

St. Clement Danes Holborn Estate Charity



Offices of the Trustees

School House, Drury Lane
LONDON, WC2B 5SU

Chief Executive & Clerk to the Trustees,
K.M.F. Rea, Esq., MA

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Ref: TTEES-REP2020

REPORT BY THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published on 16th July 2014 (FRS102).

1. Reference and Administrative details of the Charity, its Trustees and Advisers

The Charity was first created on 28th February 1551 within the Ancient Parish of St. Clement Danes in the City of Westminster, London and was endowed with property and land in the Parish of St. Andrews, Holborn, purchased by the Churchwardens of St. Clement Danes Church, from William Breton, for the sum of £169.

The Trustees who have served during the year, together with the principal officers and professional advisers of the Charity, are set out on the information page at the front of these accounts.

2. Structure, Governance and Management

The Charity is registered as the Holborn Estate Charity (HEC) and is regulated by a Scheme of the Charity Commissioners dated 14th June 1935, which was subsequently varied by further Schemes, culminating in the current Schemes dated 2nd September 1991, 1st October 1997 and the Orders dated 27th July 1998 and 29th August 2006, as amended by resolution dated 11th June 2014, under which the Trustees now administer the Charity.

Trustees are appointed by the Board of Trustees and by Westminster City Council in the case of four of their number. The full Board of Trustees meets 5 times in the year and every alternate month, a small group of Trustees visits the Almshouses on a rota basis. Decisions made at the Rota meetings are approved at the next full Board meeting.

On appointment, new trustees sign a model trustee declaration statement committing them to giving of their time and expertise. The induction process involves a meeting with the Chief Executive and a welcome pack which includes a brief history of the Trust, a copy of the governing trust deed and a detailed narrative of the objectives of the charity. This also summarises the relationship of the charity to the associated charity Westminster Amalgamated Charity and St Clement Danes School. These relationships have given rise to a large pool of professionals with board and committee experience across a wide range of disciplines from which the charity has been able to recruit trustees on an ongoing basis.

Mr Beaglehole retired as a Trustee on 27th January 2021 after almost 12 years of service. Mrs Rymer retired on 1st February 2021 after 13 years of service. This brings the number of Trustees on the Board to 12 and there are no plans to replace the outgoing Trustees.

3. Risk Management

The Chief Executive maintains a Risk Assessment schedule which covers identifiable risks in all categories including finance, technology, health and safety, compliance with statutory requirements and the mix of disciplines and skills amongst both staff and Trustees. The schedule is updated and reviewed by the Board of Trustees annually, following which any actions required to reduce risk are identified and implemented accordingly. The main risks identified by the Charity lie in the performance of the investment portfolio and securing continuity of income from the Almshouse residents. Investment risk is mitigated by the appointment of professional investment managers who report regularly to the Board. Income from residents is ensured by maintaining, as far as possible, full occupancy of the Almshouses.

4. Objectives and Activities for the public benefit

The Charity has the following objectives:

- To pay the governors of St Clement Danes School at Chorleywood, Hertfordshire, a yearly sum of £60,000 to be applied by the governors for the benefit of the school.
- To maintain the Almshouse and to provide for the benefit of the residents.
- To make payments to the said governors of St Clement Danes School.
- The general relief of persons resident in the City of Westminster and former residents of the Almshouses who are in conditions of need, hardship or distress by making grants of money or providing or paying for items, services or facilities calculated to reduce the need, hardship or distress of such persons.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

The Charity fulfils its charitable objectives by providing affordable sheltered housing for low-income elderly people who have been resident in the area of benefit, this area being any London Borough, excluding The City of London. The Charity may also award grants to organisations relieving need and operating in the City of Westminster. In addition, the Charity makes an annual grant to St. Clement Danes School in Chorleywood, in Hertfordshire. The School, rated as "outstanding" by Ofsted, is a non-selective all-ability Academy providing top quality education to 1,360 students.

5. Achievement and Performance

From 1st January 2020 the grants to the School continued to be paid directly by HEC through the restricted fund in which the assets of the former Foundation have been ring-fenced for the benefit of the School. The grant for 2020 consists of the mandatory grant of £60,000, a discretionary inflation grant of £88,500 and an additional grant of £36,300 to replace income lost from the sale of a small portfolio. The current level of annual grant stands at £184,800. There are no conditions attached to this grant in order to give the School maximum flexibility in identifying its own priorities. Under normal circumstances the main recurring items for which the School uses the grant are minibus leasing and running costs, Commemoration Day, Speech Day and the production of School Brochures. Due to the pandemic the School was unable to celebrate either Commemoration Day or Speech Day. In 2020 the School was able to utilise £184,800 (2019: £184,800) from the School Restricted Fund for the benefit of its 1,360 students. (See also Plans for Future Periods).

Contributions from residents (£533,960) were lower than 2019 (£547,606) due to a reduced level of flat occupation coupled with the inability to recruit new residents during the pandemic.

The cost of operating St. Clement's Heights, excluding support costs, was £786,385 (2019: £626,255). The increase in overall costs was due to the re-introduction of 24-hour site security to ensure that there was no unauthorised access to the building. In addition, £16,604 was spent on PPE and sanitising treatments. These measures were entirely for the protection of residents and staff. There was no expenditure during the year that was deemed to be either Cyclical or Extraordinary (2019: CMF: £nil; ERF: £nil). The Trustees have reviewed their depreciation policy and from 2016 the new building is being depreciated at the rate of 2% per annum. A charge of £156,475 is included in the total.

The Trustees continued with their policy of providing funds for each resident to take a holiday if they so wished, or a cash alternative for those who did not. (See also Plans for Future Periods).

From the provision made at 31st December 2019 Trustees were pleased to be able to pay a grant from the Westminster Persons in Need Fund (WPIN), to Westminster Amalgamated Charity (WAC), under Clause 27 (4) of the Scheme, amounting to £100,000 for the relief of need in the City of Westminster. The grant is unconditional but is made on the basis that WAC has the infrastructure to distribute the funds to organisations relieving need across the areas of Addiction, Children and Youth, Community, the Elderly, Health and Disability and Homelessness. The grant from HEC enabled WAC to distribute £243,836 to 45 organisations in Westminster (2019: £243,836: 48). HEC also paid a grant of £5,000 (2019: £5,000) from WPIN to The Connection at St. Martin's to assist with expenditure over the Christmas 2020 period.

6. Financial Review

The Charity's income is derived from two sources, these being the investment portfolio and weekly maintenance contributions from the Almshouse residents. The Charity has never raised funds from the public or any governmental sources and has no plans to do so in the future.

Normally approximately 52% - 55% of total income is generated by the investment portfolio currently under discretionary management by Rathbone Investment Management Ltd. In 2020 this fell to 46% due to the effects of the pandemic.

The Trustees investment policy expects a balance between capital growth and income. Specifically, there is a requirement that the portfolio maximises income without eroding the capital value of the fund. The income target of £620,000, agreed with Rathbones, was not achieved during the year due to the effect of the global pandemic on stock markets. The final result was £456,907 (2019: £678,715). The income target for 2021 will be set at £420,000. The portfolio value, excluding short term cash deposits, at 31st December 2020 was £21,943,507 (2019: £20,914,685).

Trustees continue to be very satisfied with the service given by Rathbone Investment Management Ltd and appreciate the attention which is given to the Charity's needs.

7. Reserves policy

The Charity holds its reserves in the following funds: The Extraordinary Repair Fund (ERF) for the purpose of providing for the extraordinary repairs, improvement or rebuilding of the Almshouses; the Cyclical Maintenance Fund (CMF) for the purpose of providing for those items of ordinary maintenance and repair of the Almshouses which recur at infrequent intervals; The School Fund to hold funds for approved projects at the school, where year-end surpluses allow; The Westminster Persons in Need Fund to hold funds for relief of need in Westminster, where year-end surpluses allow. The Residents Extra Benefits Fund is a restricted fund into which accumulated amounts donated for the specific benefit of the Almshouse residents are held. The St. Clement Danes School Restricted Fund is a fund in which the assets of the former Foundation are ring-fenced for the exclusive benefit of St. Clement Danes School. Trustees' policy is to ensure that expenditure, excluding those items charged directly to the Permanent Endowment, does not exceed income. Any accumulated, unspent income forms the general reserve against future contingencies.

The surplus for the year amounted to £36,350, as a result of reduced income and increased expenditure on the Almshouse. Trustees therefore decided to make no transfers to Reserve Funds other than honouring the mandatory and inflation grant to the School Restricted Fund of £148,500. In addition £5,000 was transferred to the Westminster Persons in Need Fund to cover a small deficit and bring the Fund balance to zero.

As at 31st December 2020 there remains a general reserve of £189,691. As in 2019 the reserve is higher than would normally be retained due to continued uncertainty caused by the pandemic and in anticipation of lower investment income in 2021. Note: see comments in Section 8 - Plans for future periods.

8. Plans for future periods

At the time of writing the UK is in its twenty-ninth month of anti-Covid-19 measures following the outbreak of the Coronavirus pandemic in early 2020.

The attention of the Trustees and staff continues to be directed almost entirely towards protecting the elderly and vulnerable residents of the Almshouse as well as ensuring that Almshouse staff are properly equipped to deal with the situation. Every effort has been made to ensure the welfare of residents and to allow them to see their families within government restrictions. One of the aims of 2020 was to ensure full occupation which has been impossible to achieve. There are 15 empty flats and following the lifting of restrictions on movement there are currently 4 prospective residents waiting to move in. The appointment of a full-time Deputy Scheme Manager in October 2021 will enable a renewed drive to achieve full occupancy.

The documentation relating to the assessment and appointment of new residents referred to in last year's report was finalised and launched in September 2021. A phased return to the office has been carried out after putting in place the necessary measures to ensure the safety of staff. Currently 2 members of Head Office are able to use the office and the 3rd member of the team is continuing to work from home.

As the effects of the pandemic become clearer Trustees are preparing for significantly lower investment income in 2022, with a current estimate of c. £400,000. As a result, the holiday allowance for residents, withdrawn for 2021, will not be reinstated resulting in a further saving of £25,000. Trustees have informed the School that the grant payable in 2022 will be limited initially to the mandatory grant of £60,000 to allow the Charity to make transfers to Reserve Funds should circumstances allow. Further cost-cutting measures will be explored, although the safety, security and well-being of residents and staff remains paramount.

9. Key management personnel remuneration

The trustees consider the board of trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 23 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

The pay of the charity's chief executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar role.

10. Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for keeping proper accounting records that 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, the applicable Charities (Accounts and Reports) Regulations, 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.

It is the Trustees responsibility to prepare accounts that give a true and fair view of the state of affairs of the Charity and of its income and expenditure for the financial year. In doing so the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;

- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation;
- Observe the methods and principles in the applicable Charities SORP;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the Charity'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.

11. Related Parties

The charity has a close relationship with Westminster Amalgamated Charity and St. Clement Danes Educational Foundation (see Note 23).

