

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

Barrow LLP
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Jackson House
Station Road
Chingford
London
E4 7BU

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. 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 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable trust was registered based upon a Trust Deed dated 26th February 1945 declared by Sydney Kingston Smith and Ernest William Beard with the following summarised objectives:

- To support the religious purposes of The London Spiritual Mission (an unincorporated association holding the tenets of spiritualism)
- The repair, rebuilding or improvement of the trust property

TRUSTEES OF THE CHARITY

The trustees are appointed by the existing trustees and serve as long as they are willing to assist the charity's objectives. All current and previous trustees have been appointed by continuous deeds of appointment tracing back to the original 1945 deed.

The trust does not have any employees and the trustees give their time voluntarily except as reported under Trustee's Benefits. The trustees operate as a single committee and devolve various aspects of running the trust to external contractors as appropriate. Examples of external contractors include professional advisors such as lawyers and surveyors plus service providers such as electricians and plumbers.

The sole beneficiary of the Trust, the London Spiritual Mission (LSM) is itself run by a separate committee appointed by the LSM's membership and governed by its own rule book. The LSM may or may not have trustees of the Trust as members of its own committee. The LSM is an unincorporated association.

TRUSTEE'S BENEFITS

Trustees Christopher Norris and Doreen Quinnell occupied the house at 13 Pembridge Place from October 2017 under license from the Trust. This was unanimously agreed by the other trustees and also, although not required, by the full committee of the LSM. The purpose is to better facilitate the management of the property and also to further spiritual development at The LSM.

During the year, as outlined further below, substantial building work was carried out at the property. Some of this work was carried out by the brother-in-law of Christopher Norris and the husband of a niece of Christopher Norris. This work was done on a commercial and arms-length basis and all work done and payments made are recorded in invoices and bank statements that are incorporated within the accounts for this year.

DELIVERY OF THE PUBLIC BENEFIT AIMS

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the commission in exercising their powers and duties. The property continues to benefit from a repair program planned to continue over a rolling five-year period whilst still allowing the LSM to flourish as a leading independent spiritualist church.

ACTIVITIES AND RESULTS FOR THE YEAR

In direct alignment with the trust deed, and as in previous years, the main aims for 2020 were to: -

- Enable the continued use of the church and its outbuildings by the LSM subject to the extreme constraints of Covid.
- Make substantial inroads to the refurbishment required for the three flats owned by the Trust at 13a Pembridge Place.

Aim one was achieved and the LSM has conducted a full program of events including a setup of Zoom based online services and meditations to enable continued spiritual development whilst meeting in person was precluded.

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Aim two this year involved significant refurbishment of the building known as 13a Pembridge Place. This excluded Flat 1 which continued to be occupied by a tenant. Flats 2 and 3, the roof, the common parts and exterior of the building were all worked upon.

This work was commenced at the start of Covid lock down with the various restrictions that involved and also the resulting lack of building personnel and supplies.

Unfortunately as the work progressed major and unforeseen issues were discovered about the state of the building. This meant engaging structural engineers and building control to ensure that the building was brought to a modern standard of compliance with building regulations. This in turn meant far more work was needed than was initially envisaged at commencement.

The accounts are attached which show that a considerable expenditure was required for aim two. This did result in a far more significant negative cash flow than predicted and eventually work was suspended to ensure sufficient funds for the ongoing running of the Trust and the LSM. Suspension of the work also means that rental of Flats 2 and 3 is not possible until sufficient funds are in place to complete their refurbishment.

INVESTMENT POLICY

The trustees invest in an approved Charitable Investment Fund and do not use the services of an investment manager or Broker. The Investment intent is long term to produce income and short term fluctuations in market value do not affect this policy. All income from the fund is currently used to fund the Trust property maintenance and the LSM. This value may go down as well as up. Most of the fund was withdrawn this year to enable the work described in aim 2 above.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity is exposed including those related to the operations of the charity, and are satisfied that measures are in place to mitigate exposure to the major risks.

RESERVES

As far as possible the trustees endeavour to utilise all incoming funds in the furtherance of the charitable objectives. Due to the nature of the property a particular aim of the trust was to build sufficient cash reserves which, together with anticipated rental income, prove sufficient to deal with property maintenance over a rolling five-year period whilst ensuring that the LSM too can continue its own growth.

