

Charity number: 259887

**St. Mary's Trust**  
**Trustees' report and financial statements**  
**for the year ended 31 December 2020**

# **St. Mary's Trust**

## **Contents**

	<b>Page</b>
Legal and administrative information	<b>1</b>
Trustees' report	<b>2 - 4</b>
Independent examiner's report	<b>5</b>
Statement of financial activities	<b>6</b>
Balance sheet	<b>7</b>
Notes to the financial statements	<b>8 - 12</b>
Schedule of investments	<b>13 - 15</b>
Stockbrokers' report provided by Mr D A Plugge of Investec Wealth & Investment	<b>16 - 17</b>

## St. Mary's Trust

### Legal and administrative information

<b>Charity number</b>	259887
<b>Principal address</b>	30 Bourne Street London SW1W 8JJ
<b>Trustees</b>	David Marchese (Managing Trustee) Thomas Cochrane Krzysztof Romanski Shane Fletcher Keith Leuchars Michelle Gurney Rollo Burgess
<b>Independent Examiner</b>	Grant Wells FCCA PG Lemon LLP 127 High Street Hythe Kent CT21 5JJ
<b>Bankers</b>	Lloyds Bank Plc 39 Threadneedle Street London EC2R 8AU
<b>Stockbrokers</b>	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QN
<b>Solicitors</b>	Thomson Snell & Passmore 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX

## **St Mary's Trust**

### **Report of the Trustees**

#### **for the year ending 31 December 2020**

The Trustees present their report and the financial statements for the year ended 31 December 2020.

The Trustees who served during the year and up to the date of this report were David Marchese, Tom Cochrane, Shane Fletcher, Kris Romanski, Keith Leuchars, Michelle Gurney and Rollo Burgess.

#### **Structure, governance and management**

##### *Governing document*

St Mary's Trust ('the Trust') is constituted under an indenture dated 24 March 1923. The Trustees are unincorporated. The Trust has a subsidiary charity fund, Carmel Hall, the income of which is applied to augment that of the Trust.

##### *Appointment of Trustees*

The Trustees, who appoint their successors, are all persons who are closely associated with the Church of St Mary, Bourne Street, Pimlico ('St Mary's'). In practice, appointments of new Trustees are made after consultation with the parish of St Mary's.

##### *Decision making*

Major decisions concerning the Trust are made by the Trustees collectively, but the day-to-day management of the Trust is undertaken by the Managing Trustee. The Trustees met on three occasions during the year by online conferencing.

##### *Risks*

The Trustees monitor the major risks to which the Trust is exposed and are of the opinion that appropriate steps have been taken to mitigate those risks as far as possible.

#### **Objectives and activities**

##### *Objectives and aims*

The objectives of the Trust are to benefit the parish of St Mary's, Bourne Street, or the work of the Church of England in that parish or neighbouring parishes. The Trustees seek to fulfil these objectives by providing accommodation at the Trust's properties for clergy and other persons working in connection with St Mary's, providing facilities at St Mary's Presbytery for parish functions and other events, and by providing financial assistance for St Mary's as and when required, and as funds permit. In general terms, the Trustees' policy is that the Trust's funds should be used for purposes primarily where the expenditure is a legal obligation, where it is required for the preservation of the Trust's assets, including its properties, and where it is required in the fulfilment of the objectives of providing clergy accommodation and parish facilities. Where possible, expenditure is out of the Trust's current income or accumulated reserves (if any), but spending out of capital is permitted where necessary for the primary purposes. The Trustees also consider financial assistance towards St Mary's capital expenditure (usually, where other funding is not available) but not generally for ordinary parish expenditure, unless there are unusual circumstances.

##### *Patronage*

The Trustees are the patrons of the benefice of St Mary's. There was no patronage business during the year, and Fr Walker continued to serve as Vicar.

