 15 (basement) market building	Alterations
January 2022	Unit 32 Market Building	Change of use
January 2022	Unit 32 Market Building	Alterations
January 2022	Unit 19 Market Building	Change of use
January 2022	London Transport Museum	Alterations
February 2022	Unit 8 (ground floor) Market Building	Change of use
March 2022	Unit 42 Market Building	Change of use

Trust Matters

CGAT Chairperson

Peter Scutt has continued to serve as Trust Chair, with Joanna Chambers and Chris Mason remaining as joint Vice Chairs in support. In the absence of any alternative candidates making themselves known, Peter will continue in this role for a further year.

Monthly Council meetings resumed on a face-to-face basis in our office in the later part of this year; though we continued to use the Zoom platform for those who preferred or were unable to attend in person.

Meetings of the Governance, Planning and Communications subgroups were also held when required (some via Zoom) and a number of the objectives previously set were achieved. Notably, the Comms group worked on various additions and improvements to our web site, including commissioning a video by Julian McDonald, embarked on a program of recruitment for new trustees and planned for the return this summer of our Rent Ceremony. The Governance subgroup continued to deliver the Trust's investment strategy, diversifying fund investment – as detailed below. It also began the search for

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

alternative office space as the lease on our accommodation at the Covent Garden Community Centre expired in October 2022. The Planning subgroup met on a number of occasions and as well as formulating responses to planning applications directly relating to the Protected Lands, considered applications for the wider Covent Garden area.

Wider Covent Garden Area

The Trust has again this year been consulted on developments within the Covent Garden, Seven Dials and Bloomsbury conservation areas. We continue to be active in supporting opposition to the 1 Museum Street development, which we feel would be detrimental to both local residents and the greater Covent Garden area. Extensive consultations were held with the would-be developers (The Portfolio Club) of the Wellington Block and the 90 Long Acre project, which is now well under way. In January 2022 we first learned of plans by Diageo (the makers of Guinness) to develop the Brewer's Yard area to create a new 'microbrewery and culture hub'.

There were a number of initiatives from businesses, supported by Westminster City Council (WCC) involving the expansion of trade (principally by the use of new 'sitting out areas') into the areas outside of existing premises. Discussions were held with Capco & WCC on a number of these proposals for both the Market piazza and local streets in general, making use of an external dining guide drafted by Capco. Despite this, we later had to object to a planning application for the conversion of a large area of the south-eastern piazza into a sitting out area for market unit 27a (t/a NaNa) in the most strenuous terms. Disappointingly, consent was nevertheless granted in March 2022. Some comfort was gained however from the refusal of a planning application to allow the location of a large pizza oven outside Market unit 21 (t/a VyTa).

Discussions initiated with WCC officers back in October 2021 regarding the need for a Conservation Audit, have yet to bear fruit.

Trust Rent Ceremony

As mentioned above, the Communications subgroup worked on plans for the return of our ceremony for June 2022. The event was not considered safe to hold during the previous two years due to the Covid pandemic.

Trust Finances

In order to meet our own rising costs and in view of the hiatus on fee increases due to Covid's negative impact on businesses over the last few years, the Trust decided to slightly increase its fees once again earlier this year (however, quite some way below the rise in inflation).

Thankfully, the Trust's finances are relatively healthy, but this financial year our outgoings have included expenses related to our office relocation and legal advice on the Diageo (Guinness) development at Old Brewer's Yard. The unexpected outcome of the Diageo planning application highlights the need for financial foresight and prudence on the part of trustees.

With that in mind, our Governance subgroup made the decision last year to open a number of new bank accounts and to increase its investments in order to qualify for financial protection under the FSCS (Financial Services Compensation Scheme) and has updated both its Reserves Policy and its Investment Policy to reflect that.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

The Trust's bank reserves are held in the following accounts:

Aldermore Easy Access savings account	£85,041
Aldermore 1 Year Fixed Rate savings account	£102,142
Lloyds Treasurers Business account	£107,867
United Trust Bank charity deposit account	£80,000
Cambridge & Counties fixed rate bond	£75,000

The combined income from bank interest for the year 2021-22 was £1,022 (interest in 2020-21 totalled £2,019).

The Trust's investment of £25,000 in undated preference shares with Canaccord Genuity Wealth Management has a current value of £25,657.

