

WEST STREET CHARITY

Registered Charity Number 1135436

**ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2018**

WEST STREET CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS

- **Constitution**

West Street Charity is a registered charity, No 1135436, and is managed by a body of trustees.

- **Trustees**

The trustees who served during the year were:

Mr H Amos	(appointed 29 th April 2018)
The Revd. A. C. Carr	
Mr O Flory	
Mr T Hardin	(resigned 29 th April 2018)
Dr W James	
Mr D Jessop	
Ms C Jones	(appointed 29 th April 2018)
Ms E McDonald	(resigned 2 nd December 2018)
Ms J McLean	(resigned 29 th April 2018)
Mr A Power	(resigned 29 th April 2018)
Mr R Throw	
Mr Zi Ken Toh	

The West Street Trustee Limited (company number 11508044) was appointed corporate trustee of West Street Charity on 20th February 2019. At that date, the existing trustees of the Charity became directors of the Corporate Trustee.

The **Custodian Trustee** is the London Diocesan Fund, 36 Causton Street, London, SW1P 4AU.

- **The Principal Officers are:**

Chairman	Rev. A.C. Carr
Vice chairman	Mr T Hardin (resigned 29 th April 2018); Dr W James (appointed 29 th April 2019)
Secretary	Mr R Throw
Treasurer	Mr A Power (resigned 29 th April 2018)
Standing Committee	Chairman, Churchwardens, Secretary and Treasurer (until 29 th April 2018)

- **Professional Advisors:**

Registered Auditors:

Knox Cropper
Chartered Accountants
65 Leadenhall Street
London EC3A 2AD

Bankers:

Unity Trust Bank plc
9 Brindleyplace
Birmingham B1 2HB

Solicitors:

Prince Evans Solicitors LLP
Craven House
40-44 Uxbridge Road
London W5 2BS

Property Agents:

Farebrother
Chartered Surveyors
27 Bream's Buildings
London EC 4A 1DZ

Property Agents:

The LDG Partnership LLP
39 Foley Street
London W1W 7TP

Chartered Surveyors:

KBW Chartered Surveyors
City Temple
Holborn Viaduct
London EC1A 2DE

- **Principal Office Address:**

St. Giles-in-the-Fields, 60 St Giles High Street, London WC2H 8LG.

WEST STREET CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2018

The trustees submit their report and accounts for the year ended 31st December 2018.

STRUCTURE GOVERNANCE AND MANAGEMENT

- **Legal Status and Constitution**

The West Street Charity is registered with the Charity Commission (No. 1135436). During the year the Charity applied to become an incorporated charity with the title, 'The West Street Trustee Limited' whereby trustees would become 'directors.' This was due to take full effect in 2019.

- **Trustees Appointment and Training**

The Trustees of the Charity are the members of the Parochial Church Council (PCC) of St. Giles-in-the-Fields who are elected at the Annual Parish Meeting and Annual Parochial Church Meeting in April each year. New members are inducted by the Rector and the Parochial Church Council.

- **Management Arrangements**

Trustees met on six occasions in the year to 31st December 2018 to consider management matters in respect of the Charity's property and to make grants to the St Giles-in-the-Fields PCC. The main topics of business concerned the commercial letting of 24 West Street, the residential letting of 26 West Street and the commercial letting of the Lower Ground Floor of 26 West Street. Trustees also considered and made monthly grants to St Giles-in-the-Fields PCC. The Standing Committee met six times in the year to review management accounts and general matters relating to the properties.

- **Risk Management**

The Trustees continued to assess the major risks to which the Charity is exposed, particularly those related to the operations and finances of the Charity. Trustees are satisfied that systems are in place to mitigate the exposure of the Charity to these major risks.

OBJECTIVES AND ACTIVITIES, PUBLIC BENEFIT

- **Objectives of the Charity and its Public Benefit**

Trustees are mindful of the rules of the Charities Act 2011 and the guidance issued by the Charity Commission with regard to public benefit and acts in accordance with this guidance.

- **Aims**

The aims of the Charity are to maintain and improve the property of the Charity (24 and 26 West Street) and to support the PCC of St Giles-in-the-Fields in its work of ministry and mission and maintaining the fabric and grounds of St Giles-in-the-Fields.