The Trustees are, as always, indebted to their administrative team in School House. They are grateful for the very dedicated assistance that the residents receive at St. Clement's Heights from the staff there. Trustees also appreciate the support received from their many professional advisers

Approved by the trustees on 29th September 2021 and signed on its behalf by:

Richard Carey

W.R.C. Carey MBE FRICS
Chairman

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

TRUSTEES' ANNUAL REPORT & ACCOUNTS

31ST DECEMBER 2020

Registered Charity
206754

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

YEAR TO 31ST DECEMBER 2020

TRUSTEES

W.R.C. Carey Esq., MBE, FRICS (Chairman)
R.G. Beaglehole, Esq. MSc, BA, FCIPD, FInstLM, MInstD (*Retired 27th January 2021*)

* Mrs. J. Bianco, DL

M.A. Brasier, FRICS

Mrs. L. Clarkson MBE, MA

J. Davey, Esq. QC

* Mrs. A. Gillibrand, MA, MBA

Mrs. R. Hadfield, MBE

M.D. Macfarlane Esq., LLB

Mrs. J. Rymer (*Retired 1st February 2021*)

M. Sabin Esq., BA (Hons), FCA (Vice-Chairman)

* Miss P.D.H. Turner, MA

* Miss M.L.R. Williams

N. Williams, Esq

* Appointing Authority – Westminster City Council

PRINCIPAL OFFICERS

Administration

Chief Executive & Clerk to the Trustees – K.M.F. Rea, Esq. MA

Almshouses

Scheme Manager – Ms C. Collins

Assistant Manager – Mrs. J. Joy (*To 19th March 2021*)

Medical Officer – The Wells Park Practice

Visiting Chaplain – Revd. P. Tiernan

PROFESSIONAL ADVISERS

Bankers: Lloyds Bank, Holborn Circus Branch, 6 Holborn Circus, London EC1N 2HP

Investment

Managers: Rathbone Investment Management Ltd., 8 Finsbury Circus, London EC2M 7AZ

Auditors: Shipleys LLP, 5 Godalming Business Centre, Woolsack Way, Godalming GU7 1XW

Surveyors: Gerald Eve LLP, 72 Welbeck Street, London W1G 0AY

Solicitors: Reynolds Porter Chamberlain LLP, Tower Bridge House, St. Katharine's Way,
London E1W 1AA

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

YEAR TO 31ST DECEMBER 2020

CONTENTS

	<u>Page</u>
Report of the Trustees	1 - 5
Report of the Auditors	6 - 8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11 - 12
Notes to the Accounts	13 - 30

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

Opinion

We have audited the financial statements of St. Clement Danes Holborn Estate Charity for the year ended 31 December 2020 which comprise the statement of financial position, statement of cashflows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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;
- 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees' with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual trustees 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, 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) regulations 2008 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 trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations or having effect thereunder. 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charity's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the charity's financial statements to material misstatement from irregularities, including fraud and instances of non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank letters and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

An auditor conducting an audit in accordance with ISAs (UK) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error and in our audit procedures described above. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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.

Shipleys LLP

Shipleys LLP
Statutory Auditor
Chartered Accountants & statutory auditor
5 Godalming Business Centre
Woolsack Way
Godalming
Surrey
GU7 1XW

Date: 28th October 2021

ST. CLEMENT DANES HOLBORN ESTATE CHARITY
STATEMENT OF FINANCIAL ACTIVITIES - FOR THE YEAR ENDED 31ST DECEMBER 2020

		UNRESTRICTED FUNDS					RESTRICTED FUNDS					
		DESIGNATED FUNDS					INCOME FUND		CAPITAL FUND			
	Notes	Accumulated Income Fund	School Fund (Note 15)	West- minster Persons in Need (Note 16)	Extra- ordinary Repair Fund (Note 17)	Cyclical Maintenance Fund (Note 18)	School Fund (Note 19)	Residents Extra Benefits (Note 20)	Permanent Endowment (Note 21)	TOTAL 2020	TOTAL 2019	
		£	£	£	£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:												
Investments	2	456,907								456,907	678,715	
Charitable activities	3	533,960								533,960	547,606	
Donations and legacies	4											
TOTAL INCOME		990,867								990,867	1,226,321	
EXPENDITURE ON:												
Raising funds	5								97,193	97,193	102,175	
Cost of charitable activities:	7a	801,017		105,000			184,800		177,310	1,268,127	1,074,411	
TOTAL		801,017		105,000			184,800		274,503	1,365,320	1,176,586	
Net gains/(losses) on investment assets												
Realised											158,290	
Unrealised									546,614	546,614	2,696,160	
Total									546,614	546,614	2,854,450	
Net income/expenditure		189,850		(105,000)			(184,800)		272,111	172,161	2,904,185	
Transfers between funds												
Allocation to School Fund	8	(148,500)					148,500			-	-	
Allocation to Reserve Fund	8	(5,000)		5,000						-	-	
Net income/expenditure before recognised gains/(losses)		36,350		(100,000)			(36,300)		272,111	172,161	2,904,185	
Other recognised gains/(losses)												
Loss on disposal of fixed assets												
Gain on disposal of Freehold property												
Net movement in funds		36,350		(100,000)			(36,300)		272,111	172,161	2,904,185	
Reconciliation of funds:												
Balances brought forward at 1 st January 2020		153,341	460,020	100,000	400,000	50,000	204,997	12,833	28,430,475	29,811,666	26,907,481	
Balances carried forward at 31 st December 2020		189,691	460,020	0	400,000	50,000	168,697	12,833	28,702,586	29,983,827	29,811,666	

The notes on pages 11 to 30 form part of these accounts.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

BALANCE SHEET AS AT 31ST DECEMBER 2020

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Endowment Funds</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
FIXED ASSETS						
Freehold Property	10a			6,788,540	6,788,540	6,903,906
Tangible Assets	10b			111,489	111,489	95,442
Investments	11a	367,133	12,833	22,272,048	22,652,014	22,195,147
		367,133	12,833	29,172,077	29,552,043	29,194,495
CURRENT ASSETS						
Debtors	12	351,266	0	0	351,266	258,962
Balance between funds	12/14	270,892	170,307	(441,199)	0	0
Balance at bank	13	299,418			299,418	448,310
		921,576	170,307	(441,199)	650,684	707,272
Less:						
Creditors: amounts falling due within one year	14	188,998	1,610	28,292	218,900	90,101
Net current assets/(liabilities)		732,578	168,697	(469,491)	431,784	617,171
Total assets less current liabilities		1,099,711	181,530	28,702,586	29,983,827	29,811,666
Total net assets		1,099,711	181,530	28,702,586	29,983,827	29,811,666
THE FUNDS OF THE CHARITY:						
Income Fund	P.9	189,691			189,691	153,341
School Fund	15	460,020			460,020	460,020
Westminster Persons in Need Fund	16	0			0	100,000
Extraordinary Repair Fund	17	400,000			400,000	400,000
Cyclical Maintenance Fund	18	50,000			50,000	50,000
School Restricted Fund	19		168,697		168,697	204,997
Residents Extra Benefits Fund	20		12,833		12,833	12,833
Capital Fund	21			28,702,586	28,702,586	28,430,475
TOTAL FUNDS		1,099,711	181,530	28,702,586	29,983,827	29,811,666

Approved by the Board of Trustees on 29th September 2021, and signed on its behalf by:

Chairman *Richard Carey*
W.R.C. Carey

Vice Chairman *M. Sabin*
Mr M. Sabin

Chief Executive *K.M.F. Rea*
K.M.F. Rea

The notes on pages 11 to 30 form part of these accounts.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2020

	NOTES	TOTAL 2020	TOTAL 2019
		£	£
NET CASH USED IN OPERATING ACTIVITIES	1	(40,502)	(1,074,254)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends		456,907	678,715
Purchase investments		(3,810,236)	(2,064,013)
Purchase fixed assets		(83,089)	(71,617)
Proceeds sale of investments		3,328,028	2,676,719
NET CASH PROVIDED BY INVESTING ACTIVITIES		(108,390)	1,219,804
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(148,892)	145,550
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		448,310	302,760
CASH AND CASH EQUIVALENTS CARRIED FORWARD		299,418	443,310

ANALYSIS OF CHANGES IN NET DEBT

	At 31 Dec 2019	Cash flows	At 31 Dec 2020
Cash at bank and in hand	448,310	(148,892)	299,418
	448,310	(148,892)	299,418

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2020

1. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES

	TOTAL 2020 £	TOTAL 2019 £
Net movement in funds	172,161	2,904,185
Add back depreciation charge	182,408	168,085
Deduct investment income shown in income and endowments	(456,907)	(678,715)
Deduct profits on investments	(546,614)	(2,854,450)
Loss on disposal of fixed assets	-	-
(Increase)/decrease in debtors	(92,304)	33,797
Increase/(decrease) in creditors	128,799	(133,319)
Movement in investment cash deposits	571,955	(513,837)
Net cash used in operating activities	(40,502)	(1,074,254)

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

a) Basis of Preparing the Financial Statements

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 Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

With effect from 1 January 2019, the charity has adopted the second addition of the Charities SORP (FRS 102) and the amendments to FRS 102 published in the Triennial Review 2017. There are no adjustments to the current or comparative period in relation to the amendments.

The trust constitutes a public benefit entity as defined by FRS 102. The trust is a registered charity (registration number 206754 England & Wales) and the governing document as detailed on page 1 is the Scheme that was set up in 2014. The principal address is noted on page 1.

These financial statements have been prepared on a going concern basis. No material uncertainties exist related to events or conditions that may cast a significant doubt on the charity's ability to continue as a going concern.

These financial statements are presented in Sterling (£), which is also the functional currency of the charity and rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts are prepared on a going concern basis.

b) Charity Commission Scheme

The Charity is registered under the Charities Act 1960 and the Charity has been administered in accordance with the Charity Commission Scheme dated 2nd September 1991 as modified by orders dated 1st October 1997, 27th July 1998, 29th August 2006 and amended by a resolution dated 11th June 2014.

c) Income

An 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 will be measured reliably.

i) Investments

Income from both fixed interest investments and deposit accounts is included in the accounts on a receivable basis. Dividend income is recognised with reference to the dividend declaration date. Property rental income is recognised on a receivable basis. Income from endowment funds is unrestricted.

ii) Donations, legacies and grants

Grants receivable are recognised when any conditions attaching to them are fulfilled. Grants are allocated to the relevant funds as appropriate. Donations received are used in accordance with the wishes of the donor if applicable or are included as unrestricted funds. They are recognised when the charity is notified that it will receive the donation.

iii) Activities in furtherance of the charity's objects

Charitable income is accounted for on a receivable basis.

iv) Other income

Other income is accounted for in the year in which it is received and allocated to funds as appropriate.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

d) Expenditure

Expenditure is included on an accruals basis.

i) Costs of raising funds

Costs of raising funds comprise investment management fees.

ii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

On 30th June 2014 the assets of St. Clement Danes School Charitable Foundation were transferred to St Clement Danes Holborn Estate Charity. Prior to this date the Grants were paid in accordance with Clause 27 of the Charity's scheme in the following order of priority:

Clause 27 (1): An annual grant of £60,000 to the Trustees of St. Clement Danes School Charitable Foundation, to be applied by the said Trustees for the purposes of that Charity.

Clause 27 (3): A further grant to the Trustees of St. Clement Danes School Charitable Foundation, to be applied by the said Trustees for the purposes of that Charity.

Clause 27 (4): Grants to institutions in the City of Westminster whose purpose is to relieve need. Grants may also be paid to former residents of the almshouses.

After 30th June 2014 the grants previously made to the Trustees of St. Clement Danes School Charitable Foundation are made as transfers to the School Restricted Fund.

iii) Allocation of support and governance costs

Support costs have been allocated between charitable activities and governance. Support costs relating to charitable activities have been apportioned on the best estimate of staff time spent on each activity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory audit and legal fees together with an apportionment of overhead and support costs.

e) Tangible Fixed Assets and Depreciation

i) Capitalisation and replacement

All assets including additions in the year are stated at cost. The Charity is responsible for keeping the original buildings in fit and useful condition and these costs are written off as incurred to the General Fund, Cyclical Maintenance Fund or Extraordinary Repair Fund as appropriate.

