

THE FITZROVIA CHAPEL FOUNDATION

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

THE FITZROVIA CHAPEL FOUNDATION

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THE FITZROVIA CHAPEL FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2019

Trustees

H Watson, Chair
E Payne, Trustee (appointed 17 April 2019)
J Aubusson, Treasurer
D Bates, Trustee
E Turner, Trustee (resigned 31 December 2019)

Company registered number

09074417

Charity registered number

1160458

Registered office

Fitzrovia Chapel
2 Pearson Square
London
W1T 3BF

Company secretary

H Kalim

Accountants

Goodman Jones LLP
29-30 Fitzroy Square
London
W1T 6LQ

THE FITZROVIA CHAPEL FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their annual report together with the financial statements of the charity for the year 1 January 2019 to 31 December 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015) and Update Bulletin 2 (effective 1 October 2018).

We are pleased to present our annual report for 2019, our fourth operational year at the chapel during which we continued to develop our cultural programme to much acclaim. Disappointingly however we fell some way short of meeting the income growth targets established following last year's better than expected results and also struggled against rising costs. However despite this more challenging year, we are pleased to report that we succeeded in meeting the three-year financial targets we set ourselves at the end of our first year of operations.

Our team have worked tirelessly to build on our first three years' successes and implement our vision for the charity. Our commitment to provide the best for our community and belief in our objectives has been sustained. Alongside our growth, we find ourselves stronger operationally and more able to drive forward our own dynamic programming and the associate programme (through curated hires).

We welcomed close to 10,000 visitors this year at open days, events and exhibitions, and through partnership events. We deepened relationships with our neighbours in Fitzrovia and took the opportunity to engage with our community through our own cultural programme, making our space available to other groups and supporting events involving local businesses, charities and groups.

Now in its third year, our 'Wireless Contemplation' series once again offered an eclectic programme attracting diverse audiences. This offering has become a firm favourite for our visitors and creatively reflects our heritage and our place in Fitzrovia.

Our commercial income included a growing number of curated hires by galleries and artists (the associate programme) generating much needed revenue but also supporting our objective of providing access to the arts for our community. Our commercial successes are an essential element in delivering our charitable objectives, ensuring a sustainable future for the building, supporting our emerging artistic programme and engaging our community.

In August we launched an online 'Keep our Floor Fabulous' appeal raising over £2,000 by the year-end, which the Pilgrim Trust have agreed to match. A meeting with Andrew and Richard Harris of the LG Harris Trust in September yielded an extremely generous donation of £5,000, their delight at the chapel and support of our aims for its preservation evident. We were also successful in our bid for a grant from Westminster City Council's ward budget programme towards the costs of presenting our autumn exhibition.

Looking ahead, and acknowledging the ever challenging funding climate, we will continue to build our hires business and develop partnerships to ensure financial sustainability. We continue to refine our programme and visitor experience, and are committed to offering the highest quality of events free to our visitors and responding to the need for a secular space for reflection and quiet contemplation.

We remain enormously grateful to our friends, volunteers, the staff team and our board for their contributions to the continued development of the Fitzrovia Chapel in 2019. They have strengthened our vision for the organisation, and their expertise and commitment have enabled the Fitzrovia Chapel to continue to grow from a hidden gem into one of London's distinctive community arts and heritage organisations. We would particularly like to thank Edward Turner, who stepped down as Chair in December, for leading us on our journey thus far.

THE FITZROVIA CHAPEL FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Review of progress against our charitable objects

Object 1. The provision of public access to and use of the Chapel by, and for the benefit of, the residents, communities, voluntary and other organisations, visitors and the wider public in the area surrounding the Chapel, the neighbourhood of the Chapel, and elsewhere, in the interests of social welfare without distinction of sex, sexual orientation, race or political, religious or other opinions, with the objective of improving the conditions of life of all such people.

Throughout 2019 we continued to hold the weekly chapel open day for the public, with interpretation sheets and guides for those drawn to the history of the chapel, and offering a space for reflection and quiet contemplation. We continue to be one of the most popular civil wedding venues in London, and have developed our offering for secular ceremonies. We held several memorial services and, in partnership with Humanists UK, a Trans Day of Remembrance service.

We hosted a number of events at the chapel supporting other organisations and engaging our wider community, and during this year's Middlesex Symposium we were delighted to welcome back to the chapel many hospital alumni for tours and a fundraising drinks reception.

