

REGISTERED COMPANY NUMBER: 03028678 (England and Wales)
REGISTERED CHARITY NUMBER: 1045390

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2018
FOR

ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

**ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

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FOR THE YEAR ENDED 31ST AUGUST 2018**

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ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2018. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Background and Charitable Activities

The Charity's object is to promote the Church of St John's Smith Square for charitable purposes connected with the advancement of religion and education in the arts by the use of the Church as a place for the public.

Built in 1728 by Thomas Archer, it is one of the finest examples of English Baroque architecture. During the Second World War it was partially destroyed by fire-bombs. In the 1960s a charity, The Friends of St John's, was formed and raised money to restore the building to the original Archer designs. St John's was re-opened as a centre for the arts in 1969 and its exceptional acoustic has resulted in it becoming one of the nation's most loved and popular venues for concerts. It is a Grade One listed building.

St John's Smith Square enjoys a reputation as one of London's major concert halls and is the venue of choice for the performance of all types of Baroque, late eighteenth century and early Classical music. It is also a major home and curator of contemporary classical music. St John's also provides a home in the capital for high-quality choirs and vocal ensembles, chamber orchestras and period instrument groups, attracting the finest groups of national and international standing to give regular performances. St John's is home to a number of renowned festivals and enjoys a close relationship with significant national and international partners. St John's hosts an extremely wide-ranging programme of internationally acclaimed artists appearing, through concerts, educational activity and an outreach programme.

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the section "Overview of the Year" relates in detail the benefit that the Charity provides to the public.

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018**

STRATEGIC REPORT

Achievement and performance

Overview of the year

During the 2017/18 season St John's Smith Square continued to achieve significant critical acclaim for a distinctive programme of concerts and festivals. Highlights of the year included the regular Christmas Festival, curated by Stephen Layton; the return of the Holy Week Festival for a second year, in conjunction with Tenebrae; and significantly, the London Festival of Baroque Music which was managed and delivered entirely by the St John's Smith Square team for the first time, working in conjunction with a Guest Curator from Ensemble Correspondances, Sébastien Daucé. Other festival programming included returns for the Principal Sound Festival, curated by Sam Wigglesworth and the Occupy the Pianos Festival directed by Rolf Hind. St John's Smith Square also created smaller-scale focus festivals including the Muffat Weekend, in collaboration with Tatty Theo and The Brook Street Band and the celebrations of William Bolcom's 80th birthday, as part of the year-long 'Americana' strand, curated by David Wordsworth. There were many individual stand-out performances, but those of particular note included the 50th birthday concert of The King's Singers, the performance of Handel's Giulio Cesare by the Early Opera Company and Christian Curnyn; and the performance of Handel's Orlando by La Nuova Musica and David Bates. St John's Smith Square also continued to provide a highly regarded programme of Community & Education work, including the flagship Young Artists' Scheme which this year featured the violinist Mathilde Milwidsky, the percussion and piano duo of George Barton and Siwan Rhys and the Bukolika Piano Trio.

St John's Smith Square was very grateful to receive financial support for the artistic programme from a wide variety of sources including the Arts Council of England, the Institut français, Bureau Export, The Rothschild Foundation, the Cockayne Foundation, the Hinrichsen Foundation as well as many generous individual benefactors. St John's Smith Square was delighted to welcome the Patron, HRH The Duchess of Cornwall, for a fundraising gala in June 2018 and is very grateful to the very generous donors who between them ensured this event raised over £100,000 in support of St John's.

Audience numbers for the season have shown 56,674 ticket holders attending 283 events with total ticket receipts of £1,117,290.

Financial review

Financial position

These accounts show a loss for the year of £14,306 (2017 : loss of £254,018).

St John's Smith Square operates without public subsidy and every year significant development revenue is required simply to balance the accounts. There have been some notable recent successes in this area such as the 300th birthday gala in 2014 and the launch of the New Programme Fund in 2015. The Trustees are very grateful to all the generous donors who supported St John's Smith Square through the programme of development activities in 2017/18. However, increasing difficulty has been encountered in securing such development income and this has given rise to a serious financial situation, as described below under the heading of 'Going concern'.