WEST STREET CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2018

OBJECTIVES AND ACTIVITIES, PUBLIC BENEFIT (Continued)

- **The Charity's Property**

The Charity owns two properties, 24 and 26 West Street (the latter named 'The Mission House') and receives rental income from both. Legal title to the properties is held by the London Diocesan Fund in Trust for the Charity. 24 West Street is fully let on a 10-year full repairing lease, both internally & externally. The ground floor of 26 West Street (The Mission House) is also let to the same tenant as 24 West Street. The upper floors of no. 26 comprise four residential flats which are all let out to tenants on annual leases. The lower ground floor of The Mission House is let as office accommodation.

- **Aims and Objectives for the Year**

The trustees' aim for the year was to support the continued operation of St. Giles-in-the-Fields in its ministry and mission. The trustees also had the objective of providing grants towards the general maintenance of the Church of St. Giles-in-the-Fields. Additionally the trustees continue to ensure that the Charity's properties at 24 and 26 West Street remained well maintained and that rental income from the properties was maximised.

- **Achievement of Objectives**

During the year the trustees provided a grant of £406,417 (2017 £365,633) for the upkeep of the Church of St. Giles-in-the-Fields. The Charity has continued to let its property through two established local property agents.

FINANCIAL REVIEW

- **Results for the year**

All of the charity's office and residential accommodation was and remains let to high quality tenants and via highly reputable estate management agents. The trustees made grants of £406,417 (2017: £365,633) to the PCC of St Giles-in-the-Fields out of the rental income received from the properties. The trustees regard the Charity as a significant financial resource. They have reviewed budgets and cash flows for a period of 12 months from the date of signature of these accounts. The Charity receives rental income from reliable, credit worthy tenants, and these sums are sufficient to fulfill the charity's obligations, including the servicing and repayments of a loan from Unity Trust Bank plc. Trustees give careful thought to the investment of such income. The trustees will continue to monitor the reserves position to ensure that the level of reserves remains appropriate for its objectives. During the year the Trustees provided grants solely to the Parochial Church Council of St. Giles-in-the-Fields. In addition, a loan of £50,000 has been extended to the PCC to ease cash flow pressure.

- **Reserves**

Trustees do not hold a formal Reserves Policy but are mindful of the need to have sums available to support the ministry and mission of St Giles-in-the-Fields were it to experience unexpected financial demands and, in 2018 in particular, it was also wished to ensure that it has capital sufficient to renovate and conserve the façade to 24 West Street, a grade II listed building, were this to become possible.

WEST STREET CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2018

FUTURE PLANS

To continue to manage and let the property of the Charity at 24 and 26 West Street.

To maximise the income from 24 and 26 West Street.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Charity's trustees are responsible for preparing accounts for each financial year that give a true and fair view of the Charity's financial activities during the year and of its state of affairs at the end of the year. In preparing the accounts, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which 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.

AUDITORS

The trustees continue to hold in very high regard the audit work and advice provided by Knox Cropper, Chartered Accountants.

By order of the Trustees and signed on their behalf



The Revd. A. C. Carr (Chair)
7th April 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WEST STREET CHARITY

Opinion

We have audited the financial statements of West Street Charity (the 'charity') for the year ended 31st December 2018 which comprise the statement of financial activities, the balance sheet, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken, so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
WEST STREET CHARITY

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, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

65 Leadenhall Street
London EC3A 2AD

30 April 2019

Knox Cropper is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



KNOX CROPPER
Chartered Accountants
Statutory Auditors

WEST STREET CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2018

	Notes	2018	2017
INCOME FROM		£	£
Investments	2	500,672	475,121
Other Income		-	8,835
TOTAL INCOME		<u>500,672</u>	<u>483,956</u>
EXPENDITURE ON			
Raising Funds	3	89,543	109,159
Charitable Activities	4	408,697	367,973
TOTAL EXPENDITURE		<u>498,240</u>	<u>477,132</u>
NET INCOME/(EXPENDITURE)AND NET MOVEMENT IN FUNDS		2,432	6,824
Net Gains/(Losses) on investments		<u>-</u>	<u>350,000</u>
		2,432	356,824
Fund Balance Brought Forward at 1st January 2018		11,972,801	11,615,977
Fund Balances Carried Forward at 31st December 2018		<u>£11,975,233</u>	<u>£11,972,801</u>

All the activities reported above represent continuing operations.

The Charity only has Unrestricted Funds.