The Trust's total income increased significantly compared to the previous year totalling £143,891 (2020-21: £122,714) reflecting a 3.32% increase in ground rent income and a 135% increase in income from applications for change of use and alterations. Overall expenditure has increased from the previous year to £87,427 (2020-21: £55,724) reflecting increased surveyor fees as well as the use of a planning & heritage consultant in the year contributing to increased legal & professional fees.

Trustees

Following our successful recruitment programme, we have gained several new members this autumn, some of whom will be standing for election to the Trust Council at the AGM.

In May 2021 we welcomed the new nominee of the RIBA, Faye Davies, who replaced Chris Betts who stood down after a period of 14 years as a trustee. Faye brings with her over 20 years' experience as a specialist conservation architect.

Our thanks go to:

We continue to work collaboratively with Capco Covent Garden, Lothbury Investment Management, Westminster and Camden Councils, the Seven Dials Trust and the Covent Garden Community Association. As mentioned earlier, we have also had the opportunity to continue to work with the Bloomsbury Association and a number of other local partners, on such issues as the 'Save Museum Street' campaign, thereby further extending our knowledge, experience and influence.

We'd like to thank Andrew Hicks and his colleagues at Capco Covent Garden for working with us and we gratefully acknowledge their efforts to keep the Trust informed of developments within the market building and piazza during what can only be described as another very difficult year.

Thanks also to our dedicated trustees for their hard work and support throughout the year, including Ranjit Singh, the representative of LB Camden who left the Trust in May this year after standing down as a ward Councillor (we are liaising with Camden in the hope of securing a replacement). We were also sad to say goodbye to Paul Dimoldenberg who had represented Westminster City Council for many years. However, we were delighted to welcome on board Cllr Jessica Toale this summer who replaces Paul as the second nominated representative of WCC.

Thanks to the Trust's Administrator Alana Rhoden, for her coordination of the Trust's business effectively and on time, and in particular for her hard work in securing us new office accommodation and moving us into it.

Thanks to Justine Morris (our Surveyor) and to Miriam Holland (our Heritage Consultant), for their advice and support; to our lawyers, Farrer & Co and to our auditors, Ferguson Maidment & Co.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Reference and administrative details

Registered charity name COVENT GARDEN AREA TRUST

Charity registration number 299874

Company registration number 02280893

Principal office and registered office 42 Earlham Street
Covent Garden
London
WC2H 9LA
United Kingdom

The trustees

Peter Scutt	(Chairman)
Elizabeth Bax	(Elected)
Faye Davies	(Nominated by RIBA 3 rd May 2021)
Christopher Betts	(Resigned 6 th April 2021)
Joanna Chambers	(Nominated by RTP)
Paul Dimoldenberg	(Nominated by Westminster City Council, Resigned 3 rd May 2022)
Chris Mason	(Co-opted in January 2019)
Ben Oliver	(Nominated by ROH)
Mark Shearer	(Nominated by Westminster City Council)
Ranjit Singh	(Nominated by Camden Council, Resigned 3 May 2022)
Terry St.Clair	(Elected)
Paul Velluet	(Elected)
Josephine Weir	(Nominated by CGCA)
Jim Monahan	(Elected)

Auditor

Ferguson Maidment & Co.
Chartered accountants & statutory auditor
8th Floor
167 Fleet Street
London
EC4A 2EA

Bankers

Aldemore Bank
1st Floor
Block B Western House
Lynch Wood
Peterborough
PE2 6FZ

Lloyds Banking Group
Fourth Floor
25 Gresham Street
London
EC2V 7HN

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Structure, governance and management

Covent Garden Area Trust is a registered charity with the Charity Commission under the Charities Act 2011.

Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by Memorandum and Articles of Association dated 13 August 1988.

Appointment of Trustees

The appointment of new and additional Trustees rests with the existing Trustees, confirmed by members at the AGM.

Policies adopted for the induction and training Trustees

Every Trustee is provided with relevant Charity Commission leaflets and literature. There is no formal induction process, but a prospective trustee will be invited to attend a Trustees' meeting to discuss the nature of the organisation and the responsibilities of Trustees.

Organisational structure and decision making

The Trustees meet regularly to manage the affairs of the Trust. Day to day management is delegated to the Administrator who reports to the Chair in terms of his or her role as an employee of the Trust.