##### *Activities and property*

The Trust owns the freeholds of St Mary's Presbytery, 30 Bourne Street, London SW1W 8JJ (including the Cottage which forms part of it) and 26 Graham Terrace, London SW1W 8JH.

Of the three flats in the Presbytery, the third floor flat and the smaller second floor flat are normally let on a commercial basis. During the year the third floor flat and the smaller second floor flat continued to be let on that basis. The larger second floor flat was occupied by Fr Sam Korn, free of charge in connection with his appointment as Assistant Curate at St Mary's.



## **St Mary's Trust**

### **Report of the Trustees**

#### **for the year ending 31 December 2020**

The Trustees continued to provide the Sacristan of St Mary's, Anne Mundy, with accommodation in the Cottage in lieu of remuneration. The Dining Room, Library and Kitchen of the Presbytery are normally used on a regular basis for parish functions and other events, and were so used until the Covid-19 lockdown, and for a time the Dining Room was used as an Oratory (from which services were relayed online) when the Church had to be closed. The Study is used by the Vicar, Fr Walker.

At the start of the year, the basement of the Presbytery continued to be let on a commercial basis to The Victoria School of English Limited ("VSE") for use as an English language school, under a lease running until 31 December 2020. However, the lockdown meant that the premises could no longer be used as a language school. At the request of the lessee, the Trustees agreed to waive payment of rent for 3 months from April to June. Following a review at the end of May, it became clear that reopening of the VSE in the near future would not be viable, and in view of this and the inability of the VSE to resume payment of rent or to provide a guarantee for future rent (as was the case under the then current lease), the Trustees indicated with regret that they would be unable to offer a renewal of the lease at the end of the year. Shortly afterwards, the VSE agreed to surrender the existing lease in mid-August.

Subsequently, a two year lease was negotiated with The Francis Holland School ("FHS"), as from 1 September 2020, on commercial terms approved by a surveyor.

During the year Matthew Lloyd LLP, the firm of architects appointed by the Trust at the end of 2017, continued to provide advice in connection with works to implement the fire safety upgrade in the Presbytery, and the works were completed (including an upgrade of the fire alarm system, which now extends throughout the basement and also the Church Undercroft up to the Choir Room). They also continued to advise in connection with the project (known as the "Pineapple Project") to improve the facilities for parish use (and potential wider local community use) within the Presbytery, and also possibly providing a new link to the Church. The Trust contributed funding (assisted by the receipt of donations amounting to £10,000) to permit the architects to finalise the plans and to submit applications for planning and listed building consents for the Pineapple Project, which were granted in September 2020.

Water hygiene testing continued to be carried out in the Presbytery, but it became apparent that it would be necessary to replace the calorifier that provides the centralised water heating for the building (this was undertaken after the year end). Electrical testing and improvements were also carried out.

In October 2020, the lease in respect of 26 Graham Terrace was renewed for a further 3 years, subject to the Trust's right to carry out alterations to the lower ground courtyard at the rear should the Pineapple Project come to fruition during that time.

In accordance with the arrangements agreed with the Parochial Church Council of St Mary's (PCC) in 2010, the Trustees continued to bear responsibility for rent and other outgoings relating to 85 Chester Row, London SW1W 8JL (let to the PCC by the Grosvenor Estate) as the residence of the Vicar, Fr Walker.

#### **Financial review**

The Covid-19 pandemic had an obvious adverse effect on the Trust's investments, and a series of warnings were received from the Trust's investment advisers; although the capital value of investments had recovered somewhat by the end of the year, income from investments was reduced. The value of the Trust's investments as at 31st December 2020 (excluding cash awaiting re-investment) was £1,985,807 (2019 £2,092,379).

At the end of the year the Trust had cash at bank and in hand of £27,122 (2019 £56,542) and the capital cash funds held by the Stockbrokers amounted to £91,937 (2019 £36,774).