Building improvements and other fixed assets are capitalised and carried in the balance sheet at historical cost.

ii) Depreciation

The cost of the freehold land is not depreciated. Depreciation of other assets is provided at rates calculated to write off the cost over the estimated useful economic lives of each class of asset, subject to annual review. Depreciation is charged to the fund in which the asset is held.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

ii) **Depreciation (continued)**

These rates are currently as follows:

Freehold land	Nil
Freehold buildings and development costs	50 years
Freehold buildings, plant and fixtures	10 years
Buildings additions and improvements	12-20 years
Office refurbishment	10-25 years
Furniture and equipment for administration use	5-20 years
Computers for administration use	3 years
Furniture and equipment for charitable use	5-20 years
Computers for charitable use	3 years

f) **Fixed Asset Investments**

Investments are included in the accounts at their fair value.

Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Realised and unrealised gains and losses on investment assets are included in the accounts as they arise.

g) **Debtors**

Debtors are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts.

i) **Cash at Bank**

Cash at bank includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

g) **Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

h) **Financial Instruments**

The Charity 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.

i) **Funds Structure**

The Charity has a permanent endowment, the income from which is wholly unrestricted.

The restricted fund, the Residents Extra Benefits Fund receives any donation or legacies from residents which are then used to provide benefits that the Trustees would not normally provide.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. These include designated funds which reflect the main charitable activities. Transfers to and from these funds are reviewed annually by the Trustees and are shown in Note 8.

Details of the nature and purpose of each fund is set out in notes 15 to 21.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

On 30th June 2014 St Clement Danes Charitable Foundation transferred its funds to Holborn Estate Charity to be held as restricted funds. The Charity had an Accumulated General Fund, split between Income and Capital. The Income Fund reflected the operation of the Charity and the Capital Fund represented the net book value of the School buildings.

The School Fund was formerly known as the Repair Fund and was originally intended to enable the Trustees to meet their obligation to contribute 10% towards certain categories of capital funding. With the granting of Academy Status this obligation no longer applies. To reflect this change Trustees changed the title of the fund to School Fund to be retained as a reserve for the benefit of the School.

There are three restricted funds for the purpose of making small grants to individuals and the School and for providing annual prizes for academic and sporting achievements, these being the Discretionary Fund, the Prize Fund and the Old Danes Fund.

Until 30th June 2014 a quarter of the Holborn Estate Charity Clause 27 (1) grant was allocated to the Discretionary Fund. Administrative expenses of £1,000 were allocated to this fund.

Under Clause 29 (4) of the 1999 Charity Scheme any surplus arising on the Discretionary Fund will be transferred to the General Fund.

Income from the Prize Fund is transferred annually to the General Fund.

An explanation of the nature and purpose of each fund is set out in note 19.

j) Salary and Expense Allocations – Associated Charities

A charge, which is agreed annually, is levied on Westminster Amalgamated Charity. From 1st September 1986 under the authority from the Charity Commissioners dated 10th February 1987 the recharge previously made to the Trustees of St. Clement Danes School Charitable Foundation has no longer been made. However, the amount of the recharge not made to the School Trustees and Governors was shown as a notional recharge and a corresponding notional grant until 30th June 2014 when the assets of the foundation were transferred to St Clement Danes Holborn Estate Charity. Salaries are apportioned according to the Trustees' best estimate of staff time spent on each charity. Management and administration costs are apportioned by the Trustees as deemed appropriate.

k) Value Added Tax

The Charity is not registered for VAT purposes and all expenses, where applicable, are inclusive of irrecoverable VAT.

l) Pension Scheme

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts paid by the Charity to the fund in respect of the year.

m) Operating Leases

Rentals in respect of all leases are charged to the Statement of Financial Activities as incurred.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

		<u>Restricted Funds</u>				
	Unrestricted	Residents	School	Endowment	Total	Total
	<u>Funds</u>	<u>Extra</u>	<u>Fund</u>	<u>Funds</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£	£	£
2. <u>INVESTMENTS</u>						
Income from UK quoted investments	456,907				456,907	678,715
	456,907				456,907	678,715

In 2019 all investment income was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

Contributions from Almshouse residents

Weekly maintenance	508,014				508,014	504,485
Care-Call maintenance	8,928				8,928	14,743
Shopping & cleaning	2,155				2,155	10,690
Laundry & Guest Flats	1,096				1,096	
Heating, Hot Water & Electricity	13,767				13,767	17,688
	533,960				533,960	547,606

In 2019 all charitable activities income was attributable to unrestricted funds.

		<u>Restricted Funds</u>				
	Unrestricted	Residents	School	Endowment	Total	Total
	<u>Funds</u>	<u>Extra</u>	<u>Fund</u>	<u>Funds</u>	<u>2020</u>	<u>2019</u>
	£	£	£	£	£	£
4. <u>DONATIONS AND LEGACIES</u>						

Donations

In 2019 no other income was attributable to either restricted or unrestricted funds.

5. RAISING FUNDS

Investment Management fees				97,193	97,193	102,175
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In 2019 all costs for raising funds were attributable to restricted funds.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

6(a). TOTAL SUPPORT AND GOVERNANCE COSTS

	Total Costs Before Allocations	Allocations	Net Costs After Allocations	2020 Total Costs	2019 Total Costs	
	£	£	£	£	£	
Total salaries & pensions before allocations	179,561			179,561	170,038	
Salary allocations to Westminster Amalgamated Charity		(54,927)		(54,927)	(76,608)	
	<u>179,561</u>	<u>(54,927)</u>	<u>124,634</u>	<u>124,634</u>	<u>93,430</u>	
	Total Cost Before Allocations	Allocations	Net Costs After Allocations	2020 Total Costs	2019 Total Costs	
	£	£	Income Fund £	Endowment Fund £	£	£
Staff training	0	0	0		0	190
Equipment maintenance	15,207	6,995	8,212		8,212	8,946
Depreciation equipment	2,938	2,938	0	3,450	3,450	1,374
Depreciation building	2,160	2,160	0	2,535	2,535	2,486
Rates	3,545	1,631	1,914		1,914	1,840
Rent	30,000	13,800	16,200		16,200	16,200
Insurance	1,536	499	1,037		1,037	1,027
Energy costs	1,257	578	679		679	736
Communications	10,348	4,760	5,588		5,588	5,880
Other expenses	2,402	680	1,722		1,722	3,575
	<u>69,393</u>	<u>34,041</u>	<u>35,352</u>	<u>5,985</u>	<u>41,337</u>	<u>42,253</u>
Total support and overhead costs			<u>159,986</u>	<u>5,985</u>	<u>165,971</u>	<u>135,683</u>
Governance costs						
Cost of meetings	400		400		400	1,416
Professional fees	16,618	1,627	14,991		14,991	9,857
Fees – audit	10,580		10,580		10,580	11,400
	<u>27,598</u>	<u>1,627</u>	<u>25,971</u>	<u>0</u>	<u>25,971</u>	<u>22,673</u>
Expense allocations: Westminster Amalgamated Charity		(35,668)				
	<u>96,991</u>	<u>(35,668)</u>	<u>61,323</u>	<u>5,985</u>	<u>67,308</u>	<u>64,926</u>
TOTAL COSTS	276,552	(90,595)	185,957	5,985	191,942	158,356

Total support costs attributable to charitable activities are apportioned as follows:

	<u>2020</u> £	<u>2019</u> £
Almshouse expenditure	159,986	135,683
Grants to Westminster Persons in Need	<u>0</u>	<u>0</u>
Total support costs attributable to charitable activities. (Note 7(a))	<u>159,986</u>	<u>135,683</u>

Basis of allocation:

School grant – Due to the longstanding nature of the grant to the school it is not deemed necessary to allocate any support costs. Almshouses expenditure forms the major part of the Charity's activities. All other support costs are allocated here in proportion to routine costs, Cyclical Maintenance costs and Extraordinary Repair costs. Grants to Westminster Persons in Need – due to the relatively low level of activity in this area no support costs are allocated to these grants.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

7(a). <u>ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES</u>	<u>Expenditure</u> £ Note 7(b)&7(c)	<u>Support Costs</u> £	<u>Governance Costs</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
From income funds					
Grants to St. Clement Danes School	0	0		0	25,000
Grants to Westminster Persons in Need	105,000	0		105,000	80,000
	105,000	0		105,000	105,000
Alms house expenditure:					
Income Fund	615,060	159,986	25,971	801,017	619,815
Cyclical Maintenance Fund	0	0		0	
Extraordinary Maintenance Fund	0	0		0	
Endowment Fund	171,325	5,985		177,310	164,796
	786,385	165,971	25,971	978,327	784,611
From Restricted Funds					
Grants to St Clement Danes School	184,800			184,800	184,800
Total Charitable Expenditure	1,076,185	165,971	25,971	1,268,127	1,074,411

In 2019 £724,815 expenditure on charitable activities was attributable to unrestricted funds, £164,796 attributable to endowment funds and £184,800 attributable to restricted funds.

7(b). ANALYSIS OF INCOME FUND GRANTS

	<u>Total 2020</u> £	<u>Total 2019</u> £
Grants to Westminster institutions – Clause 27(4): (Note 16)		
Westminster Amalgamated Charity	100,000	75,000
The Connection at St. Martin's	5,000	5,000
	105,000	80,000

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

7(c). ANALYSIS OF ALMSHOUSE
EXPENDITURE

	<u>Income</u> <u>Fund</u> £	<u>Cyclical</u> <u>Maintenance</u> £	<u>Extra-</u> <u>Ordinary</u> <u>Repair</u> £	<u>Capital</u> <u>Fund</u> £	<u>Total</u> <u>2020</u> £ Note 7(a)	<u>Total</u> <u>2019</u> £ Note 7(a)
Salaries and pensions	153,246				153,246	145,286
Staff training	1,459				1,459	2,066
Staff recruitment	6,720				6,720	5,821
Out of hours warden cover	28,499				28,499	29,623
Building repairs & maintenance	113,284				113,284	82,732
Land and gardens maintenance	31,295				31,295	24,963
Water rates & council tax	23,141				23,141	(9,442)
Insurance	14,310				14,310	13,741
Energy costs	38,795				38,795	35,801
Computer support & maintenance	500				500	500
Communications	5,997				5,997	7,070
Other expenses	4,613				4,613	4,319
Site security	111,674				111,674	59,269
PPE/sanitising costs	16,064				16,064	0
Professional fees	5,880				5,880	0
General benefit of residents	59,583				59,583	63,588
Depreciation:						
Buildings				156,475	156,475	152,364
Equipment				14,850	14,850	8,572
	<u>615,060</u>	<u>0</u>	<u>0</u>	<u>171,325</u>	<u>786,385</u>	<u>626,255</u>

8. TRANSFERS BETWEEN FUNDS

		<u>2020</u> £	<u>2019</u> £
<u>Allocations to School Fund</u>			
Annual grant	- Clause 27(1)	60,000	60,000
Inflation grant	- Clause 27(3)	88,500	88,500
Accumulated Income Fund		<u>(148,500)</u>	<u>(148,500)</u>
		<u>-</u>	<u>-</u>

Allocations to Reserve Funds (Notes 15 – 18)

Accumulated Income Fund		(5,000)	(315,000)
School Fund	- Clause 27(3)		100,000
Westminster Persons in Need	- Clause 27(4)	5,000	105,000
Cyclical Maintenance Fund	- Clause 29		10,000
Extraordinary Repair Fund	- Clause 30		<u>100,000</u>
		<u>-</u>	<u>-</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

9. <u>EXTRACT OF EXPENDITURE INCLUDED IN STATEMENT OF FINANCIAL ACTIVITIES</u>	<u>2020</u>	<u>2019</u>
	£	£
a) Analysis of Staff Costs		
Total emoluments	284,564	270,497
Pension Contributions paid by the Charity	24,645	22,506
Employer's National Insurance Contributions	23,598	22,322
	<hr/> 332,807	<hr/> 315,325
 Payments to Pensioners		
	<hr/> -	<hr/> 10,140
	332,807	325,465
Deduct Recoveries	<hr/> (54,927)	<hr/> (76,608)
	<hr/> 277,880	<hr/> 248,857

The average number of employees during the year was 12 (2019: 11) with all staff time involved in governance or charitable activities.

