
ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

ST PANCRAS CHURCH LANDS TRUST

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ST PANCRAS CHURCH LANDS TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

The Revd A Stevens
M J H Ogden
Dr D Brown
A J Rouse
D Hackman
The Very Revd D Ison
J Powell
S P Walsh
D Lamont
I Sedgwick (appointed 8 April 2021)

Charity registered number

212006

Principal office

22 South Road, Baldock, Herts, SG7 6BY

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

HSBC Bank plc, London, W1P 0AR

Solicitors

Butcher Burns, Beaumont House, 47 Mount Pleasant, London, WC1X 0AE

Investment Advisors

JM Finn&Co, 4 Coleman Street, London, EC2 R5TA

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the charity St Pancras Church Lands Trust for the year 1 January 2019 to 31 December 2019. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The St Pancras Church Lands Trust is an ancient charitable trust, the objects of which are the raising of income for distribution amongst all the Churches or Chapels from time to time existing within the original limits of the Parish of St Pancras and having District Parishes assigned to them which are wholly within such original limits. The income is to be distributed to the Churchwardens of the beneficiary parishes, to be applied by them in or towards repairs to the Churches or Chapels and in or towards the expenses of performing divine worship in such Churches or Chapels.

The aim of the Trust is to generate income from its investments in order to meet its objectives.

The Trustees have reviewed the objectives and activities of the trust and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Review of activities

During the year the value of the Trust's net assets decreased by £183,302 to £6,449,724 as shown on the Balance Sheet of the financial statements and the aggregate income of the funds of the Trust was £218,736 (2019: £254,713).

The Trust has this year (2020) been able to distribute £205,092 (2019: £235,430) to its beneficiaries, the churches now resident in the Ancient Parish of St Pancras. This expenditure represents 89% (2019: 90%) of the Trust's annual expenditure.

b. Investment policy and performance

The day-to-day management of the Trust's investments is delegated to its Managing Trustees, who take advice from the stockbrokers in relation to Gilts and Equities and from the Trust's chartered surveyor in relation to property investments. The guidelines that have been set down are to maintain income at a sufficient level to avoid any diminution in the quarterly distribution to beneficiary parishes and, subject to this, to achieve capital growth, but with no more than a medium risk.

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

At 31 December 2020 the free reserves of the charity (unrestricted reserves excluding the investment property) amounted to £4,870,872 (2019: £5,053,238).

These reserves include investments of £4,857,674 (2019: £5,036,127). Investments amounting to £3,459,503 are held in accounts at the CBF and £1,398,171 in other investments. The Trustees' policy is to retain this level of reserves in order to generate income which the charity subsequently distributes to its beneficiaries. If the investments, which form a majority of the reserves, were distributed or reduced then there would be less income generated for distribution in future years.

The policy of retaining "reserves" approximately equivalent to one year's expenditure (on raising funds, e.g. professional fees, not expenditure on charitable activities) relates to quarterly income and not reserves as they are identified in this section.

c. Principal funding

The Trust's main funding source is its investment income, both income from listed investments and income from investment properties. The investment properties are managed to produce the best rental income for the Trust and the Trustees receive professional advice in order to do so. The listed investments are managed on a day-to-day basis on behalf of the Trustees by professional investment managers.

d. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. One of the key risks for the charity is the performance of the investments. This risk is managed by taking advice from investment managers, as set out in the Trust's Investment policy.

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

a. Constitution

The Trust is regulated by the Saint Pancras Ecclesiastical Regulation Act 1868 (as amended by The Charities (Church Lands Charity, in the Ancient Parish of St Pancras, London) Order 1965) and certain unrepealed sections of earlier local Acts of 1816 and 1821.

The Trustees who served during the year were:-

M J H Ogden
Dr D Brown
A J Rouse
Ms D Hackman
the Very Revd D Ison
the Revd A Stevens
J Powell
Mr S P Walsh
D Lamont

b. Methods of appointment or election of Trustees

The Dean of St Paul's, the Vicar of St Pancras and the Church wardens of St Pancras are ex officio Trustees.

Other Trustees are appointed by the Trustees at the general meetings.

c. Organisational structure and decision-making policies

The Trustees are responsible for establishing the overall policy of the Trust and meet periodically to review progress in meeting the Trust's objectives. The day-to-day execution of that policy is delegated to the Committee, subject to overriding control by the trustees.