Reserves policy

St John's policy is to hold sufficient unrestricted funds to cover a shortfall in funding and meet ongoing obligations in relation to the maintenance and upkeep of the property.

In the event of an unexpected shortfall in normal income the reserve will enable the Charity to honour its commitments whilst funding is sought or, in the event of losses which make the Charity's activities unsustainable, an orderly wind-up is arranged.

The reserve will also enable the Charity to meet certain maintenance and upkeep costs which are not covered by insurance and for which it is deemed not possible to raise restricted funds.

At 31 August 2018 unrestricted funds were £87,536 (2017: £37,871) which the trustees do not regard as a satisfactory level to provide a sound financial foundation for the future. The trustees are examining all available options for restoring reserves and strengthening the financial viability of the company.

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

STRATEGIC REPORT

Financial review

Going concern

As noted above, the charity is experiencing shortfalls in operating income. This arises from the under-funded character of the basic operating model and is not a new situation. Significant amounts of income from extraordinary fund-raising campaigns, together with regular individual giving and other sources of finance, have for several years been required to ensure the continued financial viability of the charity, and this remains the case. The cumulative effect of these circumstances gives rise to uncertainties about the charity's ability to continue as a going concern. Responding to these difficulties, and to the need to make a decisive transition towards a less vulnerable trading model, the trustees have for several months been engaged in discussions with potential partners. These efforts to secure sufficient financial backing and thus strengthen the operating model, as described below under the heading 'Future plans', are ongoing. That said, the trustees believe that, at present, it is appropriate to prepare the financial statements on a going concern basis.

Financial and risk management objectives and policies

The Trustees have examined the principal areas of the Company's operations and considered the major risks faced in each of these areas. In the opinion of the Trustees, the Company has established a review system and allocated sufficient resources to ensure that those risks identified have been mitigated to a level acceptable for the Company's day to day operations.

Future plans

The Trustees and Management have now adopted a revised operating model which reduces exposure to risk by consolidating the charities activities in three core areas: heritage and investing in the building; the promotion and understanding of early music; and the development of emerging talent. The charities resources and energies as regards performance activities are now concentrated within the three core festivals (Christmas, Holy Week and London Festival of Baroque Music); the Young Artists' Scheme; and the lunchtime concert season.

The Trustees are engaged in active discussions with potential strategic partners which the Trustees are confident could result in significant additional hall hire rental. The Trustees plan a developed fundraising campaign in relation to the 50th anniversary of St John's Smith Square as a concert hall which will take place across the 2019/20 season.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The St John's Smith Square Charitable Trust is a Company Limited by Guarantee (registered in England and Wales and is a charity registered with the Charity Commission and is governed by its Memorandum and Articles of Association.

Working Name

St John's Smith Square

Recruitment and appointment of new trustees

Directors are appointed by the Board of Directors subject to re-election by the Company's members at Annual General Meetings. They meet quarterly, and more frequently when occasion arises, to receive reports from the General Manager, to review progress and future strategic initiatives. Training is provided to Directors in their capacity as Trustees where a need is identified. They received no fees or emoluments for their work.

The Board of Directors delegate the day to day running to the executive director, Richard Heason.

Liability of the members

The liability of the members is limited to their guarantee. In the event of the trust being wound up during the period of their membership (or within the year following) members undertake to contribute such amounts as may be required, but not exceeding £10. The Council of Trustees are all members of the Company.

**ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have examined the principal areas of the Company's operations and considered the major risks faced in each of these areas. In the opinion of the Trustees, the Company has established a review system and allocated sufficient resources to ensure that those risks identified have been mitigated to a level acceptable for the Company's day to day operations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03028678 (England and Wales)

Registered Charity number

1045390

Registered office

St John's Smith Square
London
SW1P 3HA

Trustees

Lady T S M Brewer		
Countess of Chichester	(Vice-Chair)	
R A Collingwood		
P A Holgate		
Dr D M Peck		- resigned 7/3/2018
M H Smith	(Chairman)	
D C Wyler		- resigned 22/3/2018
V Singh		
Ms J Simor		

