

THE ST GEORGE'S HANOVER SQUARE FOUNDATION
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2017

Charity number 1120505

THE ST GEORGE'S HANOVER SQUARE FOUNDATION
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31ST DECEMBER 2017

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THE ST GEORGE'S HANOVER SQUARE FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2017

The trustees have pleasure in submitting their report and the audited financial statements for the St George's Hanover Square Foundation for the year ended 31st December 2017, which have been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

Reference and administrative details

The trust is registered as a charity under reference number 1120505.

The trustees and key management personnel during the year were:

Mr W M C Beckett (Trustee)
The Reverend R N S Leece (Trustee)
Mr M Hewitt (Trustee)
Mr S C N Wikner (St George's Hanover Square Parish Administrator)

The principal office of the foundation is at:

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

The principal professional advisers to the trust are:

Bankers The Royal Bank of Scotland plc
60 Conduit Street
London W1S 2GA

Solicitors Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
WC2A 3JF

**Independent
Examiner** Nicola Wakefield FCA
Mazars LLP
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2017 (continued)

Structure, governance and management

The St George's Hanover Square Foundation was created by a trust deed dated 20 July 2007 and commenced activities on 1 November 2007.

The Rector and two Church Wardens are the ex-officio trustees. The Rector is appointed by the Bishop of London (the Patron of the Parish) and the Church Wardens are elected annually by the Annual Parochial Church Meeting of St George's Church, Hanover Square, London W1.

The key management personnel of the charity as listed on page 1 are in charge of directing, controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received any remuneration in the year. The Parish Administrator received no remuneration from the charity. Details of trustees' expenses and related party transactions are disclosed in Note 7 to the financial statements.

Objectives and activities

The Foundation was established to support the repair and maintenance of the fabric and facilities of St George's Church, Hanover Square, London W1. The trustees confirm that they have had due regard to the guidance issued by the Charity Commission relating to public benefit when planning their objectives and activities.

Its immediate purpose was to raise funds to support the continuing responsibility of the PCC to complete the restoration and refurbishment of St George's carried out in 2010 and to complete the project to replace the organ two years later. Having fulfilled these objectives, it has a further purpose to raise funds to provide endowment income to maintain the fabric of the building and its facilities for future generations.

The decision to start building the organ earlier than originally envisaged placed considerable pressure on the Foundation. To enable the PCC to meet its financial commitments a loan facility was obtained from the Hyde Park Estate Charity in the expectation that funds from the Foundation would in future be used to reduce and eventually pay off the loan.

Achievements and performance

The Foundation can take pride in the role it has played in facilitating the successful repair and refurbishment of St George's and the installation of a new organ. Fundraising in a difficult financial climate proved challenging. Support from the Parish Community and its wider circle of friends was exemplary but, with honourable and notable exceptions, this was not matched by similar levels of support either from businesses within the geographical parish or from grant making trusts and foundations.

Activity during the year under review consisted of:

- Managing pledges made earlier in the fundraising campaign and processing occasional larger donations.
- Funding a substantial reduction in the capital sum loaned to the PCC by the Hyde Park Place Estate Charity.

Financial review

Details of the financial position of the Foundation are set out on pages 5 to 10.

Reserves Policy

All of the funds raised by the Foundation will be used to fund work at St George's Church, Hanover Square. The Foundation therefore has no formal reserves policy.

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2017 (continued)

Risk assessment

The major risks to which the Foundation is exposed, as assessed by the Trustees, have been reviewed.

Based on this risk review, the Trustees consider the most relevant risks, and the means by which they may be mitigated, to be as follows:

Risk 1: Failure to comply with requirements of charity & regulatory law. Mitigated by vigilance of trustees and key personnel.

Risk 2: Partial or total destruction of St George's Church by fire, terrorist activity or other act of 'man' or God. Mitigated by Insurance policies and a fire alarm system being in place.