The Charity considers its key management personnel comprise the Trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £57,299 (2019: £52,096). No employees had employee benefits in excess of £60,000 (2019: none).

Accrued pension contributions at 31st December 2020 amounted to £6,010 (2019: £5,878). These relate to increases in contributions, arising from salary increases and increases in contribution rates, not yet collected by the pension provider.

During the year no redundancy payments were made. (2019: £0).

Deduct recoveries are based on staff time spent on working for the individual charities. See note 1(j).

The auditor's remuneration comprised an audit fee of £10,580 (2019: £11,400).

Other non-audit services £1,766 (2019: £1,036).

10. <u>FIXED ASSETS</u>	<u>HEIGHTS</u>				<u>Total</u>
(a) Freehold land and assets for charitable use	<u>School</u>	<u>Land</u>	<u>Buildings</u>	<u>Plant & Fixtures</u>	<u>2020</u>
	£	£			£
<u>Cost</u>					
At 1 st January 2020	655,945	81,000	6,563,055	209,900	7,509,900
Additions		-	-	41,109	41,109
					<hr/>
At 31 st December 2020	655,945	81,000	6,563,055	251,009	7,551,009
					<hr/>
<u>Depreciation</u>					
At 1 st January 2020	-	-	522,034	83,960	605,994
Charge for year	-	-	131,374	25,101	156,475
					<hr/>
At 31 st December 2020	-	-	653,408	109,061	762,469
					<hr/>
<u>Net Book Value</u>					
At 31 st December 2020	655,945	81,000	5,909,647	141,948	6,788,540
					<hr/>
At 31 st December 2019	655,945	81,000	6,041,021	125,940	6,903,906
					<hr/>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

10. FIXED ASSETS (continued)

On 1 April 2011 St. Clement Danes School was granted Academy status with effect from 1 July 2011. As a result of this change St. Clement Danes School Charitable Foundation granted a lease over the school's land and buildings to the newly formed academy trust. The lease is fully repairing and insuring with a term of 125 years. Rent receivable under the lease is represented by a rose presented to each trustee at the annual commemoration day.

The newly granted lease was deemed to be a finance lease as the risks and rewards of ownership had been transferred to the Academy, therefore the assets have been shown as disposed of effective from the commencement of the lease. A nominal value of £4,000 which is not being depreciated was retained within the balance sheet to represent any residual value which may occur at the end of the lease.

In building the school, grants of £5,650,392 were received from the Department for Education and Hertfordshire County Council, under the agreement at the time these may be returned in the event of a disposal for non-educational purposes.

b) Furniture & Other Equipment	For administration use		For charitable use	
	<u>School House Works</u> £	<u>Furniture and Equipment</u> £	<u>Furniture and Equipment</u> £	<u>Total</u> £
<u>Cost</u>				
At 1 st January 2020	80,031	60,487	91,764	232,282
Additions	2,113	5,896	33,971	41,980
Disposals				
At 31 st December 2020	82,144	66,383	125,735	274,262
<u>Depreciation</u>				
As at 1 st January 2020	55,290	48,350	33,200	136,840
Charge for the year	4,695	6,388	14,850	25,933
Disposals				
At 31 st December 2020	59,985	54,738	48,050	162,773
<u>Net Book Value</u>				
At 31 st December 2020	22,159	11,645	77,685	111,489
At 31 st December 2019	24,741	12,173	58,564	95,442

All fixed assets in 2019 were attributable to the endowment fund.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

11.(a) <u>INVESTMENTS</u>	<u>2020</u> £	<u>2019</u> £
Market value at 1 st January	20,914,685	18,672,941
Additions	3,810,236	2,064,013
Disposal proceeds	(3,328,028)	(2,676,719)
Gain/(loss) in year	<u>546,614</u>	<u>2,854,450</u>
	21,943,507	20,914,685
Short term cash deposits	<u>708,507</u>	<u>1,280,462</u>
	<u>22,652,014</u>	<u>22,195,147</u>
Total market value at 31 st December		
Investments at market value comprise:		
UK equities	8,310,885	9,292,865
Global equities	8,767,221	7,538,811
UK fixed interest securities	2,411,903	1,610,174
Overseas fixed interest	0	289,828
Quoted property	357,462	301,809
Alternative investments	2,096,036	1,881,198
Cash	<u>708,507</u>	<u>1,280,462</u>
	<u>22,652,014</u>	<u>22,195,147</u>
Historical cost at 31 st December 2020	<u>15,060,691</u>	<u>15,356,539</u>

11.(b) Material Investments (over 5% by value)

<u>Description</u>	<u>Percentage</u>	<u>Value</u>
Findlay Park Funds	5%	1,159,500
Scottish Mortgage Investment Trust	5%	1,214,000

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review section of the trustees' report.

The main risk to the trust from financial instruments lies in the combination of uncertain markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets. The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

In 2019 £361,524 of investments were attributable to the unrestricted fund, £12,833 to the restricted fund and the balance of £21,820,790 to the endowment fund.

12. <u>DEBTORS</u>	<u>2020</u> £	<u>2019</u> £
Accrued income	735	17,386
Associated charities:		
Westminster Amalgamated Charity	282,735	191,698
Capital Fund debtor		
Other debtors	8,193	3,765
Prepayments	<u>59,603</u>	<u>46,113</u>
Unrestricted Funds debtors	<u>351,266</u>	<u>258,962</u>
Amount due from other Funds	<u>441,199</u>	<u>363,478</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

12. DEBTORS (cont)

In 2019 all debtors were attributable to the unrestricted fund. Accrued income relates to dividends and interest owed by the investment managers to the Charity at the year-end but not paid to the Charity.

13. BALANCE AT BANK

In 2019 £448,310 was attributable to the unrestricted fund.

	<u>2020</u> £	<u>2019</u> £
14. <u>CREDITORS</u>		
Associated charities	100,000	-
Other creditors	5,408	5,413
Accruals	85,200	58,503
	<hr/> 190,608	<hr/> 63,916
Capital Fund – accruals	28,292	26,185
	<hr/> 218,900	<hr/> 90,101
Amount due to other funds	<hr/> 441,199	<hr/> 363,478

In 2019 £62,306 creditors were attributable to the unrestricted fund, £1,610 to the restricted fund and the balance of £26,185 to the endowment fund.

15. SCHOOL FUND- UNRESTRICTED DESIGNATED FUND

The amounts allocated to the School Fund are available in whole or in part for any project/expense at the School previously approved by the Trustees of Holborn Estate Charity.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	460,020	385,020
<u>Less:</u> Expenditure in year	-	(25,000)
<u>Add:</u> Contribution for year	<hr/> -	<hr/> 100,000
Balance at 31 st December 2020	<hr/> 460,020	<hr/> 460,020

16. WESTMINSTER PERSONS IN NEED (Clause 27(4)) – UNRESTRICTED DESIGNATED FUND

Amounts from any year-end surplus may be placed in this Fund for distribution to charities identified as being able to give grants to the needy in the City of Westminster. In addition, grants may be made from this fund to former residents of the Charity's Almshouses.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	100,000	75,000
<u>Less:</u> Grant Expenditure in year: (Note 7b)	(100,000)	(80,000)
<u>Add:</u> Contribution for year from Accumulated Income Fund	<hr/> -	<hr/> 105,000
Balance at 31 st December 2020	<hr/> 0	<hr/> 100,000

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

17. EXTRAORDINARY REPAIR FUND (Clause 30) – UNRESTRICTED DESIGNATED FUND

Under the Charity Commission Scheme dated 2nd September 1991 the Trustees may set aside an initial sum of £20,000 in the fund and transfer to the fund such annual sum as they think sufficient for the purpose of providing for the extraordinary repairs, improvements or rebuilding of the Almshouses. Under the previous Charity Commission Scheme dated 3rd October 1979, the Charity transferred the sum of £2,300 annually to this repair fund. A total of £29,900 has been transferred under this previous scheme.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	400,000	300,000
<u>Less:</u> Expenditure in year: (Note 7a)	-	-
<u>Less:</u> Transfer from Accumulated Income Fund	-	100,000
	<hr/>	<hr/>
Balance at 31 st December 2020	<u>400,000</u>	<u>400,000</u>

18. CYCLICAL MAINTENANCE FUND (Clause 29) – UNRESTRICTED DESIGNATED FUND

Under the Charity Commission Scheme dated 2nd September 1991 the Trustees may establish and maintain a reserve fund for those items of ordinary maintenance and repair of the Almshouses which recur at infrequent intervals. The fund may be maintained by setting aside an annual sum out of the income of the Charity as the Trustees think fit. An initial sum of £20,000 may be set aside in the fund.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	50,000	40,000
<u>Less:</u> Expenditure in the year: (Note 7a)	-	-
<u>Less:</u> Transfer from Accumulated Income Fund	-	10,000
	<hr/>	<hr/>
Balance at 31 st December 2020	<u>50,000</u>	<u>50,000</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

19. SCHOOL RESTRICTED FUNDS – RESTRICTED INCOME FUND

						<u>Restricted Fund</u>	
	<u>General Fund</u>	<u>School Fund</u>	<u>Discretionary Fund</u> (Note 19c)	<u>Old Danes Fund</u> (Note 19d)	<u>Prize Fund</u> (Note 19e)	<u>2020 Total</u> (Page 9)	<u>2019 Total</u>
INCOME							
Donations and Grants							
Investment Income							
Total Income							
EXPENDITURE							
Investment management costs							
Grants payable	183,800		1,000			184,800	184,800
Total Expenditure	183,800		1,000			184,800	184,800
Net Income							
Before transfers	(183,800)		(1,000)			(184,800)	(184,800)
Mandatory transfers	133,500		15,000			148,500	148,500
Other transfers	14,000		(14,000)				
Net incoming Resources before recognised gains/(losses)	(36,300)		-			(36,300)	(36,300)
Gains on investment assets							
Realised							
Unrealised	-						
BALANCE BROUGHT FORWARD AT 1st JANUARY							
	(37,975)	227,279	7,500	2,500	5,693	204,997	241,297
BALANCE CARRIED FORWARD 31ST DECEMBER							
	(74,275)	227,279	7,500	2,500	5,693	168,697	204,997

19(b) SCHOOL FUND

The School Fund is retained as a reserve for the benefit for the school (Note 1(i)).