Company Secretary

R G W Heason

Senior Statutory Auditor

John Thacker FCA DChA

Auditors

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Solicitors

Radcliffes LeBrasseur
5 Great College Street
London,
SW1P 3SJ

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

CAF Bank
25 Kings Hill Avenue
West Malling
Kent,
ME19 4JQ

Barclays Bank plc
Leicester
LE87 2BB

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of St. John's, Smith Square Charitable Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

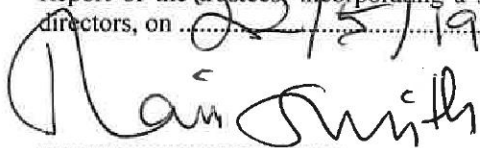
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21/5/19 and signed on the board's behalf by:



M H Smith - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

Opinion

We have audited the financial statements of St. John's, Smith Square Charitable Trust (the 'charitable company') for the year ended 31st August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2018 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; and
- 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

Material uncertainty relating to going concern

We draw your attention to note 1 in the financial statements, which indicates the charity is experiencing shortfalls in operating income which together with the charity's reliance on extraordinary funding gives rise to uncertainties about the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 23 Aug 2019

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2018

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	348,476	-	348,476	129,999
Charitable activities	4				
Charitable Activities		769,793	10,655	780,448	712,864
Investment income	3	<u>60,524</u>	<u>-</u>	<u>60,524</u>	<u>69,178</u>
Total		1,178,793	10,655	1,189,448	912,041
EXPENDITURE ON					
Raising funds	5	30,574	-	30,574	32,100
Charitable activities	6				
Charitable Activities		<u>1,098,554</u>	<u>74,626</u>	<u>1,173,180</u>	<u>1,133,959</u>
Total		1,129,128	74,626	1,203,754	1,166,059
NET INCOME/(EXPENDITURE)		49,665	(63,971)	(14,306)	(254,018)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>37,871</u>	<u>1,755,709</u>	<u>1,793,580</u>	<u>2,047,598</u>
TOTAL FUNDS CARRIED FORWARD		<u>87,536</u>	<u>1,691,738</u>	<u>1,779,274</u>	<u>1,793,580</u>

The notes form part of these financial statements

**ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST (REGISTERED NUMBER: 03028678)**

**BALANCE SHEET
AT 31ST AUGUST 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	11	1,866,998	1,976,678
CURRENT ASSETS			
Debtors	12	106,415	101,534
Cash at bank		<u>139,941</u>	<u>76,643</u>
		246,356	178,177
CREDITORS			
Amounts falling due within one year	13	(237,882)	(254,422)
NET CURRENT ASSETS/(LIABILITIES)		<u>8,474</u>	<u>(76,245)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,875,472	1,900,433
CREDITORS			
Amounts falling due after more than one year	14	(96,198)	(106,853)
NET ASSETS		<u>1,779,274</u>	<u>1,793,580</u>
FUNDS	17		
Unrestricted funds		87,536	37,871
Restricted funds		<u>1,691,738</u>	<u>1,755,709</u>
TOTAL FUNDS		<u>1,779,274</u>	<u>1,793,580</u>

The financial statements were approved by the Board of Trustees on 22/5/19 and were signed on its behalf by:



M H Smith - Trustee

The notes form part of these financial statements

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>63,194</u>	<u>(186,885)</u>
Net cash provided by (used in) operating activities		<u>63,194</u>	<u>(186,885)</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(19,740)
Interest received		<u>104</u>	<u>548</u>
Net cash provided by (used in) investing activities		<u>104</u>	<u>(19,192)</u>
 Change in cash and cash equivalents in the reporting period		<u>63,298</u>	<u>(206,077)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>76,643</u>	<u>282,720</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>139,941</u></u>	<u><u>76,643</u></u>

The notes form part of these financial statements

**ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(14,306)	(254,018)
Adjustments for:		
Depreciation charges	109,680	106,343
Interest received	(104)	(548)
Increase in debtors	(4,881)	(63,049)
(Decrease)/increase in creditors	(27,195)	24,387
Net cash provided by (used in) operating activities	<u>63,194</u>	<u>(186,885)</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

As described in the Trustees' report, the charity is experiencing shortfalls in operating income. This arises from the under-funded character of the basic operating model and is not a new situation. Significant amounts of income from extraordinary fund-raising campaigns, together with regular individual giving and other sources of finance, have for several years been required to ensure the continued financial viability of the charity, and this remains the case. The cumulative effect of these circumstances gives rise to uncertainties about the charity's ability to continue as a going concern. Responding to these difficulties, and to the need to make a decisive transition towards a less vulnerable trading model, the trustees have for several months been engaged in discussions with potential partners. These efforts to secure sufficient financial backing and thus strengthen the operating model, as described in the Trustees' report, are ongoing. That said, the trustees believe that, at present, it is appropriate to prepare the financial statements on a going concern basis.