Income from investments and interest in 2020 was £54,186 (2019 £67,572). The Trust also derived rental income from the letting of the Presbytery basement to the VSE and subsequently FHS, other Presbytery lettings and the letting of 26 Graham Terrace of £119,896 (2019 £121,491). Donations of £10,025 were received (2019 £100). The total income for the year (excluding legacies) was £184,107 (2019 £189,163).

The total expenditure of the Trust in 2020 was £246,345 (2019 £169,992).

The Trust had a net deficit of £62,238 (net surplus in 2019, before investment gains, of £19,171).

## **St Mary's Trust**

### **Report of the Trustees**

#### **for the year ending 31 December 2020**

##### *Presbytery fire upgrade*

The Trust spent £109,622 in respect of the costs (including architects' fees) of the fire safety upgrade works in the Presbytery (2019 £0).

##### *Expenditure on St Mary's*

In 2020, the Trust spent £16,868 in respect of the costs relating to 85 Chester Row as the residence of the Vicar (2019 £16,008).

##### *Pineapple Project*

The Trust spent £39,283 (2019 £3,000) in respect of architects' fees and £5,606 (2019 £21,080) in respect of other costs in connection with the Pineapple Project.

### **Statement of trustees' responsibilities**

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

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which 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 and the Charities (Accounts and Reports) Regulations 2008. 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.

On behalf of the board



David L. Marchese  
Managing Trustee

29 September 2021



## **St. Mary's Trust**

### **Independent examiner's report to the Trustees on the unaudited financial statements of St. Mary's Trust.**

I report on the accounts of St. Mary's Trust for the year ended 31 December 2020 set out on pages 2 to 12.

#### **Respective responsibilities of trustees and independent examiner**

As the charity's Trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act) does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep proper accounting records in accordance with section 130 of the Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Grant Wells**  
**FCCA**  
**Independent examiner**  
**PG Lemon LLP**  
**127 High Street**  
**Hythe**  
**Kent**  
**CT21 5JJ**

2021

# St. Mary's Trust

## Statement of financial activities

For the year ended 31 December 2020

		Income (Unrestricted) funds £	Endowment and Capital (Unrestricted) funds £	26 Graham Terrace (Designated) funds £	2020 Total £	2019 Total £
	Notes					
<b>Income and endowments</b>						
Voluntary income	2	10,025	-	-	10,025	100
Investment income and rents receivable	3	174,082	-	-	174,082	189,063
<b>Total income</b>		<u>184,107</u>	<u>-</u>	<u>-</u>	<u>184,107</u>	<u>189,163</u>
<b>Expenditure</b>						
Charitable activities	4	107,842	138,503	-	246,345	169,992
<b>Total expenditure</b>		<u>107,842</u>	<u>138,503</u>	<u>-</u>	<u>246,345</u>	<u>169,992</u>
<b>Net income before investment gains</b>		76,265	(138,503)	-	(62,238)	19,171
<b>Net gains/(losses) on investments</b>			(18,551)		(18,551)	239,014
<b>Net income</b>		76,265	(157,054)	-	(80,789)	258,185
Transfers between funds		(76,265)	76,265	-	-	-
<b>Net movement in funds</b>		-	(80,789)	-	(80,789)	258,185
Total funds brought forward		-	2,180,532	190,687	2,371,219	2,113,034
<b>Total funds carried forward</b>		<u>-</u>	<u>2,099,743</u>	<u>190,687</u>	<u>2,290,430</u>	<u>2,371,219</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 12 form an integral part of these financial statements.