As described above and shown in the accounts a major draw down of reserves was required for the building work at 13a Pembridge Place. Although significant expenditure was anticipated the unanticipated level of building work required resulted in an even larger than anticipated draw down of funds. It also means that the reserves cannot be easily replenished due to a lack of rental income.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1152206

Principal address

Church House
13 Pembridge Place
London
W2 4XB

Trustees

C B Johnson
D Quinnell
G Smith
S A Manning
C J Norris

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Barrow LLP
Chartered Accountants
Jackson House
Station Road
Chingford
London
E4 7BU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 23 February 2023 and signed on its behalf by:

C J Norris - Trustee



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

Independent examiner's report to the trustees of Trust Property Held In Connection With The London Spiritual Mission

I report to the charity trustees on my examination of the accounts of Trust Property Held In Connection With The London Spiritual Mission (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the 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 Trust 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.



T P Curtis
ICAEW
Barrow LLP
Chartered Accountants
Jackson House
Station Road
Chingford
London
E4 7BU

24 February 2023

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	31.12.20 Unrestricted fund £	31.12.19 Total funds as restated £
INCOME AND ENDOWMENTS FROM			
Investment income	2	<u>25,330</u>	<u>45,027</u>
EXPENDITURE ON			
Charitable activities			
General admin expenses		<u>151,570</u>	<u>91,295</u>
Net gains on investments		<u>1,272</u>	<u>16,299</u>
NET INCOME/(EXPENDITURE)		(124,968)	(29,969)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>5,127,190</u>	<u>5,157,159</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>5,002,222</u></u>	<u><u>5,127,190</u></u>

The notes form part of these financial statements

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**BALANCE SHEET
31 DECEMBER 2020**

		31.12.20 Unrestricted fund £	31.12.19 Total funds as restated £
FIXED ASSETS	Notes		
Tangible assets	6	1,452	1,936
Investments			
Investments	7	5,182	98,910
Investment property	8	<u>5,000,000</u>	<u>5,000,000</u>
		5,006,634	5,100,846
CURRENT ASSETS			
Debtors	9	-	14,281
Cash at bank		<u>1,438</u>	<u>12,063</u>
		1,438	26,344
CREDITORS			
Amounts falling due within one year	10	(5,850)	-
		<u>(4,412)</u>	<u>26,344</u>
NET CURRENT ASSETS			
		5,002,222	5,127,190
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>5,002,222</u>	<u>5,127,190</u>
NET ASSETS			
		<u>5,002,222</u>	<u>5,127,190</u>
FUNDS	11		
Unrestricted funds		<u>5,002,222</u>	<u>5,127,190</u>
TOTAL FUNDS		<u>5,002,222</u>	<u>5,127,190</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 February 2023 and were signed on its behalf by:

C J Norris - Trustee



G Smith - Trustee



The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Basis of preparing the financial statements

Income

Expenditure

Tangible fixed assets

Fixtures and fittings - 20% on cost

Investment property

Taxation

Fund accounting

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.

Management and administration expenditure

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity. This includes the day to day running of the charity, audit fees and administrative staff salaries.

Fixed assets investments

Investment of quoted stocks and shares are included in the balance sheet at market value, ex-dividend.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated on the difference between sale proceeds and opening market value (or date of purchase if later). Unrealised gains and losses on investments are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

In accordance with the new SORP 2015 (FRS102), the net gains and losses are shown under the heading for expenditure.

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES - continued

Management and administration expenditure

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Going concern

The trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. INVESTMENT INCOME

	31.12.20	31.12.19 as restated
	£	£
Rents received	22,867	42,096
Investment income received	<u>2,463</u>	<u>2,931</u>
	<u>25,330</u>	<u>45,027</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration paid for the year ended 31 December 2019 and nor for the year ended 31 December 2020.