WEST STREET CHARITY
BALANCE SHEET
AS AT 31ST DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Property Redevelopment – Work in Progress	5		-		-
Investment Properties	6		<u>12,903,492</u>		<u>12,903,492</u>
			12,903,492		12,903,492
CURRENT ASSETS					
Debtors	7	63,606		28,824	
Cash at Bank and in Hand	8	<u>143,886</u>		<u>235,171</u>	
		207,492		263,995	
Less: CREDITORS Amounts falling due within one year	9	<u>(71,511)</u>		<u>(85,528)</u>	
NET CURRENT ASSETS			135,981		178,467
CREDITORS: Amounts falling due after more than one year	10		<u>(1,064,240)</u>		<u>(1,109,158)</u>
TOTAL NET ASSETS			<u>£11,975,233</u>		<u>£11,972,801</u>
CAPITAL AND RESERVES					
Unrestricted Funds					
General Fund	12		214,799		212,367
Revaluation Reserve			<u>11,760,434</u>		<u>11,760,434</u>
			<u>£11,975,233</u>		<u>£11,972,801</u>

These financial statements were approved by the Trustees on 7th April 2019 and signed on its behalf by:



 The Revd. A. C. Carr (Chair)



 Dr W James (Trustee)

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WEST STREET CHARITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2018

	2018	2017
	£	£
Cash flows from operating activities:		
Net income for the reporting period	2,432	356,824
Adjustments for,		
Losses/(gains) on investments	-	(350,000)
Rents and interest	(500,672)	(475,121)
Decrease/(increase) in debtors	15,218	(6,485)
(Decrease) in creditors	(16,272)	(68,390)
Net movement in loans to further charitable purposes	(50,000)	-
Net cash provided by operating activities	(549,294)	(543,172)
Cash flows from investing activities:		
Rents and interest	500,672	475,121
Proceeds from sale of investments	-	-
Purchase of investments	-	(53,492)
Net cash used in investing activities	500,672	421,629
Cash flows from financing activities:		
Repayments of borrowing	(42,663)	(40,997)
Change in cash and cash equivalents in the period	(91,285)	(162,540)
Cash and cash equivalents at the beginning of the period	235,171	397,711
Cash and cash equivalents at the end of the period	£143,886	£235,171

WEST STREET CHARITY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES

a) Basis of Preparation and Assessment of going concern

The accounts have been prepared under the historical cost convention with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The presentational currency of the financial statements is Pound Sterling (£).

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. The major uncertainty in this respect is the future rental income streams of the Charity's Investment Properties.

b) 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.

Income from the letting of the Charity's investment properties is recognised under the accruals basis. Interest income is accounted for when received as is any income tax recoverable on such income.

c) 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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings on a basis consistent with the use of resources.

d) Costs of raising funds

The costs of raising funds consist of costs of maintaining the investment properties and certain legal and professional fees.

e) Charitable activities

Costs of charitable activities include grants made to third parties in the furtherance of the charitable objects of the Charity and governance costs.

f) Investment Properties

Investment properties are measured at fair value of the balance sheet date. The current valuation was prepared in January 2017 and based on market value of the freehold interest and has now been indexed up.

The valuation was carried out by Jones Lang LaSalle, an independent valuer with recognised and relevant qualifications with experience of the location and property class.

Restrictions apply to the Charity's ability to realise the investment property. As disclosed in Note 10, the bank loan is secured by a charge over the property and legal title to the property is held in trust for the Charity by the London Diocesan Fund.

WEST STREET CHARITY**NOTES TO THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2018****1. ACCOUNTING POLICIES (continued)****g) Fund accounting**

All the Charity's funds are unrestricted and can be applied by the Trustees in pursuance of its charitable activities.

h) Key judgements and estimates

The market value of investment properties is reviewed annually by the Trustees and based on the condition of those properties the value is adjusted using a recognised market indices.

i) Short-term debtors and creditors

Debtors are recognised when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Creditors are recognised when the charity has a present legal or constructive obligation resulting from a past event to make payment to a third party, it is probable that settlement will be required and the amount due to settle the obligation can be measured or estimated reliably.