Income

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

All income, including commission, earned on concerts, hall hire and recordings is credited to the SoFA at the date of each performance rather than at the date of sale or receipt of payment. Donations are credited to the SoFA on receipt except where the donation relates to a specific event during the year and has been received after the year end, in which case it will be recognised in the year of the event.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Expenditure on equipment (including IT equipment) and furniture and fittings in excess of £1,000 per item or group of items is capitalised.

No depreciation is provided in respect of restoration work on the buildings, on the basis that they are maintained in the present condition and their estimated residual value is not materially different from the carrying value of the asset. No depreciation is provided on the site.

The cost of redecoration and other incidental equipment is charged directly to the Statement of Financial Activities (SoFA) in the year the expenditure is incurred.

Depreciation is provided on other fixed assets at the following rates:-

Stonework - 30 years

Disabled Access - 30 years

Boiler - 25 years

Organ and Gallery restoration - 50 years

Piano - 12 years

Lighting - 12 years

Furniture and Fittings - 4 to 10 years

Video and PA equipment - 4 years

Computer equipment - 4 years

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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 operating result.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018**

1. ACCOUNTING POLICIES - continued

Deferred income

Grants received in prior years in respect of the restoration of the stonework are released to the income and expenditure account in line with the depreciation charged on the relevant fixed asset. Balances on deferred income are carried in creditors.

The treatment, although not in accordance with the provisions of the Charities' SORP, complies with the provisions of FRS 102, Accounting for Grants and, in the opinion of the Trustees, most fairly presents the position of the Charity in relation to such grants.

Operating Lease Commitments

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the SoFA on a straight line basis over the period of the lease.

Pension Scheme

The Charity operates a defined contribution pension scheme for a number of its employees. The funds of the scheme are administered by external Trustees and are separate from the Charity. Contributions are paid by the Charity and employees. The pension charge represents contributions payable by the Charity for the period. The Charity's liability is limited to the amounts of the contributions.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	315,198	96,529
Friends and Mailing list income	<u>33,278</u>	<u>33,470</u>
	<u>348,476</u>	<u>129,999</u>

3. INVESTMENT INCOME

	2018	2017
	£	£
Rents received	60,420	68,630
Deposit account interest	<u>104</u>	<u>548</u>
	<u>60,524</u>	<u>69,178</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2018	2017
		£	£
Income from concerts	Charitable Activities	<u>780,448</u>	<u>712,864</u>

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

5. RAISING FUNDS

Raising donations and legacies

	2018	2017
	£	£
Staff costs	22,741	21,035
General Office	<u>7,833</u>	<u>11,065</u>
	<u>30,574</u>	<u>32,100</u>

6. CHARITABLE ACTIVITIES COSTS

	2018	2017
	£	£
Charitable Activities	<u>1,173,180</u>	<u>1,133,959</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	109,680	106,343
Auditor's remuneration - audit services	3,750	3,500
Auditor's remuneration - non-audit services	<u>900</u>	<u>450</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

During the year £3,750 was paid to a Trustee for accountancy and advisory services. This was properly approved by the Board.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2018 nor for the year ended 31st August 2017.

**ST. JOHN'S, SMITH SQUARE CHARITABLE
TRUST**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

9. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	293,725	274,163
Social security costs	23,346	20,763
Pension costs	8,128	6,350
Casual staff	<u>54,926</u>	<u>46,310</u>
	<u>380,125</u>	<u>347,586</u>

Key Management Personnel remuneration amounted to £87,915 (2017: £72,589).