Impact of COVID-19 and plans for future periods

The decline in markets caused by the Covid-19 pandemic has adversely affected the Trust's income in 2020. In the quarter to October 2020 income from the Central Board of Finance of the Church of England was about 25% less than in the equivalent quarter of 2019 and overall income was about 30% less. However, in 2020 the Trust has distributed, and going forward will only distribute, what income it actually receives, after allowing for expenses, so the distributions to the beneficiary parishes have been, and will if necessary continue to be, reduced.

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Anne Stevens

.....
The Revd A Stevens

Date: 07 October 2021 | 13:46 BST

ST PANCRAS CHURCH LANDS TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PANCRAS CHURCH LANDS TRUST

Opinion

We have audited the financial statements of St Pancras Church Lands Trust (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 twelve 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.

ST PANCRAS CHURCH LANDS TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PANCRAS CHURCH LANDS TRUST
(CONTINUED)**

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

ST PANCRAS CHURCH LANDS TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PANCRAS CHURCH LANDS TRUST
(CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made 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 auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance: and
- we identified which laws and regulations were significant in the context of the entity.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

To address the risk of fraud through management bias and override of controls, we;

- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias;
- we assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias and
- we tested significant transactions, in particular the evaluation of the business rationale for any which appeared unusual or outside the company's normal course of business.

ST PANCRAS CHURCH LANDS TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PANCRAS CHURCH LANDS TRUST
(CONTINUED)**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- we reviewed minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Peters Elworthy & Moore**

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date 18 October 2021 | 16:43 BST

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ST PANCRAS CHURCH LANDS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:					
Investments	3	216,522	2,214	218,736	254,713
		<u>216,522</u>	<u>2,214</u>	<u>218,736</u>	<u>254,713</u>
TOTAL INCOME					
EXPENDITURE ON:					
Raising funds	4	9,546	-	9,546	9,702
Charitable activities	6	219,952	2,214	222,166	251,440
		<u>229,498</u>	<u>2,214</u>	<u>231,712</u>	<u>261,142</u>
TOTAL EXPENDITURE					
NET EXPENDITURE BEFORE NET (LOSSES)/GAINS ON INVESTMENTS		(12,976)	-	(12,976)	(6,429)
Net (losses)/gains on investments		(169,390)	(936)	(170,326)	115,336
		<u>(182,366)</u>	<u>(936)</u>	<u>(183,302)</u>	<u>108,907</u>
NET MOVEMENT IN FUNDS RECONCILIATION OF FUNDS:					
Total funds brought forward		6,579,538	53,488	6,633,026	6,524,119
Net movement in funds		(182,366)	(936)	(183,302)	108,907
		<u>6,397,172</u>	<u>52,552</u>	<u>6,449,724</u>	<u>6,633,026</u>
TOTAL FUNDS CARRIED FORWARD					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 22 form part of these financial statements.

ST PANCRAS CHURCH LANDS TRUST

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	10	4,857,674	5,036,127
Investment property	9	1,526,300	1,526,300
		6,383,974	6,562,427
CURRENT ASSETS			
Debtors	11	1,498	6,256
Cash at bank and in hand		126,069	133,001
		127,567	139,257
Creditors: amounts falling due within one year	12	(61,817)	(68,658)
NET CURRENT ASSETS		65,750	70,599
TOTAL ASSETS LESS CURRENT LIABILITIES		6,449,724	6,633,026
TOTAL NET ASSETS		6,449,724	6,633,026
CHARITY FUNDS			
Restricted funds	13	52,552	53,488
Unrestricted funds	13	6,397,172	6,579,538
TOTAL FUNDS		6,449,724	6,633,026

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Anne Stevens

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The Revd A Stevens

Date: 07 October 2021 | 13:46 BST

The notes on pages 12 to 22 form part of these financial statements.

ST PANCRAS CHURCH LANDS TRUST

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

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

St Pancras Church Lands Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis. The global pandemic (COVID-19) has continued to impact global stock markets and operations globally. The Trustees have considered the impact and are satisfied that it has no impact on the Charity's ability to continue on the going concern basis.

ST PANCRAS CHURCH LANDS TRUST

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

1. ACCOUNTING POLICIES (CONTINUED)**1.4 INCOME**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised when received, with any income received in advance being deferred and released in the period to which it relates.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs are allocated to the applicable expenditure headings.