# St. Mary's Trust

## Balance sheet as at 31 December 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	6		190,687		190,687
Investments	7		1,985,807		2,092,379
			<u>2,176,494</u>		<u>2,283,066</u>
<b>Current assets</b>					
Debtors	8	1,500		1,500	
Capital cash funds held by Stockbrokers		91,937		36,774	
Cash at bank and in hand		27,122		56,542	
		<u>120,559</u>		<u>94,816</u>	
<b>Creditors: amounts falling due within one year</b>	9	(6,623)		(6,663)	
<b>Net current assets</b>			113,936		88,153
<b>Net assets</b>			<u>2,290,430</u>		<u>2,371,219</u>
<b>Funds</b>					
Unrestricted funds - 26 Graham Terrace Fund (Designated)			190,687		190,687
Unrestricted funds - General endowment and capital fund			2,099,743		2,180,532
<b>Total funds</b>			<u>2,290,430</u>		<u>2,371,219</u>

The financial statements were approved by the Trustees on 29th September 2021 and signed by

David L. Marchese

Shane Fletcher

Thomas Cochrane

Keith Leuchars

Krzysztof Romanski

Michelle Gurney

Rollo Burgess

*D. Marchese*

*Shane Fletcher*

*Thomas Cochrane*

*Keith Leuchars*

*K.M. Romanski*

*Michelle Gurney*

*R. Burgess*

The notes on pages 8 to 12 form an integral part of these financial statements.

# **St. Mary's Trust**

## **Notes to financial statements for the year ended 31 December 2020**

### **1. Accounting policies**

The principal accounting policies are summarised below.

#### **1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The St Mary's Trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### **1.2. Cashflow**

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a smaller charity.

#### **1.3. Fund accounting**

The Unrestricted Funds (the General Endowment and Capital Fund) represent the funds of the Trust that are not subject to any restrictions regarding their use and are available for application to the general purposes of the Trust. Funds designated for a particular purpose by the Trust are also unrestricted but accounted for as a separate fund.

#### **1.4. Income recognition**

Income is recognised and included in the Statement of Financial Activities (SOFA) when the Trust is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that income will be received.

Income from investments is included in the year in which it is receivable.

Donations and legacies are accounted for on a receipts basis.

#### **1.5. Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred.

Charitable activities expenditure represents payments for the benefit of the Church of St Mary the Virgin or the work of the Church of England within the parish of St Mary the Virgin or in the neighbourhood of the parish.

#### **1.6. Tangible assets - Properties and depreciation**

Properties are stated at cost, although no cost is attributed to the Presbytery, which has been an asset of St Mary's Trust since inception. The cost shown for 26 Graham Terrace represents the significant level of restoration work that commenced in 1998. The market values of the properties based on insurance valuations are reflected in the notes to the accounts and, as those valuations exceed the carrying values, no depreciation is charged in the accounts.

## St. Mary's Trust

### Notes to financial statements for the year ended 31 December 2020

#### 1.7. Investments

Investments held comprise shares listed on the UK and overseas Stock Exchanges, income units in the Charities Official Investment Fund, authorised unit trusts and UK Government Stocks. The investments are stated at market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

#### 2. Voluntary income

	Unrestricted funds £	2020 Total £	2019 Total £
Donations	10,025	10,025	100
	<u>10,025</u>	<u>10,025</u>	<u>100</u>

#### 3. Investment income and rents receivable

	Unrestricted funds £	2020 Total £	2019 Total £
UK dividends	20,203	20,203	30,887
UK unit trust income	23,146	23,146	24,728
UK Government stock income	30	30	29
Non-UK securities income	9,972	9,972	10,893
COIF income	819	819	803
Investec gross deposit interest	16	16	232
Rents receivable	119,896	119,896	121,491
	<u>174,082</u>	<u>174,082</u>	<u>189,063</u>