The average monthly number of employees during the year was as follows:

	2018	2017
Box office	3	3
Administration	6	7
Ushers	<u>3</u>	<u>3</u>
	<u>12</u>	<u>13</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018	2017
£70,001 - £80,000	<u>1</u>	<u>-</u>

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	104,999	25,000	129,999
Charitable activities			
Charitable Activities	702,209	10,655	712,864
Investment income	<u>69,178</u>	<u>-</u>	<u>69,178</u>
Total	876,386	35,655	912,041
 EXPENDITURE ON			
Raising funds	32,100	-	32,100
Charitable activities			
Charitable Activities	<u>1,011,333</u>	<u>122,626</u>	<u>1,133,959</u>
Total	<u>1,043,433</u>	<u>122,626</u>	<u>1,166,059</u>
 NET INCOME/(EXPENDITURE)	(167,047)	(86,971)	(254,018)
 RECONCILIATION OF FUNDS			
Total funds brought forward	204,918	1,842,680	2,047,598
 TOTAL FUNDS CARRIED FORWARD	<u>37,871</u>	<u>1,755,709</u>	<u>1,793,580</u>

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018**

11. TANGIBLE FIXED ASSETS

	Site £	Restoration of Stoneworks £	Organ and Gallery Restoration £	Restoration of Church £	Piano £
COST					
At 1st September 2017 and 31st August 2018	50,000	363,716	818,565	144,446	53,560
DEPRECIATION					
At 1st September 2017	-	230,046	355,054	-	53,560
Charge for year	-	12,112	16,089	-	-
At 31st August 2018	-	242,158	371,143	-	53,560
NET BOOK VALUE					
At 31st August 2018	50,000	121,558	447,422	144,446	-
At 31st August 2017	50,000	133,670	463,511	144,446	-

	Boiler £	Fixtures and fittings £	Disabled Access £	Computer equipment £	Totals £
COST					
At 1st September 2017 and 31st August 2018	143,228	468,637	1,394,165	114,277	3,550,594
DEPRECIATION					
At 1st September 2017	45,595	395,270	391,428	102,963	1,573,916
Charge for year	5,729	24,892	46,426	4,432	109,680
At 31st August 2018	51,324	420,162	437,854	107,395	1,683,596
NET BOOK VALUE					
At 31st August 2018	91,904	48,475	956,311	6,882	1,866,998
At 31st August 2017	97,633	73,367	1,002,737	11,314	1,976,678

The freehold interest in the church is held subject to certain restrictive covenants in favour of the London Diocese (from whom the site was purchased) which concern the use and disposal of the property. The figure for restoration of the church is stated after deducting £185,910 in respect of a contribution by the War Damage Commission.

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	70,197	94,774
Other debtors	21,145	1,434
Prepayments and accrued income	15,073	5,326
	<u>106,415</u>	<u>101,534</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	177,752	219,333
Social security and other taxes	5,624	17,408
VAT	15,113	-
Other creditors	-	948
Accruals and deferred income	10,655	10,655
Accrued expenses	28,738	6,078
	<u>237,882</u>	<u>254,422</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Accruals and deferred income	<u>96,198</u>	<u>106,853</u>

The above amount represents the element of grants received for the specific purposes of the purchase of capital assets which are to be expensed after more than one year in line with the depreciation charged on the particular assets.

	2018	2017
	£	£
Movement on deferred income		
Brought forward	117,508	128,163
Released to I&E	(10,655)	(10,655)
	<u>106,853</u>	<u>117,508</u>

Disclosed as follows:

Creditors: amounts falling due within one year	10,655	10,655
Creditors: amounts falling due after more than one year	<u>96,198</u>	<u>106,853</u>
	<u>106,853</u>	<u>117,508</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	720	720
Between one and five years	<u>2,160</u>	<u>2,880</u>
	<u>2,880</u>	<u>3,600</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	147,261	1,719,737	1,866,998	1,976,678
Current assets	156,847	89,509	246,356	178,177
Current liabilities	(237,882)	-	(237,882)	(254,422)
Long term liabilities	<u>21,310</u>	<u>(117,508)</u>	<u>(96,198)</u>	<u>(106,853)</u>
	<u>87,536</u>	<u>1,691,738</u>	<u>1,779,274</u>	<u>1,793,580</u>