Risk Management

Trustees have assessed the major risks to which the organisation is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

The principal activities of the charity are the conservation of the Covent Garden area and its architectural character, the development of its special qualities in the public interest, including the preservation of its mix of residential, business and other uses which characterise the area. Its objects are also the protection, maintenance, enhancement and promotion of the Covent Garden Protected Lands and their popularity and reputation as an attractive area providing high quality shopping and catering facilities together with other appropriate quality uses from time to time.

The board of Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on the public benefit of the charity.

Achievements and performance

A full report of the charity's achievements and performance during the year is provided in the Chairman's statement on pages 1 to 5.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Financial review

A financial review of the charity is provided in the Chairman's statement on pages 1 to 5.

Reserves and reserves policy

A full review of the reserves and reserves policies are shown in the Chairman's Statement on pages 1 to 5.

Plans for future periods

A full review of the plans for future periods is contained within the Chairman's statement on pages 1 to 5.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and

they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 14th November 2022 and signed on behalf of the board of trustees by:



Peter Scutt
Chairman

This statement was written on behalf of Peter Scutt, Chairman 2022

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Responsibilities Statement

Year ended 31 March 2022

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST

Year ended 31 March 2022

Opinion

We have audited the financial statements of COVENT GARDEN AREA TRUST (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2022

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST (continued)

Year ended 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

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 extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2022

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur; by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework;
- obtaining an understanding of the charity's policies and procedures and how the entity has complied with these, through discussions and sample testing;
- obtaining an understanding of the charity's risk assessment process, including the risk of fraud; and
- designing our audit procedures to respond to our risk assessment;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2022

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.



Paul Manalo FCA (Senior Statutory Auditor)

8th Floor
167 Fleet Street
London
EC4A 2EA

For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

17/11/2022

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

		2022		2021
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Charitable activities	5	141,908	141,908	119,701
Investment income	6	902	902	902
Other income	7	1,082	1,082	2,111
Total income		143,892	143,892	122,714
Expenditure				
Expenditure on charitable activities	8,9	87,428	87,428	55,724
Total expenditure		87,428	87,428	55,724
Net income and net movement in funds		56,464	56,464	66,990
Reconciliation of funds				
Total funds brought forward		409,585	409,585	342,595
Total funds carried forward		466,049	466,049	409,585

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Position

31 March 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	15		7,762	7,829
Current assets				
Debtors	16	14,874		18,378
Investments	17	25,657		25,068
Cash at bank and in hand		450,050		390,455
		490,581		433,901
Creditors: amounts falling due within one year	18	32,294		32,145
Net current assets			458,287	401,756
Total assets less current liabilities			466,049	409,585
Net assets			466,049	409,585
Funds of the charity				
Unrestricted funds			466,049	409,585
Total charity funds	21		466,049	409,585

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 14th November 2022 and are signed on behalf of the board by:



Peter Scutt
Chairman

The notes on pages 17 to 25 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 42 Earlham Street, Covent Garden, London, WC2H 9LA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from charitable activities is recognised when earned.
- income from other sources is recognised when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture & Equipment	- 25% reducing balance
-----------------------	------------------------

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Covent Garden Area Trust is a charitable company limited by guarantee and registered in England & Wales, and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

5. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Rent receivable	102,426	102,426	102,913	102,913
Legal and survey fees - applications by tenants	97	97	60	60
Administration fees - applications by tenants	39,385	39,385	16,728	16,728
	<u>141,908</u>	<u>141,908</u>	<u>119,701</u>	<u>119,701</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from listed investments	902	902	902	902

7. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Sundry donations	60	60	92	92
Bank and building society interest	1,022	1,022	2,019	2,019
	<u>1,082</u>	<u>1,082</u>	<u>2,111</u>	<u>2,111</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Direct costs	17,665	17,665	8,187	8,187
Support costs	69,763	69,763	47,537	47,537
	<u>87,428</u>	<u>87,428</u>	<u>55,724</u>	<u>55,724</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct costs	17,665	51,975	69,640	52,689
Governance costs	—	17,788	17,788	3,035
	<u>17,665</u>	<u>69,763</u>	<u>87,428</u>	<u>55,724</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

10. Analysis of support costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
Staff costs	24,485	24,485	22,555
Premises	20,000	20,000	20,000
Communications and IT	2,903	2,903	634
General office	4,587	4,587	1,314
Governance costs	17,787	17,787	3,033
	<u>69,762</u>	<u>69,762</u>	<u>47,536</u>

11. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>67</u>	<u>89</u>

12. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>2,650</u>	<u>2,650</u>

13. Staff costs

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

14. Trustee remuneration and expenses

During the year, no remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2021 - Nil). No members of the Board of Trustees received reimbursement of expenses (2021 - Nil).