Plans for future periods

The working group expects to:

- Raise its fundraising profile.
- Solicit new pledges and renew those that have time lapsed.
- Approach grant-making Trusts and individuals that have made previous grants or donations to donate again and approach others that have not yet contacted.
- Identify new fundraising avenues.

Funding will continue to be required to facilitate the following:-

- **Interior fabric work.** The work carried out on the interior fabric was largely confined to that requiring high level scaffolding. Future work to the interior will concentrate on the refurbishment of pews both in the galleries and downstairs and the re-ordering of the baptistery and sanctuary areas.
- **Exterior fabric work.** Cleaning high levels under the portico. Repair high level exterior stone work as identified in the 2014 Quinquennial Report.
- **Routine fabric maintenance.** It is to be anticipated that a substantial sum (probably of the order of £20,000) a year will need to be spent yearly on routine repairs and maintenance to the fabric of St George's if it is to retain its current high level of structural and decorative integrity.
- **The undercroft.** Long-discussed plans to open up the undercroft are now underway.

Trustees' responsibilities

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the surplus of the trust for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in existence.

The trustees are responsible for keeping proper accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

FOR AND ON BEHALF OF THE TRUSTEES



10 October 2018

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ST GEORGE'S HANOVER SQUARE FOUNDATION

I report on the financial statements of The St George's Hanover Square Foundation for the year ended 31 December 2017, which are set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. 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 examination work, for this report, or for the statements I have made.

Basis of independent examiner's report


My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of The St George's Hanover Square Foundation in accordance with section 130 of the 2011 Act; or
 - the financial statements do not accord with those records; or
 - the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Nicola Wakefield, FCA

Mazars LLP, Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date 18th October 2018

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2017

		2017 Unrestricted £	2016 Unrestricted £
Income from:	Note		
Donations and legacies	2	55,629	147,673
Investment income		2,587	1,514
Total income		58,216	149,187
Expenditure on:			
Raising funds		180	(330)
Charitable activities	3	58,850	42,809
Total expenditure		59,030	42,479
Net movement in funds		(814)	106,708
Funds brought forward at 1 January 2017		98,529	(8,179)
Funds carried forward at 31 December 2017		97,715	98,529

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

BALANCE SHEET AS AT 31ST DECEMBER 2017

	<i>Note</i>	<i>2017</i> £	£	<i>2016</i> £	£
Current assets					
Cash at bank and in hand		10,021		15,808	
Debtors and prepayments	4	<u>89,494</u>		<u>85,931</u>	
		99,515		101,739	
Creditors: Amounts falling due within one year	5	<u>(1,800)</u>		<u>(3,210)</u>	
Net current assets			<u>97,715</u>		<u>98,529</u>
Net assets			<u>97,715</u>		<u>98,529</u>
Total funds:					
Unrestricted	8		<u>97,715</u>		<u>98,529</u>

The financial statements were approved by the trustees on 10 October 2018 and signed on their behalf by:



The Reverend R N S Leece

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2017

	2017	2016
	£	£
Cash (used in)/provided by operating activities	(8,374)	83,660
Cash flows from investing activities		
Interest received	2,587	1,514
Loan advanced to SGHS Enterprises Limited	-	(83,231)
Cash provided by/(used in) investing activities	2,587	(81,717)
Net cash (outflow)	(5,787)	(1,943)
Cash and cash equivalents at 1 January 2017	15,808	13,865
Cash and cash equivalents at 31 December 2017	10,021	15,808
Cash flows from operating activities		
Net (expenditure)/income	(814)	106,708
Interest received included in investing activities	(2,587)	(1,514)
Increase in debtors	(3,563)	(953)
Decrease in creditors	(1,410)	(20,581)
Cash (used in)/provided by operating activities	(8,374)	83,660

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

1 ACCOUNTING POLICIES

The St George's Hanover Square Foundation is an unincorporated charity registered in England and Wales. The principal office of the foundation is at St George's Vestry, 2A Mill Street, London W1S 1FX.

