

Charity no 1097712

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION

**ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 2017**

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2017

History, objectives and activities furthering the public benefit

The St Paul's Knightsbridge Foundation is a charity formed under a Declaration of Trust dated 31st October 2002. Its objects are to maintain and support in office a person who is appointed as or performs the function of a curate to the Vicar of St Paul's Knightsbridge, London SW1 and to contribute towards the maintenance of the fabric, furnishings and equipment of the church and support worship, including performance of the choir and musical or artistic activities intended to encourage worship in St Paul's Church.

The expendable endowment fund was created from the legacy of the Reverend GRJ Shea and comprised a leasehold property in Knightsbridge and a cash sum which has now been expended. The trustees have the power to spend the capital, but both the capital and any income are restricted to the provision of remuneration, accommodation or expenses of a curate or assistant clergy for the parish of St Paul's Knightsbridge. The leasehold flat continues to be occupied by a retired clergyman who is an Honorary Assistant Priest at St Paul's Church.

The Foundation now owns a copy of a cello owned by the famous cellist Rostropovich purchased largely with funds driven by a special fundraising concert. The Foundation has undertaken to provide and insure the instrument for use by the current music scholar of St Paul's Church.

The charity makes regular donations to the Parochial Church Council.

The charity's trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission.

Financial review and achievements

The Foundation received income totalling £169,078 (2016: £111,859) which included £37,195 raised for the new cello. Unrestricted donations received amounted to £71,528 (2016: £38,599) and £1,000 was donated towards the Capital Appeal (2006: £16,250). The Foundation Carol Service generated fundraising income after costs of £37,077 (2016: £36,672) and also drove a significant number of donations.

Donations to the Parochial Church Council of St Paul's Knightsbridge amounted to £67,600 (2016: £82,200) of which £15,000 (2016: £32,000) was made from the restricted fund. The cello was purchased for £47,000.

Reserves policy

The balance on the unrestricted reserve at the year end was £171,613. The Trustees maintain a level of reserves sufficient to cover future service charges pertaining to Flat 7 Wellington Court. It is also the Trustees' policy to build up reserves in order to meet the needs of St Paul's Church in years to come. They have the power to invest surplus funds as they see fit.

The balance of the restricted fund, the St Paul's Knightsbridge Foundation Capital Appeal, was a deficit of £14,428, but future income is expected to cover the shortfall.

The balance of the cello fund, also restricted, was a surplus of £36,814 and further income was raised after the year end to cover the cost of the cello.

The balance on the expendable endowment fund at the year end was £1,160,224.

**THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2017**

Risk management

The Trustees have considered the major risks to which the Foundation is exposed and have reviewed those risks and established systems and procedures to manage those risks.

Governance and management

The charity is governed by the trustees.

The Declaration of Trust states that a majority of the Trustees shall have power from time to time to appoint a new or additional trustee or trustees provided that:

- a) The Trustees shall appoint and maintain in office (a) the person who is for the time the Vicar (or if there shall be no Vicar, the Priest in Charge) of St Paul's Church and (b) a person chosen by the said Vicar or Priest in Charge from among those who are service as Church Warden to St Paul's Church and the persons so appointed under sub-paragraphs (a) and (b) of this clause shall hold office so long only as they respectively hold office as Vicar (or Priest in Charge) or as Church Warden.
- b) The Trustees being at least two in number may act in the trusts hereof notwithstanding any vacancy in their number pending the appointment of a Vicar (or Priest in Charge or Church Warden).

Administrative details

The address of the charity is St Paul's Church, 32A Wilton Place, London SW1X 8SH.

The Trustees of the charity were:

Mr John Sunderland

The Reverend Alan Gyle – Vicar of St Paul's

Mrs Susan Thornton

Mr John Tweddle – Churchwarden of St Paul's (resigned 27 June 2018)

Ms Lorna Gradden - (appointed 27 June 2018)

The leasehold property in Knightsbridge is held in the names of all the trustees.

Bankers: Messrs C Hoare & Co
32 Lowndes Street
London SW1

Accountants: Begbies Chartered Accountants
Old Printers House
Stone Street
Cranbrook
Kent TN17 3HF

The Trustees have appointed Mr Daniel Valentine ACA to act as Independent Examiner for the Foundation.

**THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2017**

Trustees' responsibilities in relation to the financial statements

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which Report give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011. 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.