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

15. Tangible fixed assets

	Fixtures and fittings £	Library collection £	Total £
Cost			
At 1 April 2021 and 31 March 2022	26,650	7,562	34,212
Depreciation			
At 1 April 2021	26,383	—	26,383
Charge for the year	67	—	67
At 31 March 2022	26,450	—	26,450
Carrying amount			
At 31 March 2022	200	7,562	7,762
At 31 March 2021	267	7,562	7,829

The Library Collection's value is reviewed annually. In the opinion of the trustees, its current value exceeds its book value and, in order to present a true and fair view, no depreciation is provided for.

16. Debtors

	2022 £	2021 £
Trade debtors	3,903	8,096
Prepayments and accrued income	5,247	5,282
Other debtors	5,724	5,000
	14,874	18,378

17. Investments

	2022 £	2021 £
Current asset investment	25,657	25,068

18. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	2,650	3,350
Social security and other taxes	1,093	1,886
Deferred income	26,649	25,796
Other creditors	1,902	1,113
	32,294	32,145

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2022

19. Deferred income

Deferred Income relates to rent receivable in advance that spreads across two accounting periods.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £879 (2021: £745).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General funds	409,585	143,892	(87,428)	466,049

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	342,595	122,714	(55,724)	409,585

22. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	7,762	7,762
Current assets	489,857	489,857
Creditors less than 1 year	(31,570)	(31,570)
Net assets	466,049	466,049

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	7,829	7,829
Current assets	433,901	433,901
Creditors less than 1 year	(32,145)	(32,145)
Net assets	409,585	409,585

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	10,000	30,000

24. Related parties

No related party transactions have been entered into during the year that need to be disclosed under FRS 102.

COVENT GARDEN AREA TRUST

England & Wales - Charity number 299874

Accounts

COVENT GARDEN AREA TRUST
Company Limited by Guarantee
Financial Statements
31 March 2021

FERGUSON MAIDMENT & CO.

Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

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COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

CHAIRMAN'S STATEMENT

Introduction

The Covent Garden Area Trust (the Trust) was established to conserve the historic architecture, environment and unique qualities of the 97-acre Covent Garden area - bounded by Aldwych, Kingsway, High Holborn, Shaftesbury Avenue, Charing Cross Road and the Strand - situated right in the heart of London, England's capital city. The Trust's charitable objects were set down to be: to conserve, protect and enhance the properties for which it is Landlord (the Protected Lands); the conservation of the Covent Garden Area, its architectural character, its buildings and the development of its special qualities in the public interest; and the promotion of high standards of planning in the area and the promotion of both new and traditional uses, appropriate to the area.

This last year has presented the Trust with a number of challenges including the economic fallout from the Covid-19 pandemic and the drastic impact on every aspect of business and trade. Managing relationships with our freeholders in a way that is beneficial for recovering businesses but at the same time protects the valuable historical aspects of Covent Garden for future generations has also presented its challenges and requires ongoing tact and diplomacy, a degree of compromise, and astute forward thinking on the part of trustees. However, we have continued to work with our freeholder tenants to try to achieve the best outcomes possible for Covent Garden, along with Westminster City and Camden councils' planning and licensing teams, and with other interested parties.

The impact of the pandemic has led to many new challenges for retailers, restaurateurs, statutory bodies, landlords, residents and visitors alike and the process of re-evaluation and review of the Trust, which began at our first workshop in February 2020, is now more important than ever in order to ensure that it is fit to address them. The process of review and redefinition to determine how to best to deliver its objectives, broaden its horizons and make a more valuable contribution to the promotion of Covent Garden as a desirable destination will resume with further workshop sessions as soon as circumstances permit. The process will include a review and revision of the Trust's articles (as needed) and explore how it might raise its profile and work more effectively with partners to improve its role and influence for the benefit of Covent Garden.