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

19. SCHOOL RESTRICTED FUNDS (continued)

19(c) DISCRETIONARY FUND	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	7,500	7,500
Share of Holborn Estate Charity grant (Note 1i)	15,000	15,000
Grants to individuals	-	-
Support costs (Note 1i)	(1,000)	(1,000)
Surplus transferred to General Fund (Note 1i)	<u>(14,000)</u>	<u>(14,000)</u>
Balance at 31 st December 2020	<u><u>7,500</u></u>	<u><u>7,500</u></u>

A quarter of the Holborn Estate Charity Clause 27 (1) grant was allocated to the Discretionary Fund. Administrative expenses of £1,000 pa are allocated to this fund.

Under Clause 29(4) of the 1999 scheme any surplus arising on the discretionary fund is transferred to the General Fund.

19(d) OLD DANES FUND

The Old Danes Fund was created in 2003 to hold donations made for the purpose of maintaining the historical traditions of St Clement Danes School

19(e) THE PRIZE FUND

The Prize Fund enables Trustees to make awards to pupils who are studying at St Clement Danes School. The awards are paid out of the Head teacher's allocation.

20. RESIDENTS EXTRA BENEFITS FUND – RESTRICTED INCOME FUND

This fund represents accumulated amounts donated for the specific benefit of the residents less amounts paid.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	12,833	12,833
<u>Add</u> Donations received	<u>-</u>	<u>-</u>
Balance at 31 st December 2020	<u><u>12,833</u></u>	<u><u>12,833</u></u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

21. <u>CAPITAL FUND - PERMANENT ENDOWMENT FUND</u>	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	28,430,475	25,842,996
Resources expended:		
Cost of generating funds	(97,193)	(102,175)
Charitable activities:		
Depreciation of fixed assets for charitable use	(171,325)	(160,936)
Support costs: depreciation	(5,985)	(3,860)
Gain/(Loss) on disposal of fixed assets		-
Investment (losses)/gains:		
Realised	0	158,291
Unrealised	546,614	2,696,475
Balance at 31 st December 2020	<u>28,702,586</u>	<u>28,430,475</u>

22. OPERATING LEASES

On 25th March 2001 the Trustees entered into a lease on the premises at School House, Drury Lane for the period to 25th March 2026. The current rent of £30,000 per annum was increased at the last rent review in January 2016. The rent is reviewable in 2021 and thereafter every 5 years. The premises are leased from the St. Clement Danes Educational Foundation at nil premium and on an arm's length basis (Note 23(C)).

On 24th November 2019 the Trustees entered into a 5 Year Lease Agreement with Automotive Leasing on a new Iveco Minibus at an annual rental of £14,243.

On 25th September 2015 the Trustees entered into a 5 Year Lease Agreement with Konica on a Photocopier at an annual rental of £3,432.

On 24th September 2015 the Trustees entered into a 5 Year Lease Agreement with GE Capital on a Phone System at an annual rental of £878.

Total commitments payable in the future are summarised as follows:

	<u>2020</u> £	<u>2019</u> £
Under 1 year	44,243	47,475
Over 1 year : 2 – 5 years	28,486	72,729
Over 5 years	0	
Total	<u>72,729</u>	<u>120,204</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

23. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES

A) Common Trustees

- 1) Trustees common with Westminster Amalgamated Charity:

Mrs. J. Bianco

Mrs. J. Rymer (*To July 2020*)

- 2) Mrs. J. Rymer is a Trustee of St. Clement Danes Educational Foundation.

- 3) Mrs L. Clarkson and Mrs. R. Hadfield are members of the Danes Educational Trust.

Mr. W.R.C. Carey was a Governor of St. Clement Danes School, Chorleywood, Hertfordshire until July 2014 and an Associate Governor thereafter.

- 4) Mr. N. Williams is Manager of Lloyds Bank, Westfield Shopping Centre Branch.

B) Trustees expenses

No Trustee received reimbursed expenses (2019: £Nil).

C) Salary and expense allocations

The St. Clement Danes Holborn Estate Charity and Westminster Amalgamated Charity occupy offices leased from St. Clement Danes Educational Foundation (Note 22).

The basis of the apportionment of expenses between the two charities is set out in Note 1(j).

The amounts of the salary and expense allocations are set out in Note 6(a).

No Trustee has been paid any remuneration or received any benefit.

Amounts owed by the associated charity, Westminster Amalgamated Charity, are shown in Note 12 to the accounts.

D) Grants to St. Clement Danes School Governors

Grants were made to the Governors of St. Clement Danes School under Clauses 27(1) and 27(3) of the Charity's scheme. The amounts of the grants are shown in Note 7(b).

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2020

	<u>Fixed Assets</u> £	<u>Freehold Property</u> £	<u>Investments</u> £	<u>Net Current Assets</u> £	<u>2020 Total</u> £
UNRESTRICTED FUNDS					
Accumulated Income Fund				189,691	189,691
Designated Funds			367,133	542,887	910,020
RESTRICTED FUNDS					
School Fund				168,697	168,697
Residents Extra Benefits			12,833		12,833
Capital Fund	111,489	6,788,540	22,272,048	(469,491)	28,702,586
	<u>111,489</u>	<u>6,788,540</u>	<u>22,652,014</u>	<u>431,784</u>	<u>29,823,827</u>

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2019

	<u>Fixed Assets</u> £	<u>Freehold Property</u> £	<u>Investments</u> £	<u>Net Current Assets</u> £	<u>2019 Total</u> £
UNRESTRICTED FUNDS					
Accumulated Income Fund				153,341	153,341
Designated Funds			361,524	648,496	1,010,020
RESTRICTED FUNDS					
School Fund				204,997	204,997
Residents Extra Benefits			12,833		12,833
Capital Fund	95,442	6,903,906	21,820,790	(389,663)	28,430,475
	<u>95,442</u>	<u>6,903,906</u>	<u>22,195,147</u>	<u>617,171</u>	<u>29,811,666</u>

26. CAPITAL COMMITMENTS

At the end of the year capital commitments not provided for in these accounts amounted to £Nil.
(2019: £Nil).

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

TRUSTEES' ANNUAL REPORT & ACCOUNTS

31ST DECEMBER 2020

Registered Charity
206754

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

YEAR TO 31ST DECEMBER 2020

TRUSTEES

W.R.C. Carey Esq., MBE, FRICS (Chairman)
R.G. Beaglehole, Esq. MSc, BA, FCIPD, FInstLM, MInstD (*Retired 27th January 2021*)

* Mrs. J. Bianco, DL

M.A. Brasier, FRICS

Mrs. L. Clarkson MBE, MA

J. Davey, Esq. QC

* Mrs. A. Gillibrand, MA, MBA

Mrs. R. Hadfield, MBE

M.D. Macfarlane Esq., LLB

Mrs. J. Rymer (*Retired 1st February 2021*)

M. Sabin Esq., BA (Hons), FCA (Vice-Chairman)

* Miss P.D.H. Turner, MA

* Miss M.L.R. Williams

N. Williams, Esq

* Appointing Authority – Westminster City Council

PRINCIPAL OFFICERS

Administration

Chief Executive & Clerk to the Trustees – K.M.F. Rea, Esq. MA

Almshouses

Scheme Manager – Ms C. Collins

Assistant Manager – Mrs. J. Joy (*To 19th March 2021*)

Medical Officer – The Wells Park Practice

Visiting Chaplain – Revd. P. Tiernan

PROFESSIONAL ADVISERS

Bankers: Lloyds Bank, Holborn Circus Branch, 6 Holborn Circus, London EC1N 2HP

Investment

Managers: Rathbone Investment Management Ltd., 8 Finsbury Circus, London EC2M 7AZ

Auditors: Shipleys LLP, 5 Godalming Business Centre, Woolsack Way, Godalming GU7 1XW

Surveyors: Gerald Eve LLP, 72 Welbeck Street, London W1G 0AY

Solicitors: Reynolds Porter Chamberlain LLP, Tower Bridge House, St. Katharine's Way,
London E1W 1AA

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

YEAR TO 31ST DECEMBER 2020

CONTENTS

	<u>Page</u>
Report of the Trustees	1 - 5
Report of the Auditors	6 - 8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11 - 12
Notes to the Accounts	13 - 30

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

Opinion

We have audited the financial statements of St. Clement Danes Holborn Estate Charity for the year ended 31 December 2020 which comprise the statement of financial position, statement of cashflows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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;
- 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees' with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual trustees 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, 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) regulations 2008 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 trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations or having effect thereunder. 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charity's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the charity's financial statements to material misstatement from irregularities, including fraud and instances of non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank letters and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

An auditor conducting an audit in accordance with ISAs (UK) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error and in our audit procedures described above. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF **ST. CLEMENT DANES HOLBORN ESTATE CHARITY**

- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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.

Shipleys LLP

Shipleys LLP
Statutory Auditor
Chartered Accountants & statutory auditor
5 Godalming Business Centre
Woolsack Way
Godalming
Surrey
GU7 1XW

Date: 28th October 2021

ST. CLEMENT DANES HOLBORN ESTATE CHARITY
STATEMENT OF FINANCIAL ACTIVITIES - FOR THE YEAR ENDED 31ST DECEMBER 2020

		UNRESTRICTED FUNDS					RESTRICTED FUNDS				
		DESIGNATED FUNDS					INCOME FUND		CAPITAL FUND		
Notes		Accumulated Income Fund	School Fund (Note 15)	West- minster Persons in Need (Note 16)	Extra- ordinary Repair Fund (Note 17)	Cyclical Maintenance Fund (Note 18)	School Fund (Note 19)	Residents Extra Benefits (Note 20)	Permanent Endowment (Note 21)	TOTAL 2020	TOTAL 2019
		£	£	£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:											
Investments	2	456,907								456,907	678,715
Charitable activities	3	533,960								533,960	547,606
Donations and legacies	4										
TOTAL INCOME		990,867								990,867	1,226,321
EXPENDITURE ON:											
Raising funds	5								97,193	97,193	102,175
Cost of charitable activities:	7a	801,017		105,000			184,800		177,310	1,268,127	1,074,411
TOTAL		801,017		105,000			184,800		274,503	1,365,320	1,176,586
Net gains/(losses) on investment assets											
Realised											158,290
Unrealised									546,614	546,614	2,696,160
Total									546,614	546,614	2,854,450
Net income/expenditure		189,850		(105,000)			(184,800)		272,111	172,161	2,904,185
Transfers between funds											
Allocation to School Fund	8	(148,500)					148,500			-	-
Allocation to Reserve Fund	8	(5,000)		5,000						-	-
Net income/expenditure before recognised gains/(losses)		36,350		(100,000)			(36,300)		272,111	172,161	2,904,185
Other recognised gains/(losses)											
Loss on disposal of fixed assets											
Gain on disposal of Freehold property											
Net movement in funds		36,350		(100,000)			(36,300)		272,111	172,161	2,904,185
Reconciliation of funds:											
Balances brought forward at 1st January 2020		153,341	460,020	100,000	400,000	50,000	204,997	12,833	28,430,475	29,811,666	26,907,481
Balances carried forward at 31st December 2020		189,691	460,020	0	400,000	50,000	168,697	12,833	28,702,586	29,983,827	29,811,666

The notes on pages 11 to 30 form part of these accounts.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