# St. Mary's Trust

## Notes to financial statements for the year ended 31 December 2020

### 4. Costs of charitable activities - by fund type

	Income (Unrestricted) funds £	Capital (Unrestricted) funds £	2020 Total £	2019 Total £
Contribution to PCC	979	-	979	455
Costs re provision of 85 Chester Row <i>Presbytery :</i>	16,686	-	16,686	16,008
Water rates, Council tax and insurance	9,025	-	9,025	5,195
Electricity and gas	8,477	-	8,477	9,707
Equipment and maintenance	-	124,079	124,079	68,381
Cleaning	3,087	-	3,087	7,142
Architect fees	39,283	-	39,283	3,000
Other Pineapple Project costs	5,606	-	5,606	21,080
<i>26 Graham Terrace :</i>				
Water rates, Council tax and insurance	1,035	-	1,035	811
Equipment and maintenance	1,125	-	1,125	2,274
Letting agents' fees	15,587	-	15,587	15,337
<i>Support costs</i>				
Administration services and expenses	-	-	-	2,424
Accountancy fees	3,090	-	3,090	3,060
Broker's fees	-	14,424	14,424	14,993
Legal fees	3,862	-	3,862	125
	<u>107,842</u>	<u>138,503</u>	<u>246,345</u>	<u>169,992</u>

### 5. Trustees' remuneration

No remuneration is paid to the Trustees.



# St. Mary's Trust

## Notes to financial statements for the year ended 31 December 2020

### 6. Tangible assets - Freehold property

	Unrestricted funds St Mary's Presbytery £	Designated fund 26 Graham Terrace £	Total £
<b>Cost</b>			
At 1 January 2020 and At 31 December 2020	-	190,687	190,687
<b>Net book values</b>			
At 31 December 2020	-	190,687	190,687
At 31 December 2019	-	190,687	190,687
<b>Market values</b>			
At 31 December 2020 (based on insurance values)	2,417,159	352,980	2,770,139
At 31 December 2019	2,417,159	352,980	2,770,139

### 7. Fixed asset investments

	Listed investments £	Total £
<b>Valuation</b>		
At 1 January 2020	2,092,379	2,092,379
Additions	99,838	99,838
Disposals	(222,064)	(222,064)
Revaluations	15,654	15,654
At 31 December 2020	1,985,807	1,985,807
Historical cost as at 31 December 2020	1,611,380	1,611,380

All fixed asset investments are held within the United Kingdom.

### 8. Debtors

	2020 £	2019 £
Sundry debtor - Letting agents' float	1,500	1,500

## St. Mary's Trust

### Notes to financial statements for the year ended 31 December 2020

**9. Creditors: amounts falling due  
within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Sundry creditors and accruals	6,623	6,663

**10. 26 Graham Terrace (Designated) fund**

	<b>At 1 January 2020 and 31 December 2020 £</b>
Fund balance	190,687

#### **Purposes of fund**

The 26 Graham Terrace Fund had been a fund, designated by the Trustees for the use of the Vicar of St Mary's until the end of 2009. The purpose of the fund has subsequently changed insofar as the Trustees have decided to let the property at 26 Graham Terrace at a commercial rent. This arrangement is continuing for the purpose of producing additional income for the trust generally and in particular to provide funds for the cost of a residence for the Vicar at 85 Chester Row. The fund is unrestricted and represents the significant level of restoration work that commenced in 1998.