(a) ***Basis of accounting***

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for Charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

(b) ***Going concern***

The charity had net assets at the year end of £97,715. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

(c) ***Income***

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Where material assets are donated to the charity for its use, these are capitalised at the estimated market value at the date of the gift and included under income.

(d) ***Expenditure***

- (i) Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Charitable expenditure includes all support costs in respect of the charity's activities.
- (ii) Raising funds includes all expenditure in relation to obtaining funding for the charity to meet its charitable aims including exchange gains or losses.
- (iii) Governance costs comprises all expenditure to comply with statutory and legal requirements and are included in charitable expenditure.

(e) ***Foreign currencies***

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net movement in funds.

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

1 ACCOUNTING POLICIES (continued)

(f) **Debtors**

Gift aid recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

(g) **Cash and cash equivalents**

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

(h) **Creditors and provisions**

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

(i) **Financial instruments**

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

(j) **Funds**

Unrestricted funds represent the funds of the charity that are not subject to any restrictions regarding their use, and are available for application to the general purposes of the charity.

2 DONATIONS AND LEGACIES

	2017 £	2017 £
Donations from individuals & institutions	5,350	15,289
Grants from institutions	44,297	125,528
Standing orders	4,996	5,656
Gift aid tax reclaimed	986	1,200
	<u>55,629</u>	<u>147,673</u>

3 CHARITABLE ACTIVITIES

	2017 £	2017 £
Grants to St George's Church Hanover Square	55,000	39,299
Audit fee	-	1,590
Accountancy and other fees paid to Independent Examiner/auditor	600	1,920
Independent examination fees	1,320	-
Other – exchange loss	730	-
Support costs	1,200	-
	<u>58,850</u>	<u>42,809</u>

THE ST GEORGE'S HANOVER SQUARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

4 DEBTORS AND PREPAYMENTS	2017	2016
	£	£
Loan to SGHS Enterprises Limited	87,308	84,731
Accrued income	2,186	1,200
	<u>89,494</u>	<u>85,931</u>

5 CREDITORS: Amounts falling due within one year	2017	2016
	£	£
Accruals	1,800	3,210
	<u>1,800</u>	<u>3,210</u>

6 EMPLOYEES' AND TRUSTEES' TRANSACTIONS

The Charity does not employ any staff directly. The Charity paid St George's Church Hanover Square £nil (2016: £nil) for the services of a fundraising manager.

No trustees or Key Management Personnel were reimbursed expenses in the year, nor were there any other transactions with trustees, or persons connected with them, other than those included in note 7.

7 RELATED PARTY TRANSACTIONS

The charity is connected to St George's Church, Hanover Square, SGHS Enterprises Limited and Hyde Park Place Estate Charity by way of mutual trustees or directors.

During the year, the charity made grants of £55,000 (2016: £39,299) to St George's Church, Hanover Square, of which The Rector, Revd. Roderick N S Leece, Mr M Hewitt and Mr W M C Beckett, are Trustees. At the year end the charity had a balance of £nil due to St George's Church, Hanover Square (2016: £nil).

During 2017, the charity made loans of (2016: £nil) to, and charged interest of £2,577 (2016: £1,500) to, SGHS Enterprises Limited, of which The Rector, Revd. Roderick N S Leece, Mr M Hewitt and Mr W M C Beckett, are directors. At the year end the company owed the charity £87,308 (2016: £84,731).

The charity received grants in the year of £44,298 (2016: £125,528) from Hyde Park Place Estate Charity, a charity of which The Rector, Revd. Roderick N S Leece, Mr M Hewitt and Mr W M C Beckett, are Trustees.

8 UNRESTRICTED GENERAL FUND BALANCES

The general fund balances at 31 December 2017 all relate to unrestricted funds for the purposes of the Statement of Recommended Practice Accounting and Reporting by Charities (Charities SORP (FRS 102)).

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