Other achievements

- Further developed our volunteer programme, strengthening ties through away days and get-togethers.
- Hosted 6 marriage proposals, 34 weddings and many other celebrations.
- Hosted tours of the chapel for groups including ex-nurses, the NHS Retirement Fellowship, Dilettanti, the London Appreciation Society, Friends of Hyde Park & Kensington Gardens, St Catherine's College Society.
- Opened the chapel to the public for Open House London.
- Made the chapel available for community events and pro bono and heavily discounted hires including FitzFest, HENI Talks, Middlesex Hospital Allegri String Quartet and many others.

Object 2. The promotion, improvement and development of the education of the public in the appreciation of culture, local history and heritage and the performing arts of communities local to the Chapel and the public at large

During 2019 we delivered ten more 'Wireless Contemplation' events, including audio recordings of literary works with a connection to Fitzrovia. This simple concept is well loved by our visitors and has become a regular opportunity for a diverse group to meet and discover more about the local area and its many literary icons, who are seldom acknowledged as Fitzrovians. There is a great sense of community cohesion within the group and, as each event is marketed to regular visitors, those with an interest in literary culture, and groups affiliated with the authors or the themes of the works, we find these events to be an excellent first engagement with the chapel that often leads to a sustained relationship.

From June onwards we began partnering with Camden Tour Guides to run a series of guided Fitzrovia Walks focused on the area's Bohemian and medical histories, each culminating in a tour of the chapel.

We further expanded our associate programme, a series of curated hires by galleries, artists and others, generating much needed revenue but also, alongside several of our pro bono hires, supporting our objective of providing access to the arts for our community.

2019 exhibitions (the majority accompanied by a series of public talks) included:

- 'Birth' – an extraordinary lightbox portrait of Grayson Perry by photographer Richard Ansett, which to the delight of all present Perry visited the chapel to unveil, and which went on to win the Open Portraiture category in the 2019 Sony World Photography Awards.
- 'Love Lost and Found' (with the Vintage Wedding Photos project) featuring wedding photos from the 1900s to the 1960s, accompanied by a social media campaign aimed at reuniting the images with their families.

THE FITZROVIA CHAPEL FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

- 'Out of the Grey' – a collection of wildlife photographs by Martin Sean, for which we also held a special viewing for the local primary school.
- 'Scorched' (with London Craft Week and Sarah Myerscough) - scorched wood pieces by leading contemporary artists and designers.
- 'Blue Skies Project' (with Photo London) – a deeply moving installation of 1,078 photos of the blue skies above the last known locations of all 1,078 former Nazi concentration camps by Belgian artist Anton Kusters, accompanied by an audio work by Ruben Samama. The exhibition at the chapel was then nominated for the prestigious Deutsche Börse Foundation Photography Prize, and transferred to The Photographers' Gallery where it is still on display. The winner of the £30,000 prize will be announced in September 2020.
- 'Birthing a Better Future' (by Zero2 Expo) - thought-provoking art and science around the first 1001 critical days from conception to age two of a child's life.
- 'Debris', a photography and video exhibition by Milan-based artist Paola Musicò focused on found, lost and discarded objects in otherworldly beachscapes.
- 'My Biggest Fear Is That Someone Will Crawl Into It' (for Frieze London and Frieze Masters, with the Stephen Friedman Gallery) - a large interactive sculpture by Jonathan Baldock, into which visitors could climb.
- 'Alter' (by Cavaliero Finn) – featuring works by eight of the leading UK-based ceramic artists and examining the transformative qualities of clay and the belief in the transformative power of material thinking through innovation and experimentation.
- Shows of sustainable fashion by Mother of Pearl (for London Fashion week) and jewellery by Alighieri.

For our annual exhibition in November, in partnership with Tenby Museum & Art Gallery we welcomed well over 900 visitors to the chapel for 'Nina Hamnett – Everybody was Furious', a rare glance at the life and work of the Welsh writer and artist, who made her home in Fitzrovia and is central to the neighbourhood's creative and cultural legacy, through an intimate exhibition of rarely seen sketches.

The chapel also provided an atmospheric setting for carols sung by the renowned gospel ensemble The Kingdom Choir in BBC Four's 'Lucy Worsley's Christmas Carol Odyssey' broadcast in the run up to Christmas.