This report has been prepared in accordance with *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 (Charities SORP (FRS 102))* published on 16 July 2014.

THE REVEREND ALAN GYLE
TRUSTEE
29 October 2018

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF
THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
Charity no 1097712**

I report to the trustees on my examination of the accounts of the St Paul's Knightbridge Foundation ('the Foundation') for the year ended 31 December 2017, which are set out on pages 5 to 11.

Responsibilities and basis of report

As the trustees of the Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable 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 material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Daniel Valentine ACA

Begbies Chartered Accountants

Old Printers House

Stone Street

Cranbrook

Kent TN17 3HF

30 October 2018

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017
Charity no 1097712

	Unrestricted fund	Restricted funds		Expendable endowment fund	Total 2017	Total 2016
Note	£	Capital Appeal £ Note 8	Cello Fund £ Note 8	£ Note 7	£	£ Page 6
Income from:						
Donations	71,528	1,000	37,195	-	109,723	54,849
Other trading activities						
- fundraising events	2	59,348	-	-	59,348	56,885
Bank interest	7	-	-	-	7	125
Total income	130,883	1,000	37,195	-	169,078	111,859
Expenditure on:						
Raising funds	3	22,308	1,200	-	23,508	20,231
Charitable activities						
Grants and donations	4	52,600	15,000	-	67,600	82,200
Property management costs		-	-	10,770	10,770	15,093
Insurance		-	381	-	381	-
Governance costs	5	6,571	-	-	6,571	3,240
		59,171	15,000	381	10,770	85,322
Total expenditure		81,479	16,200	381	108,830	120,764
Net movement in funds		49,404	(15,200)	36,814	(10,770)	60,248
Reconciliation of funds:						
Total funds brought forward		122,209	772	-	1,170,994	1,293,975
Total funds carried forward		171,613	(14,428)	36,814	1,160,224	1,354,223

The charity has no permanent endowment funds.

The notes on pages 8 to 11 form part of these accounts

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Unrestricted fund £	Restricted fund: Capital Appeal £ Note 8	Expendable endowment fund £ Note 7	Total 2016 £
Income from:					
Donations		38,599	16,250	-	54,849
Other trading activities					
- fundraising events	2	56,885	-	-	56,885
Bank interest		125	-	-	125
Total income		95,609	16,250	-	111,859
Expenditure on:					
Raising funds	3	20,231	-	-	20,231
Charitable activities					
Grants and donations	4	50,200	32,000	-	82,200
Property management costs		-	-	15,093	15,093
Governance costs	5	3,240	-	-	3,240
		53,440	32,000	15,093	100,533
Total expenditure		73,671	32,000	15,093	120,764
Net movement in funds		21,938	(15,750)	(15,093)	(8,905)
Reconciliation of funds:					
Total funds brought forward		100,271	16,522	1,186,087	1,302,880
Total funds carried forward		122,209	772	1,170,994	1,293,975

The charity has no permanent endowment funds.

The notes on pages 8 to 11 form part of these accounts

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2017
Charity no 1097712

	Note	Unrestricted fund £	Restricted fund Capital Appeal £	Cello Fund £	Expendable endowment fund £	Total 2017 £	Total 2016 £
Fixed assets							
Tangible assets	6	-	-	47,000	1,200,000	1,247,000	1,200,000
Current assets							
Trade debtors		25,548	-	17,627	-	43,175	5,977
Prepayments and accrued income		-	-		6,466	6,466	-
Gift aid debtor		-	7,250	6,819	-	14,069	6,250
Cash at bank		148,865	(20,478)	(22,632)	(46,242)	59,513	84,348
		174,413	(13,228)	1,814	(39,776)	123,223	96,575
Liabilities							
Creditors: amounts falling due within one year							
Trade creditors		-	-	12,000	-	12,000	-
Accruals		2,800	1,200	-	-	4,000	2,600
		2,800	1,200	12,000	-	16,000	2,600
Total net assets		171,613	(14,428)	36,814	1,160,224	1,354,223	1,293,975
Unrestricted fund		171,613	-	-	-	171,613	122,209
Restricted funds	8	-	(14,428)	36,814	-	22,386	772
Expendable endowment fund	7	-	-	-	1,160,224	1,160,224	1,170,994
		171,613	(14,428)	36,814	1,160,224	1,354,223	1,293,975

These accounts were approved by the trustees on 29 October and signed on their behalf by:

THE REVEREND ALAN GYLE
TRUSTEE

The notes on pages 8 to 11 form part of these accounts

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017
Charity no 1097712

1 Accounting policies

The following policies have been used in dealing with items which are considered material in relation to the charity's accounts.

a) Basis of accounting and assessment of going concern

The accounts have been prepared under the historic cost convention. The accounts have been prepared in accordance with *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* (Charities SORP (FRS 102)) published on 16 July 2014, and the *Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102).