Year ended 31 December 2020

St Mary's Trust  
Investments

Stockbrokers: Investec

	Cost				Valuation				C/f 31.12.2020		
	B/f 1.1.2020	Purchases	Sales	Profit (loss)	C/f 31.12.2020	B/f 1.1.2020	Purchases	Sales		Profit (loss)	Revaluation
UK Fixed Interest											
<i>British Government Bonds</i>											
£21000 UK 0.125% 2026	26741				26741	27521				557	28078
<i>Non Government Bonds</i>											
General Accident £9000 Preference	12327				12327	13545				450	13995
Standard Chartered £12500 non-cum	12185				12185	15938				-563	15375
<i>Investment company</i>											
Henderson Inv Strategic Bond 16476 income	23192				23192	22934				1566	24500
Jupiter UT Mngrs Gbl Dynamic 4000	42093				42093	41360				1240	42600
Royal London Utm Sterling Credit 50000	69146				69146	71200				2750	73950
<i>Overseas Fixed Interest</i>											
AXA Invest Man US 40000	39276				39276	37444				-616	36828
M&G Gbl Ft High Yld 47229 income	49706				49706	47835				-2173	45662
Pimco Global Advis 5000	69178				69178	70200				950	71150
UK Equities											
<i>Oil &amp; Gas</i>											
BP 6000 ordinary \$0.25	5363				5363	28304				-13014	15290
Royal Dutch Shell 2000 B ordinary €0.07	45450				45450	44795				-19605	25190
Weir Group 800 ordinary 12.5p	15614		12702	-2912	0	12074		12702	628	0	0
<i>Basic Materials</i>											
BHP Billington 850 USDO 0.50	-817			817	0	0					
<i>Industrials</i>											
BAE Systems 3353 ordinary 2.5p	12402				12402	18941				-2535	16406
McDress Indust 10000 ordinary 6.9p	20244				20244	24015				-6212	17803
Experian 875 ordinary \$0.10		24199			24199		24199		126		24325
<i>Consumer Goods</i>											
Diageo 1600 ordinary 28.935p	11098				11098	51204				-5056	46148
Unilever 1785 ordinary 3.11p	34445				34445	77661				852	78513
British American Tobacco 350 ordinary 2.5p	13899				13899	11311				-1829	9482
<i>Healthcare</i>											
Smith & Nephew 1200 ordinary \$0.20					17214	31129		17214		909	18123
Glaxosmithkline 1750 ordinary 25p	22735				22735					-7642	23487
<i>Consumer Services</i>											
ITV 11500 ordinary 10p	20272				20272	17359				-5068	12291
<i>Telecommunications</i>											
BT Group 9000 ordinary 5p	16782				16782	17324				-5410	11914





Year ended 31 December 2020

St Mary's Trust  
Investments

Stockbrokers: Investec

	B/f 1.1.2020	Purchases	Cost Sales	Profit (loss)	C/f 31.12.2020	B/f 1.1.2020	Purchases	Sales	Valuation Profit (loss)	Revaluation	C/f 31.12.2020
Japanese Equities											
Schroder Tokyo Hedged 47917	26855		35959	9104	0	36225		35959	-266		0
International Equities											
Artemis Global 90450	71374				71374	89012				-2768	86244
BNY Mellon Newtron Global 20000	27805				27805	32764				-385	32378
Jupiter India I Acc 12500	16025				16025	14139				125	14264
Polar Capital Fund Auto & Art Int 1186	9249				9249	11651				3974	15625
Smithson Inv Trust 2000 ordinary 1p	20260				20260	26060				8220	34280
Worldwide Healthcare 1200 ordinary 25p	15214				15214	37620				7020	44640
BNY Mellon Global 8000	13426				13426	13106				-155	12931
Lazard Global Equity 9116	7891				7891	10009				64	10073
Property											
Primary Health Prop 11719 ordinary 12.5p	15223				15223	18739				-856	17883
UK Commercial Property 23000 ordinary 25p	20739				20739	20390				-4508	15882
Warehouse REIT 40000	41421				41421	44800				3400	48200
Alternative assets											
INT Public Partner 25000 ordinary 0.01p	36292				36292	41750				775	42525
Ishares II Global Infra Units 2000	40929				40929	46580				-3375	43205
	1721465	99838	187859	-22064	1611380	2092379	99838	187859	-34205	15654	1985807
UK Fixed Interest											
Overseas Fixed Interest											
UK Equities											
European Equities											
North American Equities											
Far East Equities											
International Equities											
Property											
Alternative Assets											
					1609821						1956969
COIF					1559	COIF					28838
					1611380						1985807

Our Ref: MARY'0002/C  
6<sup>th</sup> August 2021  
FM Code: PL/DAP/SA

**St Mary's Trust Annual Report**  
**Year Ended 31st December 2020**

2020 was the year that we would perhaps all like to put behind us. "Covid 19" took over from "Brexit" as the main newspaper headline during 2020. Who could have forecast that as the value of the St Mary's portfolio was being calculated on the 31<sup>st</sup> December 2019, that we were within a matter of weeks going to suffer a catastrophic pandemic and the cost to human life that this would cause. Markets took a while to appreciate the seriousness of Covid 19 and it wasn't until the end of February 2020 that we began to see a marked effect on share prices. When a lockdown was declared in March, it caused a serious correction to take place as the reality of the situation began to sink in.