Object 3. The conservation, restoration, maintenance and preservation of the fabric and contents of the Chapel

With the Pilgrim Trust having generously agreed that their 2018 offer to match funding for preservation of the chapel floor could instead be applied to donations from the public, in August we launched an online 'Keep our Floor Fabulous' appeal through the KindLink platform which by the year-end had raised over £2,000.

Object 4. The advancement of such other Charitable Purposes beneficial to the public, so far as consistent with the objects stated above, as the Trustee Directors shall in their absolute discretion determine

The trustees have yet to determine any further charitable purposes.

Financial review

Thank you to all of you who have so generously supported us in so many ways this year. We have continued to make great strides in 2019, but there remains much to do to achieve the level of financial sustainability required to fully realise our potential.

Having identified mid-year that we were falling short of our income targets, our internal review found that this had resulted from the chapel team concentrating on supporting the higher than anticipated level of hires in the second half of 2018 and thus being unable to maintain sufficient focus on attracting future hires. In response we have strengthened measures to track our performance (both month-on-month and forward bookings), we have redoubled our efforts to attract new business, and we have now begun the structural and programming changes we believe necessary to achieve a sustainable breakeven position going forwards.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Attracting new business and grant funding remains challenging and so we must continue to look to develop new partnerships and event offerings going forwards, whilst remaining mindful of our costs. Until we achieve a sustainable surplus position we will supplement any shortfall from our remaining Westminster City Council dowry. Thereafter what remains of the dowry and any surplus must first be set aside for our third (and arguably most critical) charity object of maintaining and preserving the chapel, the costs of which are likely to be significant given its Grade II* listed status, and to which end we will establish a sinking fund.

Despite running at a deficit, the trustees and director of the chapel have made great progress towards realising our first and second charitable objects, using a small amount of our income and the funding received from Westminster City Council's ward budgets programme to offer the general public weekly open days, exhibitions and our 'Wireless Contemplation' events.

We continue to seek funding to grow our programme of public access and educational events going forward. While we aim to continue to build levels of income from weddings and other hires to fund such activities, we are in essence a single-space venue. We therefore face the challenge of how we can do so without reducing the time that the chapel is open to the public for our core charitable activities, rather than existing solely as a paid-for venue for those with the financial resources to use and enjoy.

In response to this challenge we have been successful in attracting an increasing number of 'curated hires' (open to the public) by leading artists, designers and galleries featuring a variety of art forms (paintings, photography, sculpture, ceramics and fashion to name just a few) which we envisage playing an important role in meeting all our charitable objectives going forward.

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The charity is required to retain sufficient reserves to fund the maintenance of the building. As a Grade II* listed building, the costs of repairs, maintenance and future restoration may be substantial. It is therefore our intention to create a significant sinking fund, once the charity starts to generate a surplus from its activities. In the initial years of operation we expect the charity to record losses, meaning that reserves will be depleted until we break even.

Structure, governance and management

a. Constitution

The Fitzrovia Chapel Foundation is constituted as a Company Limited by Guarantee and is a registered charity. Its governing documents comprise a Memorandum and Articles of Association under the Companies Act 2006.

b. Method of appointment or election of trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The trustees have adopted a corporate governance document which specifies the way in which trustees are appointed and the standards of behaviour expected of them. Trustees are recruited through personal contacts, recommendations and through direct approaches to the board.

A broad range of skills and interests is required on the board, and new trustees are selected who meet an identified need. All trustees must demonstrate the commitment and interpersonal qualities required to sustain an open and supportive board environment. Trustees are appointed for an initial period of three years, renewable

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

once by mutual agreement with the board. The maximum length of time any trustee may serve is six years.

The board is required to invite representation from the owner of Fitzroy Place, ward councillors from Westminster City Council, local residents' groups, local traders' groups and Fitzroy Place residents.

c. Organisational structure and decision making

The full board meets quarterly to review progress against the charity's objectives and to ensure that the organisation's vision is protected and carefully executed. Executive responsibility is delegated to the management team, with the exception of certain material matters, whether in nature or in scale. Supervision of the management team is through the chair, though direct links between the trustees and individual members of the management team are encouraged. Financial matters are reviewed by the finance committee which meets two weeks prior to each board meeting. An ad hoc nomination committee considers staff matters and board appointments.

Membership of board committees is open to trustees and third parties who can bring specialist skills. Board committees will make recommendations to the full board for their approval. Trustees and the management team attend a joint annual away day to address strategic or operational issues, and to foster good working relationships. In between the formal quarterly board meetings, combined board and management social evenings are held, ensuring that there are multiple opportunities to meet during the year.

