

Charity no 1097712

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION

**ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 2018**

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2018

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.

In 2017 the Foundation acquired a copy of a cello owned by the famous cellist Rostropovich. 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 £156,778 (2017: £169,078). Unrestricted donations amounted to £60,449 (2017: £71,528). The Capital Appeal Fund received donations totalling £30,000 (2017: £1,000) and £13,000 was received into the Cello Fund (2017: £37,195). The Foundation's carol service generated fundraising income after costs of £31,644 (2017: £37,077) and also produced a significant number of donations.

Donations to the Parochial Church Council of St Paul's Knightsbridge amounted to £34,530 (2017: £67,600) of which £20,010 (2016: £15,000) was made from the restricted Capital Appeal Fund.

Reserves policy

The unrestricted reserves at the year end were £231,831. 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 year-end balance on the restricted Capital Appeal Fund, was a deficit of £18,554, but future income is expected to cover the shortfall.

The balance on the restricted Cello Fund was £48,255, principally comprising the asset itself.

The balance on the Expendable Endowment Fund at the year end was £1,146,730.

**THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2018**

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 - Chairman

The Reverend Alan Gyle - Vicar of St Paul's

Mrs Susan Thornton

Ms Lorna Gradden - Appointed 27 June 2018 - Current Churchwarden of St Paul's

Mr John Tweddle - Resigned 27 June 2018 - Retired Churchwarden of St Paul's

The leasehold property in Knightsbridge is held in the names of all the current 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 2018**

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 statements; and
- 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.

MR JOHN SUNDERLAND
CHAIRMAN

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**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 2018, 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

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018
Charity no 1097712

	Unrestricted Fund	Restricted Funds	Expendable Endowment Fund	Total 2018	<i>Total</i> 2017
Note	£	Capital Appeal £ Note 8	Cello Fund £ Note 8	£ Note 7	£ Page 6
Income from:					
Donations	60,449	30,000	13,000	-	103,449
Other trading activities					
- fundraising events	2	53,329	-	-	59,348
Bank interest	-	-	-	-	7
Total income	113,778	30,000	13,000	-	156,778
Expenditure on:					
Raising funds	3	32,685	14,116	882	-
Charitable activities					
Grants and donations	4	14,520	20,010	-	-
Property management costs		-	-	13,494	13,494
Insurance and legal costs		-	-	677	677
Governance costs	5	3,605	-	-	3,605
Staff costs	10	2,750	-	-	2,750
		20,875	20,010	677	13,494
Total expenditure		53,560	34,126	1,559	13,494
Net movement in funds		60,218	(4,126)	11,441	(13,494)
Reconciliation of funds:					
Total funds brought forward		171,613	(14,428)	36,814	1,160,224
Total funds carried forward		231,831	(18,554)	48,255	1,146,730
		1,354,223	1,408,262	1,293,975	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 2018

COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2017

	Unrestricted Fund	Restricted Funds		Expendable Endowment Fund	Total 2017
Note	£	Capital Appeal £ Note 8	Cello Fund £ Note 8	£ Note 7	£
Income from:					
Donations	71,528	1,000	37,195	-	109,723
Other trading activities					
- fundraising events	2 59,348	-	-	-	59,348
Bank interest	7	-	-	-	7
Total income	130,883	1,000	37,195	-	169,078
Expenditure on:					
Raising funds	3 22,308	1,200	-	-	23,508
Charitable activities					
Grants and donations	4 52,600	15,000	-	-	67,600
Property management costs	-	-	-	10,770	10,770
Insurance	-	-	381	-	381
Governance costs	5 6,571	-	-	-	6,571
	59,171	15,000	381	10,770	85,322
Total expenditure	81,479	16,200	381	10,770	108,830
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