2. INCOME FROM INVESTMENTS

	2018	2017
	£	£
Rents received	500,672	475,117
Bank interest	-	4
	<u>£500,672</u>	<u>£475,121</u>

3. COST OF RAISING FUNDS

	2018	2017
	£	£
Property Costs		
Utilities and Council Tax	1,114	2,967
Maintenance, Cleaning, etc	4,484	-
Fitting out costs	-	7,023
Loan Interest	44,888	46,555
Managing Agents	31,346	27,416
Insurance	2,333	12,221
Other Professional Fees	5,297	12,857
Bank charges	81	120
	<u>£89,543</u>	<u>£109,159</u>

4. CHARITABLE ACTIVITIES

	2018	2017
	£	£
Grants to St. Giles-in-the-Fields		
General Maintenance	406,417	365,633
Governance costs		
Audit	2,280	2,340
	<u>£408,697</u>	<u>£367,973</u>

No Trustees received any remuneration or reimbursed expenses during the year.
The Audit Fee amounted to £2,412 (2017: £2,340).

WEST STREET CHARITY
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2018

5. FIXED ASSETS – PROPERTY REDEVELOPMENT

	2018	2017
	£	£
Work in progress at 1st January 2018	-	-
Additions	-	53,492
Transfer to Fixed Assets	-	(53,492)
Work in progress at 31st December 2018	<u>£-</u>	<u>£ -</u>

6. FIXED ASSETS

	2018	2017
	£	£
Investment Property at 1st January 2018	12,903,492	12,500,000
Transfer of work in progress	-	53,492
Revaluation	-	350,000
Investment Property at 31st December 2018	<u>£12,903,492</u>	<u>£12,903,492</u>

The charity owns two properties – 24 and 26 West Street.

Final costs were capitalised in the preceding year (work in progress) and then a valuation brought its value up to £12,903,492.

7. DEBTORS

	2018	2017
	£	£
Rental Debtor	10,404	9,767
Prepayments	1,417	8,814
Loan to St Giles in the Fields PCC	50,000	-
Other Debtors	1,785	10,243
	<u>£63,606</u>	<u>£28,824</u>

8. CASH AT BANK AND IN HAND

	2018	2017
	£	£
Deposit Account	8,779	8,754
Current Account	135,107	226,417
	<u>£143,886</u>	<u>£235,171</u>

9. CREDITORS: Amounts Falling Due Within One Year

	2018	2017
	£	£
Rental Income paid in advance	25,804	31,852
Deferred Insurance income	-	6,515
Trade Creditors	-	3,689
Accruals	2,455	2,475
Unity Bank loan	43,252	40,997
	<u>£71,511</u>	<u>£85,528</u>

WEST STREET CHARITY
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2018

10. **CREDITORS:** Amounts Falling Due After More Than One Year

	2018	2017
	£	£
Unity Bank Loan	<u>£1,064,240</u>	<u>£1,109,158</u>

The bank loans are with Unity Trust Bank. The initial loan was for the redevelopment phase, which has been drawn down and was converted into a term loan on 12th July 2016. Interest on the initial loan was charged at a rate of 3.25% over the Unity Trust Bank base rate which was 0.5%, subject to a minimum of 4% per annum.

The term loan is repayable over 20 years and interest will be charged at a rate of 2.75% over the Unity Trust Bank base rate which is currently 0.5%, subject to a minimum of 4% per annum.

The loan amounted to £1,205,000 and is secured by a charge over 24 and 26 West Street.

11. **KEY MANAGEMENT PERSONNEL**

Key management personnel are defined as the trustees.

None of the trustees received any emoluments or had any expenses reimbursed in the year.

12. **CAPITAL AND RESERVES**

	<u>Unrestricted Reserves</u>		
	Revaluation Reserve	General Fund	Total
	£	£	£
Balance at 1 st January 2018	11,760,434	212,367	11,972,801
Net Movement in Funds	-	2,432	2,432
Balance at 31 st December 2018	<u>£11,760,434</u>	<u>£214,799</u>	<u>£11,975,233</u>

The Designated Fund represents the valuation of the properties at 24 and 26 West Street prior to the commencement of the redevelopment.

13. **RELATED PARTY TRANSACTIONS**

The St. Giles-in-the-Fields Ecclesiastical Charities which comprise:

- St Giles-in-the-Fields Parochial Church Council
- West Street Charity
- Alicia Duchess Dudley for the Rector Charity
- The Caroline Clayson Charity

In the current year West Street Charity paid a grant to St. Giles-in-the-Fields Parochial Church Council for payment of the common fund contributions, stipends, salaries and the repair and maintenance of the Church and Churchyard of St. Giles-in-the-Fields, amounting to £ 406,417 (2017: £365,633). At the year-end £50,000 was due from St. Giles-in-the-Fields Parochial Church Council (2017 £nil).

There were no other related party transactions either with the above named charities or with the trustees personally.