COVID-19

The trustees have considered the impacts that the COVID-19 pandemic has for the charity, the main ones being the effects on our ability to raise funds by hiring out the chapel and our ability to open the chapel to the public. We have worked with forthcoming hires to reschedule them wherever possible, offering a full refund in the small number of cases where it was not possible. We have been granted a one-year business rates holiday under the government's Retail, Hospitality and Leisure Business Rates Relief Scheme and have furloughed one member of staff under the Job Retention Scheme, but the high rateable value of the chapel meant we were ineligible for the Small Business or Retail, Hospitality and Leisure Grant Funds. We have implemented the enhanced hygiene and social distancing measures recommended in the government's guidance on working safely during COVID-19 and their guidance for small marriages and civil partnerships, and have now begun opening for small wedding ceremonies (working closely with the Westminster Registrars) and other small hires, and have begun holding open days for the public, all in line with government guidance which we continue to monitor. The charity can meet its commitments and liabilities and can continue for the foreseeable future.

Trustees' responsibilities statement

The trustees (who are also the directors of the charity 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its 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 Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

THE FITZROVIA CHAPEL FOUNDATION

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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.

Approved by order of the members of the board of trustees and signed on their behalf by:

H Watson
Chair, Board of Trustees
Date: 28 September 2020

THE FITZROVIA CHAPEL FOUNDATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Independent examiner's report to the trustees of The Fitzrovia Chapel Foundation ('the charity')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2019.

Responsibilities and basis of report

As the trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Signed:

Julian Flitter

Goodman Jones LLP

29-30 Fitzroy Square

London

W1T 6LQ

Dated: 29 September 2020

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THE FITZROVIA CHAPEL FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations and legacies	3	6,472	3,920	10,392	10,865
Charitable activities	4	111,019	-	111,019	152,675
Other trading activities	5	30,350	-	30,350	24,500
TOTAL INCOME		147,841	3,920	151,761	188,040
EXPENDITURE ON:					
Raising funds		9,020	-	9,020	7,320
Charitable activities	6	197,496	4,194	201,690	196,996
TOTAL EXPENDITURE		206,516	4,194	210,710	204,316
NET EXPENDITURE		(58,675)	(274)	(58,949)	(16,276)
Transfers between funds	14	(2,461)	2,461	-	-
NET MOVEMENT IN FUNDS		(61,136)	2,187	(58,949)	(16,276)
RECONCILIATION OF FUNDS:					
Total funds brought forward		187,303	-	187,303	203,579
Net movement in funds		(61,136)	2,187	(58,949)	(16,276)
TOTAL FUNDS CARRIED FORWARD		126,167	2,187	128,354	187,303

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 25 form part of these financial statements.

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	10	17,356	34,629
Heritage assets	11	1	1
		<u>17,357</u>	<u>34,630</u>
CURRENT ASSETS			
Debtors	12	31,106	28,617
Cash at bank and in hand		150,211	168,273
		<u>181,317</u>	<u>196,890</u>
Creditors: amounts falling due within one year	13	(70,320)	(44,217)
NET CURRENT ASSETS		<u>110,997</u>	<u>152,673</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>128,354</u>	<u>187,303</u>
NET ASSETS EXCLUDING PENSION ASSET		<u>128,354</u>	<u>187,303</u>
TOTAL NET ASSETS		<u><u>128,354</u></u>	<u><u>187,303</u></u>
CHARITY FUNDS			
Restricted funds	14	2,187	-
Unrestricted funds	14	126,167	187,303
TOTAL FUNDS		<u><u>128,354</u></u>	<u><u>187,303</u></u>

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

THE FITZROVIA CHAPEL FOUNDATION
REGISTERED NUMBER: 09074417

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

H Watson
(Chair of Trustees)
Date: 28 September 2020

J Aubusson

The notes on pages 12 to 25 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. GENERAL INFORMATION

The Fitzrovia Chapel Foundation is a charitable company limited by guarantee incorporated in the United Kingdom. The registered office is Fitzrovia Chapel, 2 Pearson Square, London W1T 3BF.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has elected to apply all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), prior to mandatory adoption for accounting periods beginning on or after 1 January 2019.

The Fitzrovia Chapel Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. 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.