BALANCE SHEET

AS AT 31 DECEMBER 2018

Charity no 1097712

	Note	Unrestricted Fund	Restricted Funds	Expendable Endowment Fund	Total 2018	Total 2017
		£	Capital Appeal £	Cello Fund £	£	£
Fixed assets						
Tangible assets	6	-	-	47,000	1,200,000	1,247,000
Current assets						
Trade debtors		4,675	-	-	-	5,135
Due from St Paul's Knightsbridge PCC		14,654	(2,000)	17,627	-	38,040
Prepayments and accrued income		-	-	-	-	6,466
Gift aid debtor		-	4,000	3,319	-	14,069
Cash at bank		223,863	(21,804)	(19,691)	(53,270)	129,098
		238,517	(19,804)	1,255	(53,270)	171,373
Liabilities						
Creditors: amounts falling due within one year						
Trade creditors		6,361	-	-	-	12,000
Accruals		3,000	750	-	-	4,000
		9,361	750	-	-	16,000
Total net assets		229,156	(20,554)	48,255	1,146,730	1,408,262
Unrestricted fund		231,831	-	-	-	171,613
Restricted funds	8	-	(18,554)	48,255	-	22,386
Expendable endowment fund	7	-	-	-	1,146,730	1,160,224
		231,831	(18,554)	48,255	1,146,730	1,408,262

These accounts were approved by the trustees on 2019 and signed on their behalf
by:

MR JOHN SUNDERLAND
CHAIRMAN

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 2018
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 2018

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	2018	2017
	£	£
Unrestricted Fund		
Carol Service	53,329	59,348
	<hr/> <hr/>	<hr/> <hr/>
3 Fundraising costs	2018	2017
	£	£
Unrestricted Fund		
Carol Service	21,685	22,271
Staff costs - see note 10	11,000	-
Other fundraising costs	-	37
	<hr/> <hr/>	<hr/> <hr/>
	32,685	22,308
Restricted Funds		
Capital Appeal Fund		
Fundraising consultant	6,605	1,200
Fundraising dinner	5,511	-
Staff costs - see note 10	2,000	-
	<hr/> <hr/>	<hr/> <hr/>
	14,116	1,200
Cello Fund	<hr/> <hr/>	<hr/> <hr/>
	882	-
Total	<hr/> <hr/>	<hr/> <hr/>
	47,683	23,508

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4 Grants and donations	2018	2017
	£	£
Grant to St Paul's Knightsbridge PCC		
- Unrestricted Fund	-	37,000
Professional fees paid on behalf of St Paul's Knightsbridge PCC		
- Restricted Capital Appeal Fund	20,010	15,000
- Unrestricted Fund	14,520	15,600
	34,530	67,600

5 Governance costs	2018	2017
	£	£
Accountancy and independent examination charges	3,000	2,800
- prior year (over)/under provision	80	(206)
Legal fees	480	3,977
Bank charges	45	-
- Unrestricted Fund	3,605	6,571

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

THE ST PAUL'S KNIGHTSBRIDGE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

9 Related party transactions

The Reverend Alan Gyle is Vicar of St Paul's Church, Knightsbridge, which benefits from the activities of the Foundation. Mr John Tweddle was Churchwarden of St Paul's Church until 15th April 2018 and was succeeded on the same day by Ms Lorna Gradden. Both the Reverend Alan Gyle and Ms Gradden are trustees of the PCC.

During the year, the Foundation reimbursed the PCC for the cost of staff employed by the PCC but engaged on activities of the Foundation as disclosed in note 10. Costs were apportioned on a time incurred basis.

There were no other related party transactions.

10 Trustees remuneration and staff costs

There were no direct employees during the year (2017: nil) however the Foundation reimbursed the Parochial Church Council of St Paul's Knightsbridge for staff costs as follows:

	2018	2017
	£	£
Wages and salaries	13,275	-
Social security costs	1,474	-
Pension costs	1,001	-
	15,750	-
	15,750	-

Staff costs are allocated to raising funds and charitable activities on a time incurred basis.

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