Support costs, which includes governance costs, are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in managing the investment portfolio and properties.

1.6 INVESTMENT PROPERTY

Investment properties are included in the Balance Sheet at fair value determined by the trustees and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

ST PANCRAS CHURCH LANDS TRUST

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

1. ACCOUNTING POLICIES (CONTINUED)**1.8 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.9 DEBTORS

Other debtors and accrued income are recognised at the settlement amount after any trade discount offered.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and 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.

1.11 CREDITORS AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

Investment properties are included in the Balance Sheet at fair value determined by the trustees' and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

ST PANCRAS CHURCH LANDS TRUST

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

3. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Property income	15,750	-	15,750	15,750
Dividends and interest from investments	200,772	2,214	202,986	238,963
	<u>216,522</u>	<u>2,214</u>	<u>218,736</u>	<u>254,713</u>
Total 2019	<u>252,161</u>	<u>2,552</u>	<u>254,713</u>	

4. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rent collection	1,417	1,417	1,417
Professional fees	8,129	8,129	8,285
	<u>9,546</u>	<u>9,546</u>	<u>9,702</u>
Total 2019	<u>9,702</u>	<u>9,702</u>	

ST PANCRAS CHURCH LANDS TRUST

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

5. GRANTS TO INSTITUTIONS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Distribution to Churches in the Ancient Parish of St Pancras	202,877	2,214	205,091	235,430
	<u>202,877</u>	<u>2,214</u>	<u>205,091</u>	<u>235,430</u>
TOTAL 2019	<u>232,878</u>	<u>2,552</u>	<u>235,430</u>	

During the year 15 grants were awarded to Churches (2019: 15 grants):

	2020 £	2019 £
Old St Pancras (restricted)	2,214	2,552
Old St Pancras	13,756	15,756
St Pancras	13,621	15,622
St Marks	13,500	15,500
Holy Trinity	13,500	15,500
St Annes	13,500	15,500
St Marys	13,500	15,500
St Silas	13,500	15,500
St Michael	13,500	15,500
St Benet	13,500	15,500
St Paul	13,500	15,500
Mary the Virgin	13,500	15,500
Holy Cross	13,500	15,500
St Martins	13,500	15,500
Christ Church	13,500	15,500
St Lukes	13,500	15,500
TOTAL	<u>205,091</u>	<u>235,430</u>

ST PANCRAS CHURCH LANDS TRUST

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

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities - grant funding	205,091	17,075	222,166	251,440
	<u>205,091</u>	<u>17,075</u>	<u>222,166</u>	
Total 2019	235,430	16,010	251,440	
	<u>235,430</u>	<u>16,010</u>	<u>251,440</u>	

In 2020, £2,213 of expenditure was restricted and £229,499 was unrestricted.

ANALYSIS OF SUPPORT COSTS

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Other - General Expenses	291	291	198
Other - Staff Fees & Expenses	7,400	7,400	7,400
Governance - Audit fees	7,884	7,884	6,912
Governance - Accountancy fees	1,500	1,500	1,500
	<u>17,075</u>	<u>17,075</u>	<u>16,010</u>
Total 2019	16,010	16,010	
	<u>16,010</u>	<u>16,010</u>	

7. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £6,934 (2019 - £6,102), and other services of £950 (2019 - £810).

8. TRUSTEES' REMUNERATION AND EXPENSES

The trustees are considered to be the key management personnel of the charity and all give their time freely and expertise without any form of remuneration or other benefit in cash or kind in either 2020 or 2019.

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

ST PANCRAS CHURCH LANDS TRUST

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

9. INVESTMENT PROPERTY

	Freehold investment property £
Valuation	
At 1 January 2020	1,526,300
At 31 December 2020	<u>1,526,300</u>

The 2015 valuations were made by Jennifer Ellis FRICS, of Langley Taylor LLP, Chartered Surveyors, on an open market value for existing use basis. The valuations have been reconsidered by the trustees as at 31 December 2020.

