
ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ST PANCRAS CHURCH LANDS TRUST

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 5
Independent Auditors' Report on the Financial Statements	6 - 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 22

ST PANCRAS CHURCH LANDS TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Dr D Brown M Ogden (retired 28 January 2022) D Hackman Rev A H Stevens (retired 31 October 2022) The Very Revd D J Ison (retired 21 September 2022) J Powell S P Walsh D Lamont I H Sedgwick Rev A Tremlett (appointed 25 September 2022) T Rouse (retired 2 April 2022)
Charity registered number	212006
Principal office	22 South Road Baldock Herts SG7 6BY
Independent auditors	Peters Elworthy & Moore Chartered Accountants Station Road Cambridge CB1 2LA
Solicitors	Teacher Stern LLP 37-41 Bedford Row London WC1R 4JH
Investment Advisors	LGT Wealth Management 14 Cornhill London EC3V 3NR
Investment Advisors	Ruffer LLP 80 Victoria Street London SW1E 5JL

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 to 31 December 2022. 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 increased by £435,060 to £7,576,553 as shown on the Balance Sheet of the financial statements and the aggregate income of the funds of the Trust was £112,646 (2021: £212,023).

The Trust has this year (2022) been able to distribute £182,427 (2021: £182,427) to its beneficiaries, the churches now resident in the Ancient Parish of St Pancras. This expenditure represents 85% (2021: 87%) 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 Investment Committee, 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. However, in the event of income not providing sufficient funds for distribution, the trustees are willing to use capital from their unrestricted funds in a prudent manner and so as to avoid long-term diminution in the value of their assets, but should they perceive a material risk of such long-term diminution then the distribution to the parishes would be reduced.

ST PANCRAS CHURCH LANDS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 the free reserves of the charity (unrestricted reserves excluding the investment property amounted to £5,281,694 (2021: £5,392,155).

These reserves include investments of £5,325,529 (2021: £5,439,033). The Trustees' policy was to retain this level of reserves in order to generate income which the charity subsequently distributes to its beneficiaries because the investments, which formed a majority of the reserves, were distributed or reduced then there would be less income generated for distribution in future years. However, in the event of income not providing sufficient funds for distribution, the trustees are willing to use capital from their unrestricted funds in a prudent manner and so as to avoid long-term diminution in the value of their assets, but should they perceive a material risk of such long-term diminution then the distribution to the parishes would be reduced.

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 2022

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:-

Dr D Brown
Ms D Hackman
The Very Revd D Ison (Retired 21 September 2022)
The Revd A Stevens (Retired 31 October 2022)
J Powell
Mr S P Walsh
D Lamont
I H Sedgwick
Rev A Tremlett (Appointed 25 September 2022)
M Ogden (Retired 28 January 2022)
T Rouse (Retired 2 April 2022)

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 Standing and Investment Committees, subject to overriding control by the trustees.

ST PANCRAS CHURCH LANDS TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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:

Dorothea Hackman

.....
D Hackman

(Trustee)

Date: 20 October 2023

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 2022 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 2022 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;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing the minutes of trustees' meetings.

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;

- 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:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators such as the Charity Commission.

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
Station Road
Cambridge
CB1 2LA

Date: 24 October 2023

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 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Investments	3	2,049	110,597	112,646	212,023
TOTAL INCOME		2,049	110,597	112,646	212,023
EXPENDITURE ON:					
Raising funds	4	-	13,271	13,271	9,363
Charitable activities	5,6	2,049	198,248	200,297	199,324
TOTAL EXPENDITURE		2,049	211,519	213,568	208,687
NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS		-	(100,922)	(100,922)	3,336
Net gains on investments	9	1,267	534,715	535,982	688,433
NET MOVEMENT IN FUNDS		1,267	433,793	435,060	691,769
RECONCILIATION OF FUNDS:					
Total funds brought forward		56,092	7,085,401	7,141,493	6,449,724
Net movement in funds		1,267	433,793	435,060	691,769
TOTAL FUNDS CARRIED FORWARD		57,359	7,519,194	7,576,553	7,141,493

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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	10	5,325,529	5,439,033
Investment property	9	2,237,500	1,693,246
		<u>7,563,029</u>	<u>7,132,279</u>
CURRENT ASSETS			
Debtors	11	-	1,843
Cash at bank and in hand		79,802	73,133
		<u>79,802</u>	<u>74,976</u>
Creditors: amounts falling due within one year	12	(66,278)	(65,762)
NET CURRENT ASSETS		<u>13,524</u>	<u>9,214</u>
TOTAL NET ASSETS		<u><u>7,576,553</u></u>	<u><u>7,141,493</u></u>
CHARITY FUNDS			
Restricted funds	13	57,359	56,092
Unrestricted funds	13	7,519,194	7,085,401
TOTAL FUNDS		<u><u>7,576,553</u></u>	<u><u>7,141,493</u></u>

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

Dorothea Hackman

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D Hackman
 Trustee
 Date: 20 October 2023

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 2022

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 turbulent macroeconomy 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.