Brexit very much took a back seat – with the deal having been agreed, markets took a breather from the headlines about the ongoing negotiations with the EU that had dominated 2019, as there was now a more immediate problem to assess. In our lifetimes no one has experienced such a world health scare and world markets were hit badly. The prospects of total lockdown and the effects that this would have on company profits and individuals' income, unemployment, government finances and borrowing was incalculable and at this stage unimaginable.

The FTSE100 index had stood at the beginning of the reporting period (1<sup>st</sup> January 2020) at 7,542.44. In the middle of February 2020 it stood at 7409.13, barely affected. By the beginning of March however the rout had started to take hold and no one could imagine where it might bottom out. World equity indices behaved in a similar way but by way of setting the scene the FTSE100 fell to its lowest point on 23<sup>rd</sup> March when it reached 4,993.89 - a drop from the beginning of the year of 2,415 points or the equivalent of a fall of 32.6%.

To put this in context the St Marys fund on the 1<sup>st</sup> January 2020 was valued at £2,055,143 and by the 23<sup>rd</sup> March it had fallen to £1,523,985. This was a serious correction. I am pleased to report that it did then bounce 20% in value over the following 3 months.

By the close of business on 31<sup>st</sup> December 2020, the end of the reporting period, the fund had regained most of its lost ground and was valued at £2,002,409 with the FTSE100 having recovered to 6,460.52. This recovery in share prices was at that stage largely as a result of anticipation of a successful rollout of a vaccine and the resultant ability for people to begin to go back to some sort of normality.

I set out below the relative performance of the portfolio on a total return basis (taking into account both capital and income, net of all costs)

**Total Return  
(Income and Capital)**

St Mary's Trust Portfolio	+1.45%
Bespoke Benchmark	+1.53%
FTSE 100 Index	-11.55%
FT Government All stock Index	+ 8.27%
S&P 500 Index	+13.95%

I am pleased to report that the portfolio, during calendar year 2020, had performed significantly better than the UK equity market as measured by the FTSE100 index and was almost exactly in line with the benchmark. The benchmark is perhaps a more realistic guide to performance as it is a combination of both domestic and overseas equity indices with some weighting in property, the fixed interest sector and the non-correlated alternative assets class.

**Post Period Comment as at 31<sup>st</sup> July 2021**

In the post period comment in last year's report I signed off saying that I was cautiously optimistic. This turns out to have been justified. At that point in time we had no proven vaccine but we have come a long way since then with at least 4 approved vaccines now being used around the world. The UK vaccine rollout has been very successful as it has been with a number of other countries. Some have fallen behind but genuine progress is being made. This has resulted in a big lift in confidence and the GDP figures in some of the developed nations have recovered significantly.

Dividend income is not yet restored to the levels of pre Covid and in the UK, it may take another 12 to 18 months to get there. The St Marys Trust fund produced income during 2020 of £52,000 - a fall on the portfolio income in the 2019 calendar year of some 20%. The current income yield is 2.54%. Given that a number of dividends were cut completely with others paired back significantly, this was a smaller fall in the income than might have been expected.

The US market performed very well overall in 2020 and the US portfolio exposure benefited significantly from this strength. The UK market on the other hand was harder hit by Covid than other countries and the bounce in the latter part of 2020 was less pronounced than the US recovery. This has left the UK, in theory, looking comparatively better value. With widespread acceptance that we are now going to have to live with Covid, I think the prospects for a positive annual return on the portfolio over the short to medium term remain fairly good and I continue with my cautious optimism.

**D A Plugge Chartered FCSI  
Divisional Director**