Trustees Christopher Norris and Doreen Quinnell occupied the house at 13 Pembridge Place from October 2017 under license from the Trust at £nil (2019 - £nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund as restated £
INCOME AND ENDOWMENTS FROM	
Investment income	<u>45,027</u>
EXPENDITURE ON Charitable activities	
General admin expenses	<u>91,295</u>
Net gains on investments	<u>16,299</u>
NET INCOME/(EXPENDITURE)	(29,969)

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
as restated
£

RECONCILIATION OF FUNDS

Total funds brought forward

5,157,159

TOTAL FUNDS CARRIED FORWARD

5,127,190

5. PRIOR YEAR ADJUSTMENT

The 2019 year has been restated to exclude church activities that did not relate to the charity and to reflect the financial position on accruals basis.

6. TANGIBLE FIXED ASSETS

Fixtures
and
fittings
£

COST

At 1 January 2020 and 31 December 2020

2,420

DEPRECIATION

At 1 January 2020

484

Charge for year

484

At 31 December 2020

968

NET BOOK VALUE

At 31 December 2020

1,452

At 31 December 2019

1,936

7. FIXED ASSET INVESTMENTS

Listed
investments
£

MARKET VALUE

At 1 January 2020

98,910

Disposals

(95,000)

Revaluations

1,272

At 31 December 2020

5,182

NET BOOK VALUE

At 31 December 2020

5,182

At 31 December 2019

98,910

There were no investment assets outside the UK.

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. INVESTMENT PROPERTY

FAIR VALUE

At 1 January 2020
and 31 December 2020

£

5,000,000

NET BOOK VALUE

At 31 December 2020

5,000,000

At 31 December 2019

5,000,000

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.12.20

31.12.19
as restated

£

£

Other debtors

-

14,281

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.12.20

31.12.19
as restated

£

£

Other creditors

5,850

-

11. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	5,127,190	(124,968)	5,002,222
	<u>5,127,190</u>	<u>(124,968)</u>	<u>5,002,222</u>
TOTAL FUNDS	<u>5,127,190</u>	<u>(124,968)</u>	<u>5,002,222</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	25,330	(151,570)	1,272	(124,968)
	<u>25,330</u>	<u>(151,570)</u>	<u>1,272</u>	<u>(124,968)</u>
TOTAL FUNDS	<u>25,330</u>	<u>(151,570)</u>	<u>1,272</u>	<u>(124,968)</u>

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	5,157,159	(29,969)	5,127,190
TOTAL FUNDS	<u><u>5,157,159</u></u>	<u><u>(29,969)</u></u>	<u><u>5,127,190</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	45,027	(91,295)	16,299	(29,969)
TOTAL FUNDS	<u><u>45,027</u></u>	<u><u>(91,295)</u></u>	<u><u>16,299</u></u>	<u><u>(29,969)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	5,157,159	(154,937)	5,002,222
TOTAL FUNDS	<u><u>5,157,159</u></u>	<u><u>(154,937)</u></u>	<u><u>5,002,222</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	70,357	(242,865)	17,571	(154,937)
TOTAL FUNDS	<u><u>70,357</u></u>	<u><u>(242,865)</u></u>	<u><u>17,571</u></u>	<u><u>(154,937)</u></u>

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. RELATED PARTY DISCLOSURES

During the year, property refurbishments were carried out by two family members of the trustees totalling £20,202. These services were performed on a commercial basis and at arm's length.

**TRUST PROPERTY HELD IN CONNECTION WITH
THE LONDON SPIRITUAL MISSION**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	31.12.20	31.12.19 as restated
	£	£
INCOME AND ENDOWMENTS		
Investment income		
Rents received	22,867	42,096
Investment income received	<u>2,463</u>	<u>2,931</u>
	<u>25,330</u>	<u>45,027</u>
Total incoming resources	25,330	45,027
EXPENDITURE		
Support costs		
Management		
Rates and water	4,982	2,446
Insurance	3,313	4,016
Light and heat	5,865	3,856
Property repairs and maintenance	5,690	4,576
Property refurbishment	126,566	75,365
Sundries	75	60
Security costs	3,050	474
Fixtures and fittings	<u>484</u>	<u>484</u>
	150,025	91,277
Governance costs		
Legal and professional fees	<u>1,545</u>	<u>18</u>
Total resources expended	<u>151,570</u>	<u>91,295</u>
Net expenditure	<u>(126,240)</u>	<u>(46,268)</u>