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.

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

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)**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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made 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.

All expenditure is inclusive of irrecoverable VAT.

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. 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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.

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)**1.9 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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 LIABILITIES 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 JUDGMENT

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.

Critical accounting estimates and assumptions

Investment properties

Investment properties are included in the Balance Sheet at fair value determined by the trustees' and reflects the latest valuation adjusted for the housing price indices in the respective boroughs. A professional valuation of properties was obtained for the year ended 31 December 2022.

Listed investments

Listed investments are included in the Balance Sheet at fair value determined by the Investment Advisors. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. INVESTMENT INCOME

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Property Income	-	15,750	15,750	15,750
Dividends and interest from investments	2,049	94,847	96,896	196,273
	<u>2,049</u>	<u>110,597</u>	<u>112,646</u>	<u>212,023</u>
	<u>2,049</u>	<u>209,974</u>	<u>212,023</u>	
TOTAL 2021				

4. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rent collection	-	-	709
Professional fees	13,271	13,271	8,654
	<u>13,271</u>	<u>13,271</u>	<u>9,363</u>
	<u>9,363</u>	<u>9,363</u>	
TOTAL 2021			

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities - grant funding	182,427	17,870	200,297	199,324
	<u>182,427</u>	<u>16,897</u>	<u>199,324</u>	
TOTAL 2021				

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

In 2022, £2,049 (2021 - £2,049) of expenditure was restricted and £198,248 (2021 - £197,275) was unrestricted.

ANALYSIS OF SUPPORT COSTS

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Other - General Expenses	54	54	113
Other - Consultancy Fees & Expenses	7,400	7,400	7,400
Governance - Audit fees	8,916	8,916	7,884
Governance - Accountancy fees	1,500	1,500	1,500
	<u>17,870</u>	<u>17,870</u>	<u>16,897</u>
	<u><u>17,870</u></u>	<u><u>17,870</u></u>	<u><u>16,897</u></u>
TOTAL 2021	<u>16,897</u>	<u>16,897</u>	
	<u><u>16,897</u></u>	<u><u>16,897</u></u>	

6. ANALYSIS OF GRANTS

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Distribution to Churches in the Ancient Parish of St Pancras	182,427	182,427	182,427
	<u>182,427</u>	<u>182,427</u>	
	<u><u>182,427</u></u>	<u><u>182,427</u></u>	
TOTAL 2021	<u>182,427</u>	<u>182,427</u>	
	<u><u>182,427</u></u>	<u><u>182,427</u></u>	

The Charity has made the following material grants to institutions during the year:

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. ANALYSIS OF GRANTS (CONTINUED)

	2022 £	2021 £
St Pancras Old Church (Restricted)	2,049	2,049
St Pancras Old Church	12,256	12,256
St Pancras Parish Church	12,122	12,122
St Mark's Church, Regents Park	12,000	12,000
Holy Trinity Church, Kentish Town	12,000	12,000
St Anne's Church, Highgate	12,000	12,000
St Mary's Church, Brookfield	12,000	12,000
St Silas the Martyr, Kentish Town	12,000	12,000
St Michael's Church, Camden Town	12,000	12,000
St Benet's and All Saints Church	12,000	12,000
St Paul's Church, Camden Square	12,000	12,000
St Mary the Virgin Church, Eversholt Street	12,000	12,000
Holy Cross Church, Cromer Street	12,000	12,000
St Martin's Church, Gospel Oak	12,000	12,000
Christ Church, Hampstead	12,000	12,000
St Luke's Church, Kentish Town	12,000	12,000
	182,427	182,427

7. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an audit fee of £6,700 (2021 - £6,934), and other services of £1,800 (2021 - £950).

8. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 January 2022	1,693,246
Surplus on revaluation	544,254
At 31 December 2022	<u>2,237,500</u>

The valuations have been reconsidered by the trustees as at 31 December 2022 based on valuations provided in 2023. Valuations have been obtained in 2023 by Andrew Carrick Bsc (Hons) MRICS, of Fifield Glyn Limited, Chartered Surveyors, on an open market value for existing use basis.

10. FIXED ASSET INVESTMENTS

	Listed investments £	Cash held at brokers £	Total £
COST OR VALUATION			
At 1 January 2022	5,434,779	4,254	5,439,033
Additions	5,878,437	-	5,878,437
Disposals	(5,994,618)	-	(5,994,618)
Revaluations	(8,272)	-	(8,272)
Cash movement	-	10,949	10,949
AT 31 DECEMBER 2022	<u>5,310,326</u>	<u>15,203</u>	<u>5,325,529</u>
NET BOOK VALUE			
AT 31 DECEMBER 2022	<u>5,310,326</u>	<u>15,203</u>	<u>5,325,529</u>
AT 31 DECEMBER 2021	<u>5,434,779</u>	<u>4,254</u>	<u>5,439,033</u>

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

11. DEBTORS

	2022	2021
	£	£
DUE WITHIN ONE YEAR		
Accrued income	-	1,843
	<u>-</u>	<u>1,843</u>
	<u>-</u>	<u>1,843</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts payable to beneficiaries of the Trust	45,877	45,877
Other creditors	10,501	10,501
Accruals	9,900	9,384
	<u>66,278</u>	<u>65,762</u>
	<u>66,278</u>	<u>65,762</u>

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. STATEMENT OF FUNDS
STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS						
Residue Fund	7,085,401	110,597	(211,519)	-	534,715	7,519,194
Special Reserves Fund	-	-	-	-	-	-
	<u>7,085,401</u>	<u>110,597</u>	<u>(211,519)</u>	<u>-</u>	<u>534,715</u>	<u>7,519,194</u>
RESTRICTED FUNDS						
Primary Fund	<u>56,092</u>	<u>2,049</u>	<u>(2,049)</u>	<u>-</u>	<u>1,267</u>	<u>57,359</u>
TOTAL OF FUNDS	<u><u>7,141,493</u></u>	<u><u>112,646</u></u>	<u><u>(213,568)</u></u>	<u><u>-</u></u>	<u><u>535,982</u></u>	<u><u>7,576,553</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.

During the prior year, the balance of the Special Reserve Fund was transferred to the Residue Fund.

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 2022**

13. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
UNRESTRICTED FUNDS						
Residue Fund	6,178,973	209,974	(206,638)	218,199	684,893	7,085,401
Special Reserve Fund	218,199	-	-	(218,199)	-	-
	<u>6,397,172</u>	<u>209,974</u>	<u>(206,638)</u>	<u>-</u>	<u>684,893</u>	<u>7,085,401</u>
RESTRICTED FUNDS						
Primary Fund	<u>52,552</u>	<u>2,049</u>	<u>(2,049)</u>	<u>-</u>	<u>3,540</u>	<u>56,092</u>
TOTAL OF FUNDS	<u><u>6,449,724</u></u>	<u><u>212,023</u></u>	<u><u>(208,687)</u></u>	<u><u>-</u></u>	<u><u>688,433</u></u>	<u><u>7,141,493</u></u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	60,656	5,264,873	5,325,529
Investment property	-	2,237,500	2,237,500
Current assets	-	79,802	79,802
Creditors due within one year	(3,297)	(62,981)	(66,278)
TOTAL	<u><u>57,359</u></u>	<u><u>7,519,194</u></u>	<u><u>7,576,553</u></u>

ST PANCRAS CHURCH LANDS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	59,348	5,379,685	5,439,033
Investment property	-	1,693,246	1,693,246
Current assets	-	74,976	74,976
Creditors due within one year	(3,256)	(62,506)	(65,762)
TOTAL	<u>56,092</u>	<u>7,085,401</u>	<u>7,141,493</u>

15. RELATED PARTY TRANSACTIONS

Dorothea Hackman and Duncan Lamont trustees of the charity, were also Churchwardens of St Pancras Church, St Pancras Church received a distribution of £14,305 (2021: £14,305) during the year. Judy Powell, a trustee of the charity was also a Churchwarden of St Pauls, Camden Square. During the year St Paul's received a distribution of £12,000 (2021: £12,000).