BALANCE SHEET AS AT 31ST DECEMBER 2020

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Endowment Funds</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
FIXED ASSETS						
Freehold Property	10a			6,788,540	6,788,540	6,903,906
Tangible Assets	10b			111,489	111,489	95,442
Investments	11a	367,133	12,833	22,272,048	22,652,014	22,195,147
		367,133	12,833	29,172,077	29,552,043	29,194,495
CURRENT ASSETS						
Debtors	12	351,266	0	0	351,266	258,962
Balance between funds	12/14	270,892	170,307	(441,199)	0	0
Balance at bank	13	299,418			299,418	448,310
		921,576	170,307	(441,199)	650,684	707,272
Less:						
Creditors: amounts falling due within one year	14	188,998	1,610	28,292	218,900	90,101
Net current assets/(liabilities)		732,578	168,697	(469,491)	431,784	617,171
Total assets less current liabilities		1,099,711	181,530	28,702,586	29,983,827	29,811,666
Total net assets		1,099,711	181,530	28,702,586	29,983,827	29,811,666
THE FUNDS OF THE CHARITY:						
Income Fund	P.9	189,691			189,691	153,341
School Fund	15	460,020			460,020	460,020
Westminster Persons in Need Fund	16	0			0	100,000
Extraordinary Repair Fund	17	400,000			400,000	400,000
Cyclical Maintenance Fund	18	50,000			50,000	50,000
School Restricted Fund	19		168,697		168,697	204,997
Residents Extra Benefits Fund	20		12,833		12,833	12,833
Capital Fund	21			28,702,586	28,702,586	28,430,475
TOTAL FUNDS		1,099,711	181,530	28,702,586	29,983,827	29,811,666

Approved by the Board of Trustees on 29th September 2021, and signed on its behalf by:

Chairman *Richard Carey*
W.R.C. Carey

Vice Chairman *M. Sabin*
Mr M. Sabin

Chief Executive *K.M.F. Rea*
K.M.F. Rea

The notes on pages 11 to 30 form part of these accounts.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2020

	NOTES	TOTAL 2020	TOTAL 2019
		£	£
NET CASH USED IN OPERATING ACTIVITIES	1	(40,502)	(1,074,254)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends		456,907	678,715
Purchase investments		(3,810,236)	(2,064,013)
Purchase fixed assets		(83,089)	(71,617)
Proceeds sale of investments		3,328,028	2,676,719
NET CASH PROVIDED BY INVESTING ACTIVITIES		(108,390)	1,219,804
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(148,892)	145,550
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		448,310	302,760
CASH AND CASH EQUIVALENTS CARRIED FORWARD		299,418	443,310

ANALYSIS OF CHANGES IN NET DEBT

	At 31 Dec 2019	Cash flows	At 31 Dec 2020
Cash at bank and in hand	448,310	(148,892)	299,418
	448,310	(148,892)	299,418

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2020

1. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES

	TOTAL 2020 £	TOTAL 2019 £
Net movement in funds	172,161	2,904,185
Add back depreciation charge	182,408	168,085
Deduct investment income shown in income and endowments	(456,907)	(678,715)
Deduct profits on investments	(546,614)	(2,854,450)
Loss on disposal of fixed assets	-	-
(Increase)/decrease in debtors	(92,304)	33,797
Increase/(decrease) in creditors	128,799	(133,319)
Movement in investment cash deposits	571,955	(513,837)
Net cash used in operating activities	(40,502)	(1,074,254)

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

a) Basis of Preparing the Financial Statements

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 Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

With effect from 1 January 2019, the charity has adopted the second addition of the Charities SORP (FRS 102) and the amendments to FRS 102 published in the Triennial Review 2017. There are no adjustments to the current or comparative period in relation to the amendments.

The trust constitutes a public benefit entity as defined by FRS 102. The trust is a registered charity (registration number 206754 England & Wales) and the governing document as detailed on page 1 is the Scheme that was set up in 2014. The principal address is noted on page 1.

These financial statements have been prepared on a going concern basis. No material uncertainties exist related to events or conditions that may cast a significant doubt on the charity's ability to continue as a going concern.

These financial statements are presented in Sterling (£), which is also the functional currency of the charity and rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts are prepared on a going concern basis.

b) Charity Commission Scheme

The Charity is registered under the Charities Act 1960 and the Charity has been administered in accordance with the Charity Commission Scheme dated 2nd September 1991 as modified by orders dated 1st October 1997, 27th July 1998, 29th August 2006 and amended by a resolution dated 11th June 2014.

c) Income

An 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 will be measured reliably.

i) Investments

Income from both fixed interest investments and deposit accounts is included in the accounts on a receivable basis. Dividend income is recognised with reference to the dividend declaration date. Property rental income is recognised on a receivable basis. Income from endowment funds is unrestricted.

ii) Donations, legacies and grants

Grants receivable are recognised when any conditions attaching to them are fulfilled. Grants are allocated to the relevant funds as appropriate. Donations received are used in accordance with the wishes of the donor if applicable or are included as unrestricted funds. They are recognised when the charity is notified that it will receive the donation.

iii) Activities in furtherance of the charity's objects

Charitable income is accounted for on a receivable basis.

iv) Other income

Other income is accounted for in the year in which it is received and allocated to funds as appropriate.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

d) Expenditure

Expenditure is included on an accruals basis.

i) Costs of raising funds

Costs of raising funds comprise investment management fees.

ii) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

On 30th June 2014 the assets of St. Clement Danes School Charitable Foundation were transferred to St Clement Danes Holborn Estate Charity. Prior to this date the Grants were paid in accordance with Clause 27 of the Charity's scheme in the following order of priority:

Clause 27 (1): An annual grant of £60,000 to the Trustees of St. Clement Danes School Charitable Foundation, to be applied by the said Trustees for the purposes of that Charity.

Clause 27 (3): A further grant to the Trustees of St. Clement Danes School Charitable Foundation, to be applied by the said Trustees for the purposes of that Charity.

Clause 27 (4): Grants to institutions in the City of Westminster whose purpose is to relieve need. Grants may also be paid to former residents of the almshouses.

After 30th June 2014 the grants previously made to the Trustees of St. Clement Danes School Charitable Foundation are made as transfers to the School Restricted Fund.

iii) Allocation of support and governance costs

Support costs have been allocated between charitable activities and governance. Support costs relating to charitable activities have been apportioned on the best estimate of staff time spent on each activity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory audit and legal fees together with an apportionment of overhead and support costs.

e) Tangible Fixed Assets and Depreciation

i) Capitalisation and replacement

All assets including additions in the year are stated at cost. The Charity is responsible for keeping the original buildings in fit and useful condition and these costs are written off as incurred to the General Fund, Cyclical Maintenance Fund or Extraordinary Repair Fund as appropriate.

Building improvements and other fixed assets are capitalised and carried in the balance sheet at historical cost.

ii) Depreciation

The cost of the freehold land is not depreciated. Depreciation of other assets is provided at rates calculated to write off the cost over the estimated useful economic lives of each class of asset, subject to annual review. Depreciation is charged to the fund in which the asset is held.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

ii) Depreciation (continued)

These rates are currently as follows:

Freehold land	Nil
Freehold buildings and development costs	50 years
Freehold buildings, plant and fixtures	10 years
Buildings additions and improvements	12-20 years
Office refurbishment	10-25 years
Furniture and equipment for administration use	5-20 years
Computers for administration use	3 years
Furniture and equipment for charitable use	5-20 years
Computers for charitable use	3 years

f) Fixed Asset Investments

Investments are included in the accounts at their fair value.

Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Realised and unrealised gains and losses on investment assets are included in the accounts as they arise.

g) Debtors

Debtors are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts.

i) Cash at Bank

Cash at bank includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

g) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

h) Financial Instruments

The Charity 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.

i) Funds Structure

The Charity has a permanent endowment, the income from which is wholly unrestricted.

The restricted fund, the Residents Extra Benefits Fund receives any donation or legacies from residents which are then used to provide benefits that the Trustees would not normally provide.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. These include designated funds which reflect the main charitable activities. Transfers to and from these funds are reviewed annually by the Trustees and are shown in Note 8.

Details of the nature and purpose of each fund is set out in notes 15 to 21.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

On 30th June 2014 St Clement Danes Charitable Foundation transferred its funds to Holborn Estate Charity to be held as restricted funds. The Charity had an Accumulated General Fund, split between Income and Capital. The Income Fund reflected the operation of the Charity and the Capital Fund represented the net book value of the School buildings.

The School Fund was formerly known as the Repair Fund and was originally intended to enable the Trustees to meet their obligation to contribute 10% towards certain categories of capital funding. With the granting of Academy Status this obligation no longer applies. To reflect this change Trustees changed the title of the fund to School Fund to be retained as a reserve for the benefit of the School.

There are three restricted funds for the purpose of making small grants to individuals and the School and for providing annual prizes for academic and sporting achievements, these being the Discretionary Fund, the Prize Fund and the Old Danes Fund.

Until 30th June 2014 a quarter of the Holborn Estate Charity Clause 27 (1) grant was allocated to the Discretionary Fund. Administrative expenses of £1,000 were allocated to this fund.

Under Clause 29 (4) of the 1999 Charity Scheme any surplus arising on the Discretionary Fund will be transferred to the General Fund.

Income from the Prize Fund is transferred annually to the General Fund.

An explanation of the nature and purpose of each fund is set out in note 19.

j) Salary and Expense Allocations – Associated Charities

A charge, which is agreed annually, is levied on Westminster Amalgamated Charity. From 1st September 1986 under the authority from the Charity Commissioners dated 10th February 1987 the recharge previously made to the Trustees of St. Clement Danes School Charitable Foundation has no longer been made. However, the amount of the recharge not made to the School Trustees and Governors was shown as a notional recharge and a corresponding notional grant until 30th June 2014 when the assets of the foundation were transferred to St Clement Danes Holborn Estate Charity. Salaries are apportioned according to the Trustees' best estimate of staff time spent on each charity. Management and administration costs are apportioned by the Trustees as deemed appropriate.

k) Value Added Tax

The Charity is not registered for VAT purposes and all expenses, where applicable, are inclusive of irrecoverable VAT.

l) Pension Scheme

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts paid by the Charity to the fund in respect of the year.

m) Operating Leases

Rentals in respect of all leases are charged to the Statement of Financial Activities as incurred.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

	Unrestricted Funds	<u>Restricted Funds</u>			Total 2020	Total 2019
		Residents Extra Benefits	School Fund	Endowment Funds		
	£	£	£	£	£	£
2. <u>INVESTMENTS</u>						
Income from UK quoted investments	456,907				456,907	678,715
	456,907				456,907	678,715

In 2019 all investment income was attributable to unrestricted funds.

3. CHARITABLE ACTIVITIES

**Contributions from Almshouse
residents**

Weekly maintenance	508,014				508,014	504,485
Care-Call maintenance	8,928				8,928	14,743
Shopping & cleaning	2,155				2,155	10,690
Laundry & Guest Flats	1,096				1,096	
Heating, Hot Water & Electricity	13,767				13,767	17,688
	533,960				533,960	547,606

In 2019 all charitable activities income was attributable to unrestricted funds.

	Unrestricted Funds	<u>Restricted Funds</u>			Total 2020	Total 2019
		Residents Extra Benefits	School Fund	Endowment Funds		
	£	£	£	£	£	£
4. <u>DONATIONS AND LEGACIES</u>						

Donations

In 2019 no other income was attributable to either restricted or unrestricted funds.