10. FIXED ASSET INVESTMENTS

	Listed investments £	Cash held at brokers £	Total £
Cost or valuation			
At 1 January 2020	5,027,982	8,142	5,036,124
Additions	196,693	-	196,693
Disposals (proceeds £198,217)	(217,793)	-	(217,793)
Revaluations	(150,750)	-	(150,750)
Cash movement	-	(6,600)	(6,600)
At 31 December 2020	<u>4,856,132</u>	<u>1,542</u>	<u>4,857,674</u>

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
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10. FIXED ASSET INVESTMENTS (CONTINUED)

All the fixed asset investments are held in the UK.

All investments are carried at their fair value. Investment 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 the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The main risk to the Trust from financial instruments lies in the combination of uncertain investment 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 and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides a medium degree of diversification of holdings and within investment asset classes that are quoted on recognised stock exchanges.

The Trust does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular year will normally be corrected.

11. DEBTORS

	2020 £	2019 £
Due within one year		
Accrued income	1,498	6,256
	<u>1,498</u>	<u>6,256</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Amounts payable to beneficiaries of the Trust	45,870	53,521
Other creditors	6,563	6,563
Accruals	9,384	8,574
	<u>61,817</u>	<u>68,658</u>

ST PANCRAS CHURCH LANDS TRUST

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

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Residue Fund	6,349,541	204,944	(229,498)	11,578	(157,592)	6,178,973
Special Reserve Fund	229,997	11,578	-	(11,578)	(11,798)	218,199
	<u>6,579,538</u>	<u>216,522</u>	<u>(229,498)</u>	<u>-</u>	<u>(169,390)</u>	<u>6,397,172</u>
Restricted funds						
Primary Fund	<u>53,488</u>	<u>2,214</u>	<u>(2,214)</u>	<u>-</u>	<u>(936)</u>	<u>52,552</u>
Total of funds	<u><u>6,633,026</u></u>	<u><u>218,736</u></u>	<u><u>(231,712)</u></u>	<u><u>-</u></u>	<u><u>(170,326)</u></u>	<u><u>6,449,724</u></u>

Unrestricted Funds

The Residue Fund records the surpluses and deficits of the Trust and the income which is distributable among all parishes in the Ancient Parish of St Pancras.

The Special Reserve Fund records a reserve originally set aside to pay for special maintenance of the property of the Trust. It is however now available for loans to the parishes in the Ancient Parish of St Pancras to assist in the funding of the major works to the fabric of the Church.

The transfer from the Special Reserve Fund to Residue Fund represents the income generated on the Special Reserve Fund which is used towards the general expenditure.

Restricted Funds

The Primary Fund records funds held under statute, the income for which is restricted to the benefit of the Ancient parish of St Pancras (St Pancras New Church).

ST PANCRAS CHURCH LANDS TRUST

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

13. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
Residue Fund	6,233,791	238,988	(258,590)	13,173	122,179	6,349,541
Special Reserve Fund	236,384	13,173	-	(13,173)	(6,387)	229,997
	<u>6,470,175</u>	<u>252,161</u>	<u>(258,590)</u>	<u>-</u>	<u>115,792</u>	<u>6,579,538</u>
Restricted funds						
Primary Fund	<u>53,944</u>	<u>2,552</u>	<u>(2,552)</u>	<u>-</u>	<u>(456)</u>	<u>53,488</u>
Total of funds	<u><u>6,524,119</u></u>	<u><u>2,552</u></u>	<u><u>(261,142)</u></u>	<u><u>-</u></u>	<u><u>115,336</u></u>	<u><u>6,633,026</u></u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Fixed asset investments	4,804,630	53,044	4,857,674
Investment property	1,526,300	-	1,526,300
Current assets	127,567	-	127,567
Creditors due within one year	(61,325)	(492)	(61,817)
Total	<u><u>6,397,172</u></u>	<u><u>52,552</u></u>	<u><u>6,449,724</u></u>

ST PANCRAS CHURCH LANDS TRUST

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

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Fixed asset investments	4,982,639	53,488	5,036,127
Investment property	1,526,300	-	1,526,300
Current assets	139,257	-	139,257
Creditors due within one year	(68,658)	-	(68,658)
Total	<u>6,579,538</u>	<u>53,488</u>	<u>6,633,026</u>

15. RELATED PARTY TRANSACTIONS

Dorothea Hackman, a trustee of the charity, was also a Churchwarden of St Pancras Church, St Pancras Church received a distribution of £15,969 (2019: £18,308) during the year.