To aid the Trust with its work as a guardian of Covent Garden, we have recently engaged the services of Miriam Holland, a freelance Heritage Planning Consultant with many years' experience working in the field of historic environment conservation and an educational background in archaeological history. It is our hope that Miriam's experience and practical knowledge will improve our ability to do our job of protecting the valuable heritage aspects of Covent Garden that have been entrusted to us.

The Trust's objectives for 2021-22 will thus be determined to a large extent by the outcomes of the workshop(s), but will include to:

- Continue to protect the properties for which it is Landlord
- Continue to promote the conservation and enhancement of the wider Covent Garden Area
- Review, update and amend out Articles of Association as needed
- Devise and implement a Communications Strategy
- Refresh key Trust documents; the Environmental Study & Caring for Covent Garden in particular
- Increase and improve engagement and collaboration with stakeholders, members and the wider community.
- Review the Trust's office accommodation needs.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

The Protected Lands

The Trust is landlord under five underleases, each held for a term of 150 years less 1 day from 24th June 1988. The demised premises known collectively as 'The Protected Lands' are: The Market Covent Garden; 25, 26, 27 and 28 James Street and 7 Floral Street; Bedford Chambers (including Cubitt's Yard, 9-10 Floral Street and 7A and 8 Floral Street); and land and buildings fronting The Piazza Covent Garden and also Russell Street, Wellington Street and Tavistock Street. The leases give the Trust powers which enable it to fulfil its objective to conserve and protect the buildings and character of the area.

Applications for Consent

Applications were received in respect of the following Protected Lands estate during the financial year 1st April 2020 to 31st March 2021:

Apr-20	Unit 20 market building, Bubblewrap – Alterations
Apr-20	Units 35, 36, 45 and 7 market building, Sushi Samba - Alterations
Apr-20	Unit 12 market building, Neuhaus – Change of use
Jul-20	Opera terrace, market building - Alterations
Sep-20	Unit 12 market building, Neuhaus – Alterations
Sep-20	31 James Street, Landlord's works (Lothbury) – Change of use
Nov-20	Unit 27b, NaNa – Change of use
Nov-20	31 James Street, Landlord's works (Lothbury) - Alterations
Mar-21	Unit 5a market building, Sacred Gold - Change of use

Trust Matters

CGAT Chairperson

Since March 2020, Peter Scutt has continued to serve as Trust Chair, with Joanna Chambers and Chris Mason continuing to serve as joint Vice Chairs. Whilst the Trust's constitution permits its chairman to stay in post for 5 years, Peter's intent was always to hold the post for one year, with fresh elections being held after this transitional period.

The pandemic and its extraordinary circumstances over the last almost 2 years have changed many things, but monthly Council meetings continued together with meetings of the new Governance, Planning and Communications subgroups (made possible by the use of the Zoom platform) and several of the objectives set have been progressed, if not fully delivered. It was not safe to make use of the Trust's office or the general facilities at Covent Garden Community centre for most of the last 18 months, but our Administrator, working mostly from home, was able to continue to provide support & keep the Trust fully functioning.

As mentioned above, in July 2021 the Trust engaged the services of a freelance Heritage Planning Consultant (Miriam Holland) to ensure the submission of robust responses to planning applications and local consultations that reflect the Trust's mission to protect and preserve Covent Garden.

The subgroups, mentioned above, continue to work well and have taken an enormous amount of pressure off the Council meeting agendas. Most recently, these subgroups have helped to expedite the recruitment of our Heritage Planning Consultant and have also helped the Trust to make decisions that will hopefully safeguard accumulated funds.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

As mentioned, early in 2020 the Trust held a strategy workshop to focus greater attention on its role and to discern how that role could perhaps be expanded. Following clarification of our mission statement, the next workshop session (delayed due to the pandemic) will focus on the development of a stakeholder communications strategy that will enable the Trust to work more closely with its partners and members.

Wider Covent Garden Area

The Trust has again this year been consulted on developments within the Covent Garden, Seven Dials and Bloomsbury conservation areas. We have had an active role in supporting opposition to the 1 Museum Street development, which we feel would be detrimental to both local residents and the local area.

We have consulted extensively with those responsible for the Wellington Block redevelopment and the 90 Long Acre project and were also given the opportunity to comment on Capco's draft external dining guide, an important piece of work that we hope will respect and protect Covent Garden's market building and piazza.