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Funds structure

The charity has a single expendable endowment fund. There is no requirement to spend the capital of the fund; however the Trustees are in their power to do so if they so decide. The capital and income from the fund is restricted to payment of remuneration, accommodation or expenses of a curate or assistant clergy for the parish of St Paul's Knightsbridge. Further details of the fund are disclosed in note 7.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Details of the restricted fund are disclosed in note 8.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

c) Income

All income is recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of income can be measured with sufficient reliability.

d) Expenditure

Liabilities are recognised as resources as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis with the irrecoverable element of VAT included within the category of expense to which it relates.

Expenditure on raising funds includes direct costs of events and other fundraising expenditure and is detailed in the notes. *Expenditure on charitable activities* are direct costs of the charity in undertaking its work to meet its charitable objectives and consists of grants to St Paul's Knightsbridge PCC, property expenses and governance costs. Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and are detailed in note 5.

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

e) Tangible fixed assets and depreciation

The long leasehold property is stated as the probate value as at 1 January 2005 less any provisions for impairment. No depreciation is provided.

The cello is stated at cost and no depreciation is provided because in the opinion of the trustees any charge would be immaterial due to a high residual value.

f) 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.

2 Other trading activities - fundraising events	2017	2016
	£	£
Foundation Carol Service	59,348	56,885
	<hr/> <hr/>	<hr/> <hr/>
 3 Fundraising costs	2017	2016
	£	£
Foundation Carol Service	22,271	20,213
Fundraising consultant	1,200	-
Sundry fundraising costs	37	18
	<hr/> <hr/>	<hr/> <hr/>
	23,508	20,231
 4 Grants and donations	2017	2016
	£	£
Grant to St Paul's Knightsbridge PCC		
- restricted fund	-	32,000
- unrestricted fund	37,000	37,000
Professional fees paid on behalf of St Paul's Knightsbridge PCC		
- restricted fund	15,000	-
- unrestricted fund	15,600	13,200
	<hr/> <hr/>	<hr/> <hr/>
	67,600	82,200

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Governance costs	2017	2016
	£	£
Accountancy and independent examination charges	2,800	2,600
- prior year (over)/under provision	(206)	630
Legal fees	3,977	-
Bank charges	-	10
	6,571	3,240
	6,571	3,240

6 Tangible fixed assets	Long leasehold		Total
	Cello	property	£
	£	£	£
Cost			
Balance brought forward	-	1,200,000	1,200,000
Additions	47,000	-	47,000
Balance carried forward	47,000	1,200,000	1,247,000
	47,000	1,200,000	1,247,000
Net book value			
Balance brought forward	-	1,200,000	1,200,000
Balance carried forward	47,000	1,200,000	1,247,000
	47,000	1,200,000	1,247,000

7 Expendable endowment fund

The expendable endowment fund was created from the legacy of the Reverend GRJ Shea and comprised a leasehold property in Knightsbridge and a cash sum which has now been expended. The trustees have the power to spend the capital, but both the capital and any income are restricted to the provision of remuneration, accommodation or expenses of a curate or assistant clergy for the parish of St Paul's Knightsbridge. The property currently houses an assistant clergyman for the parish.

8 Restricted Fund

There are two restricted funds. Expenditure from the St Paul's Knightsbridge Foundation Capital Appeal is restricted to the redevelopment of the St Paul's Knightsbridge church site and restoration of the chancel. The Cello Fund is restricted to the provision and maintenance of the cello purchased for use by the current music scholar of St Paul's Church.

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9 Related party transactions

The Reverend Alan Gyle and Mr John Tweddle are respectively Vicar and a Churchwarden of St Paul's Church, Knightsbridge which benefits from the activities of the Foundation.

There were no other related party transactions.

10 Staff costs and trustees remuneration

There were nil employees during the year (2016: nil).

No trustee, or other connected persons, received any remuneration, benefit in kind or reimbursement of expenses.