2.3 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

The heritage asset capitalised in the accounts is the cost of the lease on the chapel. The asset is not to be depreciated but is reviewed for impairment annually. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Any improvements to the chapel have been capitalised as long term leasehold property assets.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Chapel improvements	- 20% straight line
Furniture	- 33% straight line
Office equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	6,472	2,187	8,659	1,640
Grants	-	1,733	1,733	9,225
	<u>6,472</u>	<u>3,920</u>	<u>10,392</u>	<u>10,865</u>
<i>TOTAL 2018</i>	<u>4,140</u>	<u>6,725</u>	<u>10,865</u>	

During 2019, in addition to many kind donations from chapel visitors and others with a personal connection to the chapel, including all those who donated to our 'Help Keep our Floor Fabulous' KindLink appeal (which by the year-end had raised well over £2,000), we received a very generous donation of £5,000 from the LG Harris Trust, and grant funding towards our Autumn 2019 exhibition 'Nina Hamnett - Everybody Was Furious' from Westminster City Council's ward budget programme (£1,733), for all of which we are extremely grateful.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire income	111,019	111,019	152,675
	<u>111,019</u>	<u>111,019</u>	<u>152,675</u>
<i>TOTAL 2018</i>	<u>152,675</u>	<u>152,675</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	30,350	30,350	24,500
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2018	<u>24,500</u>	<u>24,500</u>	

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities	197,496	4,194	201,690	196,996
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL 2018	<u>187,067</u>	<u>9,929</u>	<u>196,996</u>	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities	17,252	184,438	201,690	196,996
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL 2018	<u>19,610</u>	<u>177,386</u>	<u>196,996</u>	

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Charitable activities 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs - Nina Hamnett	379	379	2,550
Our programme - Nina Hamnett	3,815	3,815	-
Our programme - Love Lost & Found	965	965	24
Our programme - Dwelling	83	83	7,379
Our programme - Lineage	988	988	700
Our programme - Birth	452	452	-
Licences & event costs	10,570	10,570	8,957
	<hr/> 17,252 <hr/>	<hr/> 17,252 <hr/>	<hr/> 19,610 <hr/>
TOTAL 2018	<hr/> 19,610 <hr/>	<hr/> 19,610 <hr/>	

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Charitable activities 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	111,275	111,275	95,634
Depreciation	17,273	17,273	29,426
Rates	4,736	4,736	3,861
Insurance	10,976	10,976	6,173
Electricity	2,316	2,316	2,098
Travel	684	684	426
Printing, postage and stationery	1,413	1,413	1,194
Recruitment and training	973	973	425
Telephone and internet	1,950	1,950	1,999
Computer software & support	5,080	5,080	4,653
Cleaning	3,342	3,342	2,876
Bank charges	97	97	112
Accountancy	15,142	15,142	9,600
Legal and professional	895	895	365
Repairs and maintenance	2,143	2,143	5,251
Bad debt written off	275	275	-
Independent examination	2,100	2,100	2,100
Marketing	1,523	1,523	9,172
Meeting costs	2,245	2,245	2,021
	<u>184,438</u>	<u>184,438</u>	<u>177,386</u>
TOTAL 2018	<u>177,386</u>	<u>177,386</u>	

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. STAFF COSTS

	2019 £	2018 £
Wages and salaries	98,949	89,329
Social security costs	5,544	3,390
Contribution to defined contribution pension schemes	7,161	5,465
	<u>111,654</u>	<u>98,184</u>

The average number of persons employed by the charity during the year was as follows:

2019 No.	2018 No.
<u>4</u>	<u>4</u>

The number of persons volunteering in the chapel during the year was as follows:

2019 No.	2018 No.
<u>30</u>	<u>33</u>

No employee received remuneration amounting to more than £60,000 in either year.

9. TRUSTEES' REMUNERATION AND EXPENSES

During the year ended 31 December 2019, no trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 December 2019, no trustee received any reimbursement of expenses (2018 - £NIL).

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION				
At 1 January 2019	82,364	33,516	5,320	121,200
At 31 December 2019	82,364	33,516	5,320	121,200
DEPRECIATION				
At 1 January 2019	48,725	33,516	4,330	86,571
Charge for the year	16,473	-	800	17,273
At 31 December 2019	65,198	33,516	5,130	103,844
NET BOOK VALUE				
At 31 December 2019	17,166	-	190	17,356
At 31 December 2018	33,639	-	990	34,629

11. HERITAGE ASSETS

Assets recognised at cost

	Chapel 2019 £	Total 2019 £	Total 2018 £
Carrying value at 1 January 2019 and 31 December 2019	1	1	1
	1	1	1

The charity holds a 125 lease over the Fitzrovia Chapel acquired for £1. The Fitzrovia Chapel is a magnificent Grade II* listed building that was originally housed within The Middlesex Hospital. The hospital no longer exists, but the chapel was beautifully preserved and restored and now sits in the centre of the new development of Fitzroy Place. The chapel was designed in 1891 by celebrated Victorian architect John Loughborough Pearson and completed posthumously in 1929 by his son Frank. The chapel is held by the charity for cultural events, educational activities, personal celebrations or simply quiet contemplation.