5. RAISING FUNDS

Investment Management fees				97,193	97,193	102,175
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In 2019 all costs for raising funds were attributable to restricted funds.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

6(a). TOTAL SUPPORT AND GOVERNANCE COSTS

	Total Costs Before Allocations	Allocations	Net Costs After Allocations	2020 Total Costs	2019 Total Costs
	£	£	£	£	£
Total salaries & pensions before allocations	179,561			179,561	170,038
Salary allocations to Westminster Amalgamated Charity		(54,927)		(54,927)	(76,608)
	<u>179,561</u>	<u>(54,927)</u>	<u>124,634</u>	<u>124,634</u>	<u>93,430</u>
	Total Cost Before Allocations	Allocations	Net Costs After Allocations	2020 Total Costs	2019 Total Costs
	£	£	Income Fund £	Endowment Fund £	£
Staff training	0	0	0		190
Equipment maintenance	15,207	6,995	8,212		8,946
Depreciation equipment	2,938	2,938	0	3,450	1,374
Depreciation building	2,160	2,160	0	2,535	2,486
Rates	3,545	1,631	1,914		1,840
Rent	30,000	13,800	16,200		16,200
Insurance	1,536	499	1,037		1,027
Energy costs	1,257	578	679		736
Communications	10,348	4,760	5,588		5,880
Other expenses	2,402	680	1,722		3,575
	<u>69,393</u>	<u>34,041</u>	<u>35,352</u>	<u>5,985</u>	<u>42,253</u>
Total support and overhead costs			159,986	5,985	135,683
Governance costs					
Cost of meetings	400		400		1,416
Professional fees	16,618	1,627	14,991		9,857
Fees – audit	10,580		10,580		11,400
	<u>27,598</u>	<u>1,627</u>	<u>25,971</u>	<u>0</u>	<u>22,673</u>
Expense allocations: Westminster Amalgamated Charity		(35,668)			
	<u>96,991</u>	<u>(35,668)</u>	<u>61,323</u>	<u>5,985</u>	<u>64,926</u>
TOTAL COSTS	276,552	(90,595)	185,957	5,985	158,356

Total support costs attributable to charitable activities are apportioned as follows:

	<u>2020</u> £	<u>2019</u> £
Almshouse expenditure	159,986	135,683
Grants to Westminster Persons in Need	<u>0</u>	<u>0</u>
Total support costs attributable to charitable activities. (Note 7(a))	<u>159,986</u>	<u>135,683</u>

Basis of allocation:

School grant – Due to the longstanding nature of the grant to the school it is not deemed necessary to allocate any support costs. Almshouses expenditure forms the major part of the Charity's activities. All other support costs are allocated here in proportion to routine costs, Cyclical Maintenance costs and Extraordinary Repair costs. Grants to Westminster Persons in Need – due to the relatively low level of activity in this area no support costs are allocated to these grants.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

7(a). <u>ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES</u>	<u>Expenditure</u> £ Note 7(b)&7(c)	<u>Support Costs</u> £	<u>Governance Costs</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
From income funds					
Grants to St. Clement Danes School	0	0		0	25,000
Grants to Westminster Persons in Need	105,000	0		105,000	80,000
	105,000	0		105,000	105,000
Alms house expenditure:					
Income Fund	615,060	159,986	25,971	801,017	619,815
Cyclical Maintenance Fund	0	0		0	
Extraordinary Maintenance Fund	0	0		0	
Endowment Fund	171,325	5,985		177,310	164,796
	786,385	165,971	25,971	978,327	784,611
From Restricted Funds					
Grants to St Clement Danes School	184,800			184,800	184,800
Total Charitable Expenditure	1,076,185	165,971	25,971	1,268,127	1,074,411

In 2019 £724,815 expenditure on charitable activities was attributable to unrestricted funds, £164,796 attributable to endowment funds and £184,800 attributable to restricted funds.

7(b). ANALYSIS OF INCOME FUND GRANTS

	<u>Total 2020</u> £	<u>Total 2019</u> £
Grants to Westminster institutions – Clause 27(4): (Note 16)		
Westminster Amalgamated Charity	100,000	75,000
The Connection at St. Martin's	5,000	5,000
	105,000	80,000

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

7(c). ANALYSIS OF ALMSHOUSE
EXPENDITURE

	<u>Income</u> <u>Fund</u> £	<u>Cyclical</u> <u>Maintenance</u> £	<u>Extra-</u> <u>Ordinary</u> <u>Repair</u> £	<u>Capital</u> <u>Fund</u> £	<u>Total</u> <u>2020</u> £ Note 7(a)	<u>Total</u> <u>2019</u> £ Note 7(a)
Salaries and pensions	153,246				153,246	145,286
Staff training	1,459				1,459	2,066
Staff recruitment	6,720				6,720	5,821
Out of hours warden cover	28,499				28,499	29,623
Building repairs & maintenance	113,284				113,284	82,732
Land and gardens maintenance	31,295				31,295	24,963
Water rates & council tax	23,141				23,141	(9,442)
Insurance	14,310				14,310	13,741
Energy costs	38,795				38,795	35,801
Computer support & maintenance	500				500	500
Communications	5,997				5,997	7,070
Other expenses	4,613				4,613	4,319
Site security	111,674				111,674	59,269
PPE/sanitising costs	16,064				16,064	0
Professional fees	5,880				5,880	0
General benefit of residents	59,583				59,583	63,588
Depreciation:						
Buildings				156,475	156,475	152,364
Equipment				14,850	14,850	8,572
	<u>615,060</u>	<u>0</u>	<u>0</u>	<u>171,325</u>	<u>786,385</u>	<u>626,255</u>

8. TRANSFERS BETWEEN FUNDS

		<u>2020</u> £	<u>2019</u> £
<u>Allocations to School Fund</u>			
Annual grant	- Clause 27(1)	60,000	60,000
Inflation grant	- Clause 27(3)	88,500	88,500
Accumulated Income Fund		<u>(148,500)</u>	<u>(148,500)</u>
		<u>-</u>	<u>-</u>

Allocations to Reserve Funds (Notes 15 – 18)

Accumulated Income Fund		(5,000)	(315,000)
School Fund	- Clause 27(3)		100,000
Westminster Persons in Need	- Clause 27(4)	5,000	105,000
Cyclical Maintenance Fund	- Clause 29		10,000
Extraordinary Repair Fund	- Clause 30		<u>100,000</u>
		<u>-</u>	<u>-</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

9. <u>EXTRACT OF EXPENDITURE INCLUDED IN STATEMENT OF FINANCIAL ACTIVITIES</u>	<u>2020</u>	<u>2019</u>
	£	£
a) Analysis of Staff Costs		
Total emoluments	284,564	270,497
Pension Contributions paid by the Charity	24,645	22,506
Employer's National Insurance Contributions	23,598	22,322
	<hr/> 332,807	<hr/> 315,325
 Payments to Pensioners		
	<hr/> -	<hr/> 10,140
	332,807	325,465
Deduct Recoveries	<hr/> (54,927)	<hr/> (76,608)
	<hr/> 277,880	<hr/> 248,857

The average number of employees during the year was 12 (2019: 11) with all staff time involved in governance or charitable activities.

The Charity considers its key management personnel comprise the Trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £57,299 (2019: £52,096). No employees had employee benefits in excess of £60,000 (2019: none).

Accrued pension contributions at 31st December 2020 amounted to £6,010 (2019: £5,878). These relate to increases in contributions, arising from salary increases and increases in contribution rates, not yet collected by the pension provider.

During the year no redundancy payments were made. (2019: £0).

Deduct recoveries are based on staff time spent on working for the individual charities. See note 1(j).

The auditor's remuneration comprised an audit fee of £10,580 (2019: £11,400).

Other non-audit services £1,766 (2019: £1,036).

10. <u>FIXED ASSETS</u>	<u>HEIGHTS</u>				
	<u>School</u>	<u>Land</u>	<u>Buildings</u>	<u>Plant & Fixtures</u>	<u>Total</u>
(a) Freehold land and assets for charitable use	£	£			£
<u>Cost</u>					
At 1 st January 2020	655,945	81,000	6,563,055	209,900	7,509,900
Additions		-	-	41,109	41,109
					<hr/>
At 31 st December 2020	655,945	81,000	6,563,055	251,009	7,551,009
					<hr/>
<u>Depreciation</u>					
At 1 st January 2020	-	-	522,034	83,960	605,994
Charge for year	-	-	131,374	25,101	156,475
					<hr/>
At 31 st December 2020	-	-	653,408	109,061	762,469
					<hr/>
<u>Net Book Value</u>					
At 31 st December 2020	655,945	81,000	5,909,647	141,948	6,788,540
					<hr/>
At 31 st December 2019	655,945	81,000	6,041,021	125,940	6,903,906
					<hr/>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

10. FIXED ASSETS (continued)

On 1 April 2011 St. Clement Danes School was granted Academy status with effect from 1 July 2011. As a result of this change St. Clement Danes School Charitable Foundation granted a lease over the school's land and buildings to the newly formed academy trust. The lease is fully repairing and insuring with a term of 125 years. Rent receivable under the lease is represented by a rose presented to each trustee at the annual commemoration day.

The newly granted lease was deemed to be a finance lease as the risks and rewards of ownership had been transferred to the Academy, therefore the assets have been shown as disposed of effective from the commencement of the lease. A nominal value of £4,000 which is not being depreciated was retained within the balance sheet to represent any residual value which may occur at the end of the lease.

In building the school, grants of £5,650,392 were received from the Department for Education and Hertfordshire County Council, under the agreement at the time these may be returned in the event of a disposal for non-educational purposes.

b) Furniture & Other Equipment	For administration use		For charitable use	
	<u>School House Works</u> £	<u>Furniture and Equipment</u> £	<u>Furniture and Equipment</u> £	<u>Total</u> £
<u>Cost</u>				
At 1 st January 2020	80,031	60,487	91,764	232,282
Additions	2,113	5,896	33,971	41,980
Disposals				
At 31 st December 2020	82,144	66,383	125,735	274,262
<u>Depreciation</u>				
As at 1 st January 2020	55,290	48,350	33,200	136,840
Charge for the year	4,695	6,388	14,850	25,933
Disposals				
At 31 st December 2020	59,985	54,738	48,050	162,773
<u>Net Book Value</u>				
At 31 st December 2020	22,159	11,645	77,685	111,489
At 31 st December 2019	24,741	12,173	58,564	95,442

All fixed assets in 2019 were attributable to the endowment fund.

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

11.(a) <u>INVESTMENTS</u>	<u>2020</u> £	<u>2019</u> £
Market value at 1 st January	20,914,685	18,672,941
Additions	3,810,236	2,064,013
Disposal proceeds	(3,328,028)	(2,676,719)
Gain/(loss) in year	<u>546,614</u>	<u>2,854,450</u>
	21,943,507	20,914,685
Short term cash deposits	<u>708,507</u>	<u>1,280,462</u>
	<u>22,652,014</u>	<u>22,195,147</u>
Total market value at 31 st December		
Investments at market value comprise:		
UK equities	8,310,885	9,292,865
Global equities	8,767,221	7,538,811
UK fixed interest securities	2,411,903	1,610,174
Overseas fixed interest	0	289,828
Quoted property	357,462	301,809
Alternative investments	2,096,036	1,881,198
Cash	<u>708,507</u>	<u>1,280,462</u>
	<u>22,652,014</u>	<u>22,195,147</u>
Historical cost at 31 st December 2020	<u>15,060,691</u>	<u>15,356,539</u>

11.(b) Material Investments (over 5% by value)

<u>Description</u>	<u>Percentage</u>	<u>Value</u>
Findlay Park Funds	5%	1,159,500
Scottish Mortgage Investment Trust	5%	1,214,000

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review section of the trustees' report.

The main risk to the trust from financial instruments lies in the combination of uncertain markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets. The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

In 2019 £361,524 of investments were attributable to the unrestricted fund, £12,833 to the restricted fund and the balance of £21,820,790 to the endowment fund.