Trust Rent Ceremony

Although we would very much have liked to hold the Rent Ceremony this year as usual, we felt that it was still unsafe to do so given the impact of the still highly transmissible Covid-19 virus. We hope that next year will bring more certainty and will allow us to hold the Rent Ceremony and to mark its return with a special celebration.

Trust Finances

Following talks with our freeholder partners, and in view of the difficult year many businesses have had, the Trust decided not to increase its fees for the review of freehold applications in 2021.

The Governance subgroup made the decision earlier in the year to open a number of new bank accounts and to increase its investments in order to qualify for financial protection under the FSCS (Financial Services Compensation Scheme) and has updated both its Reserves Policy and its Investment Policy to reflect that.

The Trust's bank reserves are held in the following accounts:

Aldermore Easy Access savings account	£84,615
Aldermore 1 Year Fixed Rate savings account	£101,547
Lloyds Treasurers Business account	£204,293

The combined income from bank interest for the year 2020-21 was £2,019 (2019-20: £1,690).

The Trust's investment of £25,000 in undated preference shares with Canaccord Genuity Wealth Management has a current value of £25,068.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

The Trust's total income slightly decreased compared to the previous year to £122,714 (2019-20: £134,246) despite reflecting a 7.34% increase in ground rent income. The increase in ground rent income was offset by decreases in income from applications for change of use and alterations. Overall expenditure has decreased from the previous year to £55,724 (2019-20: £72,873) reflecting a favourable movement in current investments as well as no Rent Ceremony expenditure.

Trustees

Trustees and members will have the opportunity to vote for a new Chair and Vice Chair at the AGM in November should they wish to do so, or should our current Chairs wish to stand down.

In April 2021 one of our RIBA nominated trustees, Chris Betts, stood down after a period of 14 years in order to focus on other commitments.

Faye Davies (also RIBA nominated) joined the Trust in May 2021 and brings with her over 20 years' experience as a specialist conservation architect.

Our thanks go to:

We continue to work collaboratively with Capco Covent Garden, Lothbury Investment Management, Westminster and Camden Councils, the Seven Dials Trust and the Covent Garden Community Association. As mentioned earlier, we also had the opportunity to work with the Bloomsbury Association and a number of other local partners, on the 'Save Museum Street' campaign, thereby further extending our expertise and influence.

We'd like to thank Andrew Hicks and his colleagues at Capco Covent Garden for working with us to protect and preserve Covent Garden. And we acknowledge their efforts to keep the Trust informed of developments within the market building and piazza during what can only be described as a very difficult year.

Thanks also to our dedicated Trustees for their hard work and support throughout the year, including Chris Betts who recently left the Trust after 14 years – we wish him all the best for the future.

Thanks to the Trust's Administrator, Alana Rhoden, for her efforts to coordinate the Trust's business effectively and on time.

Thanks to Justine Morris, our Surveyor, for her advice and support; to our lawyers, Farrer & Co and to our auditors, Ferguson Maidment & Co.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Reference and administrative details

Registered charity name COVENT GARDEN AREA TRUST

Charity registration number 299874

Company registration number 02280893

Principal office and registered office 42 Earlham Street
Covent Garden
London
WC2H 9LA
United Kingdom

The Trustees

Peter Scutt	(Chairman)
Elizabeth Bax	(Elected)
Faye Davies	(Nominated by RIBA 3 rd May 2021)
Christopher Betts	(Resigned 6 th April 2021)
Joanna Chambers	(Nominated by RTP1)
Paul Dimoldenberg	(Nominated by Westminster City Council)
Chris Mason	(Co-opted in January 2019)
Ben Oliver	(Nominated by ROH 7 th August 2018)
Mark Shearer	(Nominated by Westminster City Council)
Ranjit Singh	(Nominated by Camden Council 3 rd September 2019)
Terry St.Clair	(Elected at AGM 27 th November 2018)
Paul Velluet	(Elected 4 th July 2018)
Josephine Weir	(Nominated by CGCA)
Jim Monahan	(Elected at AGM 27 th November 2019)
Paul Fisher	(Resigned 9 th January 2020)

Auditor Ferguson Maidment & Co.
Chartered accountants & statutory auditor
167 Fleet Street
London
EC4A 2EA