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	751	751
Other debtors	22,833	21,750
Prepayments and accrued income	7,522	6,116
	<u>31,106</u>	<u>28,617</u>

13. CREDITORS: DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	963	4,336
Other creditors	126	468
Accruals and deferred income	69,231	39,413
	<u>70,320</u>	<u>44,217</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
UNRESTRICTED FUNDS					
General Funds - all funds	187,303	147,841	(206,516)	(2,461)	126,167
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
RESTRICTED FUNDS					
Nina Hamnett	-	1,733	(4,194)	2,461	-
Floor Preservation	-	2,187	-	-	2,187
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	3,920	(4,194)	2,461	2,187
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL OF FUNDS	187,303	151,761	(210,710)	-	128,354
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Restricted funds

The restricted Nina Hamnett fund represents funds for the Nina Hamnett exhibition in Autumn 2019.

The restricted Floor Preservation fund represents funds for maintenance and preservation of the chapel floor.

THE FITZROVIA CHAPEL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2018 £</i>
UNRESTRICTED FUNDS					
General Funds	203,579	181,315	(194,387)	(3,204)	187,303
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
RESTRICTED FUNDS					
Dwelling	-	6,725	(9,929)	3,204	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL OF FUNDS	<u>203,579</u>	<u>188,040</u>	<u>(204,316)</u>	<u>-</u>	<u>187,303</u>

The restricted Dwelling fund represents funds for the Dwelling Exhibition in Autumn 2018.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	17,356	-	17,356
Heritage assets	1	-	1
Current assets	179,130	2,187	181,317
Creditors due within one year	(70,320)	-	(70,320)
TOTAL	<u>126,167</u>	<u>2,187</u>	<u>128,354</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	34,629	34,629
Heritage assets	1	1
Current assets	196,890	196,890
Creditors due within one year	(44,217)	(44,217)
TOTAL	187,303	187,303

16. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £7,161 (2018 - £5,465). Contributions totalling £126 (2018 - £468) were payable to the fund at the balance sheet date and are included in creditors.

17. RELATED PARTY TRANSACTIONS

In 2019 the charity paid £13,750 (2018: nil) in fees for accountancy services provided by Orb Associates Ltd, a company owned by J Aubusson, a trustee. J Aubusson is temporarily acting as the charity's finance manager while recruitment for the position is completed.

18. IN KIND SUPPORT

While we are building our open days, events programme and hires business towards full chapel occupancy and as part of fulfilling our first charity object, where merited we have allowed a select number of other charities and community/arts organisations use of the chapel at discounted rates. In these cases, we compare the rental fee charged to the amount due per our rate card to determine the amount of 'in kind support' we have given, which we track in our management accounts. The trading income and expenditure figures shown here exclude this in kind support, which in 2019 amounted to £30,850 (2018: £42,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

19. POST BALANCE SHEET EVENTS

The trustees have considered the impacts that the COVID-19 pandemic has for the charity, the main ones being the effects on our ability to raise funds by hiring out the chapel and our ability to open the chapel to the public. We have worked with forthcoming hires to reschedule them wherever possible, offering a full refund in the small number of cases where it was not possible. We have been granted a one-year business rates holiday under the government's Retail, Hospitality and Leisure Business Rates Relief Scheme and have furloughed one member of staff under the Job Retention Scheme, but the high rateable value of the chapel meant we were ineligible for the Small Business or Retail, Hospitality and Leisure Grant Funds. We have implemented the enhanced hygiene and social distancing measures recommended in the government's guidance on working safely during COVID-19 and their guidance for small marriages and civil partnerships, and have now begun opening for small wedding ceremonies (working closely with the Westminster Registrars) and other small hires, and have begun holding open days for the public, all in line with government guidance which we continue to monitor. The charity can meet its commitments and liabilities and can continue for the foreseeable future.