12. <u>DEBTORS</u>	<u>2020</u> £	<u>2019</u> £
Accrued income	735	17,386
Associated charities:		
Westminster Amalgamated Charity	282,735	191,698
Capital Fund debtor		
Other debtors	8,193	3,765
Prepayments	<u>59,603</u>	<u>46,113</u>
Unrestricted Funds debtors	<u>351,266</u>	<u>258,962</u>
Amount due from other Funds	<u>441,199</u>	<u>363,478</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

12. DEBTORS (cont)

In 2019 all debtors were attributable to the unrestricted fund. Accrued income relates to dividends and interest owed by the investment managers to the Charity at the year-end but not paid to the Charity.

13. BALANCE AT BANK

In 2019 £448,310 was attributable to the unrestricted fund.

	<u>2020</u> £	<u>2019</u> £
14. <u>CREDITORS</u>		
Associated charities	100,000	-
Other creditors	5,408	5,413
Accruals	85,200	58,503
	<hr/> 190,608	<hr/> 63,916
Capital Fund – accruals	28,292	26,185
	<hr/> 218,900	<hr/> 90,101
Amount due to other funds	<hr/> 441,199	<hr/> 363,478

In 2019 £62,306 creditors were attributable to the unrestricted fund, £1,610 to the restricted fund and the balance of £26,185 to the endowment fund.

15. SCHOOL FUND- UNRESTRICTED DESIGNATED FUND

The amounts allocated to the School Fund are available in whole or in part for any project/expense at the School previously approved by the Trustees of Holborn Estate Charity.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	460,020	385,020
<u>Less:</u> Expenditure in year	-	(25,000)
<u>Add:</u> Contribution for year	<hr/> -	<hr/> 100,000
Balance at 31 st December 2020	<hr/> 460,020	<hr/> 460,020

16. WESTMINSTER PERSONS IN NEED (Clause 27(4)) – UNRESTRICTED DESIGNATED FUND

Amounts from any year-end surplus may be placed in this Fund for distribution to charities identified as being able to give grants to the needy in the City of Westminster. In addition, grants may be made from this fund to former residents of the Charity's Almshouses.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	100,000	75,000
<u>Less:</u> Grant Expenditure in year: (Note 7b)	(100,000)	(80,000)
<u>Add:</u> Contribution for year from Accumulated Income Fund	<hr/> -	<hr/> 105,000
Balance at 31 st December 2020	<hr/> 0	<hr/> 100,000

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

17. EXTRAORDINARY REPAIR FUND (Clause 30) – UNRESTRICTED DESIGNATED FUND

Under the Charity Commission Scheme dated 2nd September 1991 the Trustees may set aside an initial sum of £20,000 in the fund and transfer to the fund such annual sum as they think sufficient for the purpose of providing for the extraordinary repairs, improvements or rebuilding of the Almshouses. Under the previous Charity Commission Scheme dated 3rd October 1979, the Charity transferred the sum of £2,300 annually to this repair fund. A total of £29,900 has been transferred under this previous scheme.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	400,000	300,000
<u>Less:</u> Expenditure in year: (Note 7a)	-	-
<u>Less:</u> Transfer from Accumulated Income Fund	-	100,000
	<hr/>	<hr/>
Balance at 31 st December 2020	<u>400,000</u>	<u>400,000</u>

18. CYCLICAL MAINTENANCE FUND (Clause 29) – UNRESTRICTED DESIGNATED FUND

Under the Charity Commission Scheme dated 2nd September 1991 the Trustees may establish and maintain a reserve fund for those items of ordinary maintenance and repair of the Almshouses which recur at infrequent intervals. The fund may be maintained by setting aside an annual sum out of the income of the Charity as the Trustees think fit. An initial sum of £20,000 may be set aside in the fund.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	50,000	40,000
<u>Less:</u> Expenditure in the year: (Note 7a)	-	-
<u>Less:</u> Transfer from Accumulated Income Fund	-	10,000
	<hr/>	<hr/>
Balance at 31 st December 2020	<u>50,000</u>	<u>50,000</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

19. SCHOOL RESTRICTED FUNDS – RESTRICTED INCOME FUND

						<u>Restricted Fund</u>	
	<u>General Fund</u>	<u>School Fund</u>	<u>Discretionary Fund</u> (Note 19c)	<u>Old Danes Fund</u> (Note 19d)	<u>Prize Fund</u> (Note 19e)	<u>2020 Total</u> (Page 9)	<u>2019 Total</u>
INCOME							
Donations and Grants							
Investment Income							
Total Income							
EXPENDITURE							
Investment management costs							
Grants payable	183,800		1,000			184,800	184,800
Total Expenditure	183,800		1,000			184,800	184,800
Net Income							
Before transfers	(183,800)		(1,000)			(184,800)	(184,800)
Mandatory transfers	133,500		15,000			148,500	148,500
Other transfers	14,000		(14,000)				
Net incoming Resources before recognised gains/(losses)	(36,300)		-			(36,300)	(36,300)
Gains on investment assets							
Realised							
Unrealised	-						
BALANCE BROUGHT FORWARD AT 1st JANUARY							
	(37,975)	227,279	7,500	2,500	5,693	204,997	241,297
BALANCE CARRIED FORWARD 31ST DECEMBER							
	(74,275)	227,279	7,500	2,500	5,693	168,697	204,997

19(b) SCHOOL FUND

The School Fund is retained as a reserve for the benefit for the school (Note 1(i)).

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

19. SCHOOL RESTRICTED FUNDS (continued)

19(c) DISCRETIONARY FUND	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	7,500	7,500
Share of Holborn Estate Charity grant (Note 1i)	15,000	15,000
Grants to individuals	-	-
Support costs (Note 1i)	(1,000)	(1,000)
Surplus transferred to General Fund (Note 1i)	<u>(14,000)</u>	<u>(14,000)</u>
Balance at 31 st December 2020	<u><u>7,500</u></u>	<u><u>7,500</u></u>

A quarter of the Holborn Estate Charity Clause 27 (1) grant was allocated to the Discretionary Fund. Administrative expenses of £1,000 pa are allocated to this fund.

Under Clause 29(4) of the 1999 scheme any surplus arising on the discretionary fund is transferred to the General Fund.

19(d) OLD DANES FUND

The Old Danes Fund was created in 2003 to hold donations made for the purpose of maintaining the historical traditions of St Clement Danes School

19(e) THE PRIZE FUND

The Prize Fund enables Trustees to make awards to pupils who are studying at St Clement Danes School. The awards are paid out of the Head teacher's allocation.

20. RESIDENTS EXTRA BENEFITS FUND – RESTRICTED INCOME FUND

This fund represents accumulated amounts donated for the specific benefit of the residents less amounts paid.

	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	12,833	12,833
<u>Add</u> Donations received	<u>-</u>	<u>-</u>
Balance at 31 st December 2020	<u><u>12,833</u></u>	<u><u>12,833</u></u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

21. <u>CAPITAL FUND - PERMANENT ENDOWMENT FUND</u>	<u>2020</u> £	<u>2019</u> £
Balance at 1 st January 2020	28,430,475	25,842,996
Resources expended:		
Cost of generating funds	(97,193)	(102,175)
Charitable activities:		
Depreciation of fixed assets for charitable use	(171,325)	(160,936)
Support costs: depreciation	(5,985)	(3,860)
Gain/(Loss) on disposal of fixed assets		-
Investment (losses)/gains:		
Realised	0	158,291
Unrealised	546,614	2,696,475
	<hr/>	<hr/>
Balance at 31 st December 2020	<u>28,702,586</u>	<u>28,430,475</u>

22. OPERATING LEASES

On 25th March 2001 the Trustees entered into a lease on the premises at School House, Drury Lane for the period to 25th March 2026. The current rent of £30,000 per annum was increased at the last rent review in January 2016. The rent is reviewable in 2021 and thereafter every 5 years. The premises are leased from the St. Clement Danes Educational Foundation at nil premium and on an arm's length basis (Note 23(C)).

On 24th November 2019 the Trustees entered into a 5 Year Lease Agreement with Automotive Leasing on a new Iveco Minibus at an annual rental of £14,243.

On 25th September 2015 the Trustees entered into a 5 Year Lease Agreement with Konica on a Photocopier at an annual rental of £3,432.

On 24th September 2015 the Trustees entered into a 5 Year Lease Agreement with GE Capital on a Phone System at an annual rental of £878.

Total commitments payable in the future are summarised as follows:

	<u>2020</u> £	<u>2019</u> £
Under 1 year	44,243	47,475
Over 1 year : 2 – 5 years	28,486	72,729
Over 5 years	0	
	<hr/>	<hr/>
Total	<u>72,729</u>	<u>120,204</u>

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

23. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES

A) Common Trustees

- 1) Trustees common with Westminster Amalgamated Charity:

Mrs. J. Bianco

Mrs. J. Rymer (*To July 2020*)

- 2) Mrs. J. Rymer is a Trustee of St. Clement Danes Educational Foundation.

- 3) Mrs L. Clarkson and Mrs. R. Hadfield are members of the Danes Educational Trust.

Mr. W.R.C. Carey was a Governor of St. Clement Danes School, Chorleywood, Hertfordshire until July 2014 and an Associate Governor thereafter.

- 4) Mr. N. Williams is Manager of Lloyds Bank, Westfield Shopping Centre Branch.

B) Trustees expenses

No Trustee received reimbursed expenses (2019: £Nil).

C) Salary and expense allocations

The St. Clement Danes Holborn Estate Charity and Westminster Amalgamated Charity occupy offices leased from St. Clement Danes Educational Foundation (Note 22).

The basis of the apportionment of expenses between the two charities is set out in Note 1(j).

The amounts of the salary and expense allocations are set out in Note 6(a).

No Trustee has been paid any remuneration or received any benefit.

Amounts owed by the associated charity, Westminster Amalgamated Charity, are shown in Note 12 to the accounts.

D) Grants to St. Clement Danes School Governors

Grants were made to the Governors of St. Clement Danes School under Clauses 27(1) and 27(3) of the Charity's scheme. The amounts of the grants are shown in Note 7(b).

ST. CLEMENT DANES HOLBORN ESTATE CHARITY

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST DECEMBER 2020

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2020

	<u>Fixed Assets</u> £	<u>Freehold Property</u> £	<u>Investments</u> £	<u>Net Current Assets</u> £	<u>2020 Total</u> £
UNRESTRICTED FUNDS					
Accumulated Income Fund				189,691	189,691
Designated Funds			367,133	542,887	910,020
RESTRICTED FUNDS					
School Fund				168,697	168,697
Residents Extra Benefits			12,833		12,833
Capital Fund	111,489	6,788,540	22,272,048	(469,491)	28,702,586
	<u>111,489</u>	<u>6,788,540</u>	<u>22,652,014</u>	<u>431,784</u>	<u>29,823,827</u>

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2019

	<u>Fixed Assets</u> £	<u>Freehold Property</u> £	<u>Investments</u> £	<u>Net Current Assets</u> £	<u>2019 Total</u> £
UNRESTRICTED FUNDS					
Accumulated Income Fund				153,341	153,341
Designated Funds			361,524	648,496	1,010,020
RESTRICTED FUNDS					
School Fund				204,997	204,997
Residents Extra Benefits			12,833		12,833
Capital Fund	95,442	6,903,906	21,820,790	(389,663)	28,430,475
	<u>95,442</u>	<u>6,903,906</u>	<u>22,195,147</u>	<u>617,171</u>	<u>29,811,666</u>

26. CAPITAL COMMITMENTS

At the end of the year capital commitments not provided for in these accounts amounted to £Nil.
(2019: £Nil).