Bankers Aldemore Bank
1st Floor
Block B Western House
Lynch Wood
Peterborough

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, governance and management

Covent Garden Area Trust is a registered charity with the Charity Commission under the Charities Act 2011.

a) Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by Memorandum and Articles of Association dated 13 August 1988.

b) Appointment of Trustees

The appointment of new and additional Trustees rests with the existing Trustees, confirmed by members at the AGM.

c) Policies adopted for the induction and training Trustees

Every Trustee is provided with relevant Charity Commission leaflets and literature. There is no formal induction process, but a prospective trustee will be invited to attend a trustees' meeting to discuss the nature of the Foundation and the responsibilities of Trustees.

d) Organisational structure and decision making

The Trustees meet regularly to manage the affairs of the Trust. Day to day management is delegated to the Administrator who reports to the Chairman in terms of his or her role as an employee of the Trust.

e) Risk Management

The Trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

The principal activities of the charity are the conservation of the Covent Garden area and its architectural character and the development of its special qualities in the public interest, including the preservation of its mix of residential, business and other uses which characterise the area. Its objects are also the protection, maintenance, enhancement and promotion of the Covent Garden Protected Lands and their popularity and reputation as an attractive area providing high quality shopping and catering facilities together with other appropriate quality uses from time to time.

The board of Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on the public benefit of the charity.

Achievements and performance

A full report of the charity's achievements and performance during the year is provided in the Chairman's statement on pages 1 to 4.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Financial review

A financial review of the charity is provided in the Chairman's statement on pages 1 to 4.

Reserves and reserves policy

A full review of the reserves and reserves policies are shown in the Chairman's Statement on pages 1 to 4.

Plans for future periods

A full review of the plans for future periods is contained within the Chairman's statement on pages 1 to 4.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 4 November 2021 and signed on behalf of the board of trustees by:



Peter Scutt
Chairman

The statement was written by Peter Scutt, Chairman 2021

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Trustees' Responsibilities Statement

Year ended 31 March 2021

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST

Year ended 31 March 2021

Opinion

We have audited the financial statements of COVENT GARDEN AREA TRUST (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, 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 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2021

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2021

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

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 extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur; by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Independent Auditor's Report to the Members of COVENT GARDEN AREA TRUST *(continued)*

Year ended 31 March 2021

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- obtaining an understanding of the legal and regulatory framework applicable to the Charity and how the Charity is complying with that framework;
- obtaining an understanding of the Charity's policies and procedures and how the entity has complied with these, through discussions and sample testing; and
- performing audit testing over the risk of management override of control and reviewing accounting estimates for bias.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibility 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

167 Fleet Street
London
EC4A 2EA

Paul Manalo (Senior Statutory Auditor)
For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Charitable activities	5	119,701	119,701
Investment income	6	902	902
Other income	7	2,111	2,111
Total income		<u>122,714</u>	<u>122,714</u>
Expenditure			
Expenditure on charitable activities	8,9	55,724	55,724
Total expenditure		<u>55,724</u>	<u>55,724</u>
Net income and net movement in funds		<u>66,990</u>	<u>66,990</u>
Reconciliation of funds			
Total funds brought forward		342,595	342,595
Total funds carried forward		<u>409,585</u>	<u>409,585</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 23 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	15		7,829	7,918
Current assets				
Debtors	16	18,378		16,045
Investments	17	25,068		21,777
Cash at bank and in hand		390,455		327,827
		<u>433,901</u>		<u>365,649</u>
Creditors: amounts falling due within one year	18	<u>32,145</u>		<u>30,972</u>
Net current assets			<u>401,756</u>	<u>334,677</u>
Total assets less current liabilities			<u>409,585</u>	<u>342,595</u>
Net assets			<u>409,585</u>	<u>342,595</u>
Funds of the charity				
Unrestricted funds			<u>409,585</u>	<u>342,595</u>
Total charity funds	21		<u>409,585</u>	<u>342,595</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 4 November 2021, and are signed on behalf of the board by:



Peter Scutt
Trustee

The notes on pages 15 to 23 form part of these financial statements.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 42 Earlham Street, Covent Garden, London, WC2H 9LA, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Current asset investments