17. MOVEMENT IN FUNDS

	At 1/9/17	Net movement in funds	At 31/8/18
	£	£	£
Unrestricted funds			
General fund	37,871	49,665	87,536
Restricted funds			
Organ and Gallery appeal fund	470,602	(16,090)	454,512
Building	194,446	-	194,446
Stoneworks	16,161	(1,456)	14,705
Disabled Access	1,002,738	(46,425)	956,313
New Programme fund	<u>71,762</u>	<u>-</u>	<u>71,762</u>
	<u>1,755,709</u>	<u>(63,971)</u>	<u>1,691,738</u>
TOTAL FUNDS	<u>1,793,580</u>	<u>(14,306)</u>	<u>1,779,274</u>

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,178,793	(1,129,128)	49,665
Restricted funds			
Stoneworks	10,655	(12,111)	(1,456)
Organ and Gallery appeal fund	-	(16,090)	(16,090)
Disabled Access	-	(46,425)	(46,425)
	10,655	(74,626)	(63,971)
TOTAL FUNDS	<u>1,189,448</u>	<u>(1,203,754)</u>	<u>(14,306)</u>

Comparatives for movement in funds

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
Unrestricted Funds			
General fund	204,918	(167,047)	37,871
Restricted Funds			
Organ and Gallery appeal fund	486,692	(16,090)	470,602
Building	194,446	-	194,446
Stoneworks	17,617	(1,456)	16,161
Disabled Access	1,049,163	(46,425)	1,002,738
New Programme fund	94,762	(23,000)	71,762
	1,842,680	(86,971)	1,755,709
TOTAL FUNDS	<u>2,047,598</u>	<u>(254,018)</u>	<u>1,793,580</u>

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	876,386	(1,043,433)	(167,047)
Restricted funds			
Stoneworks	10,655	(12,111)	(1,456)
New Programme fund	25,000	(48,000)	(23,000)
Organ and Gallery appeal fund	-	(16,090)	(16,090)
Disabled Access	-	(46,425)	(46,425)
	35,655	(122,626)	(86,971)
TOTAL FUNDS	<u>912,041</u>	<u>(1,166,059)</u>	<u>(254,018)</u>

Each restricted fund comprises income and expenditure relating to specific projects or activities where funds have been raised for a specific purpose.

Organ and Gallery Appeal Fund

The Fund comprises income and expenditure directly related to the activities of the Organ and Gallery Appeal Fund.

Building

The Fund represents the amount attributable to the restoration of the church site. The site is held by the Company as Trustee for the Friends of St John's Smith Square.

Disabled Access Fund

The Fund represents the income received and costs incurred in relation to the Disabled Access Project.

Stoneworks

The fund represents income from the National Lottery for Restoration of Stoneworks.

New Programme Fund

This fund will be used to fund high profile concerts to raise the profile of the charity and increase audience numbers.

18. RELATED PARTY DISCLOSURES

The only related party transactions are as reported in Note 8.

ST. JOHN'S, SMITH SQUARE CHARITABLE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2018

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	315,198	96,529
Friends and Mailing list income	<u>33,278</u>	<u>33,470</u>
	348,476	129,999
Investment income		
Rents received	60,420	68,630
Deposit account interest	<u>104</u>	<u>548</u>
	60,524	69,178
Charitable activities		
Income from concerts	<u>780,448</u>	<u>712,864</u>
Total incoming resources	1,189,448	912,041
EXPENDITURE		
Raising donations and legacies		
Wages	22,741	21,035
General Office	<u>7,833</u>	<u>11,065</u>
	30,574	32,100
Charitable activities		
Wages	302,134	300,493
General office	31,331	44,634
Legal and other costs	131,593	136,693
Cost of holding concerts	538,554	441,742
Building running costs	59,888	104,054
Depreciation	<u>109,680</u>	<u>106,343</u>
	<u>1,173,180</u>	<u>1,133,959</u>
Total resources expended	1,203,754	1,166,059
Net expenditure	<u>(14,306)</u>	<u>(254,018)</u>

This page does not form part of the statutory financial statements