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 revaluation and disposals throughout the year.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from charitable activities is recognised when earned.
- income from other sources is recognised when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture & Equipment - 25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Covent Garden Area Trust is a charitable company limited by guarantee and registered in England & Wales and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rent receivable	102,913	102,913	95,874	95,874
Legal and survey fees - applications by tenants	60	60	60	60
Administration fees - applications by tenants	16,728	16,728	35,358	35,358
	<u>119,701</u>	<u>119,701</u>	<u>131,292</u>	<u>131,292</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	<u>902</u>	<u>902</u>	<u>—</u>	<u>—</u>

7. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Sundry donations	92	92	310	310
Bank and building society interest	<u>2,019</u>	<u>2,019</u>	<u>2,644</u>	<u>2,644</u>
	<u>2,111</u>	<u>2,111</u>	<u>2,954</u>	<u>2,954</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Direct costs	8,187	8,187	12,284	12,284
Support costs	<u>47,537</u>	<u>47,537</u>	<u>60,589</u>	<u>60,589</u>
	<u>55,724</u>	<u>55,724</u>	<u>72,873</u>	<u>72,873</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021 £	Total fund 2020 £
Direct costs	8,187	44,502	52,689	68,498
Governance costs	<u>—</u>	<u>3,035</u>	<u>3,035</u>	<u>4,375</u>
	<u>8,187</u>	<u>47,537</u>	<u>55,724</u>	<u>72,873</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
Staff costs	22,555	22,555	21,293
Premises	20,000	20,000	20,000
Communications and IT	635	635	1,934
General office	1,314	1,314	12,986
Governance costs	3,033	3,033	4,375
	<u>47,537</u>	<u>47,537</u>	<u>60,588</u>

11. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>89</u>	<u>119</u>

12. Auditors' remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>2,650</u>	<u>2,650</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	21,810	20,592
Employer contributions to pension plans	<u>745</u>	<u>702</u>
	<u>22,555</u>	<u>21,294</u>

The average head count of employees during the year was 1 (2020: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

14. Trustee remuneration and expenses

During the year, no remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2020 - Nil). No members of the Board of Trustees received reimbursement of expenses (2020 - Nil).

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

15. Tangible fixed assets

	Fixtures and fittings £	Library collection £	Total £
Cost			
At 1 April 2020 and 31 March 2021	<u>26,650</u>	<u>7,562</u>	<u>34,212</u>
Depreciation			
At 1 April 2020	26,294	—	26,294
Charge for the year	<u>89</u>	<u>—</u>	<u>89</u>
At 31 March 2021	<u>26,383</u>	<u>—</u>	<u>26,383</u>
Carrying amount			
At 31 March 2021	<u>267</u>	<u>7,562</u>	<u>7,829</u>
At 31 March 2020	<u>356</u>	<u>7,562</u>	<u>7,918</u>

The Library Collection's value is reviewed annually. In the opinion of the trustees, its current value exceeds its book value and, in order to present a true and fair view, no depreciation is provided for.

16. Debtors

	2021	2020
	£	£
Trade debtors	8,096	5,824
Prepayments and accrued income	5,282	5,221
Other debtors	5,000	5,000
	<u>18,378</u>	<u>16,045</u>

17. Investments

	2021	2020
	£	£
Current asset investment	<u>25,068</u>	<u>21,777</u>

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	3,350	3,350
Social security and other taxes	1,886	870
Deferred income	25,796	25,530
Other creditors	<u>1,113</u>	<u>1,222</u>
	<u>32,145</u>	<u>30,972</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Deferred income

Deferred Income relates to rent receivable in advance that spreads across two accounting periods.

20. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £745 (2020: £702).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	<u>342,595</u>	<u>122,714</u>	<u>(55,724)</u>	<u>409,585</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	<u>281,222</u>	<u>134,246</u>	<u>(72,873)</u>	<u>342,595</u>

22. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	7,829	7,829
Current assets	433,901	433,901
Creditors less than 1 year	<u>(32,145)</u>	<u>(32,145)</u>
Net assets	<u>409,585</u>	<u>409,585</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	7,919	7,919
Current assets	365,648	365,648
Creditors less than 1 year	<u>(30,972)</u>	<u>(30,972)</u>
Net assets	<u>342,595</u>	<u>342,595</u>

COVENT GARDEN AREA TRUST

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	30,000	50,000
Later than 1 year and not later than 5 years	—	95
	<u>30,000</u>	<u>50,095</u>

24. Related parties

No related party transactions have been entered into during the year that need to be disclosed under FRS 102.