

**Report of the Trustees and**  
**Unaudited Financial Statements for the Year Ended 30th June 2020**  
**for**  
**St Mary's Waqf**  
**a charity administered by The**  
**Jerusalem and the East Mission**  
**Trust Limited**

**St Mary's Waqf**  
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**Trust Limited**

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**for the Year Ended 30th June 2020**

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**Report of the Trustees**  
**for the Year Ended 30th June 2020**

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The trustees present their report with the financial statements of the Charity for the year ended 30th June 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and activities for the public benefit**

The Charity's objectives fall within the overall purpose of the advancement of the Christian religion through the Episcopal Church in Jerusalem and the Middle East and its associated religious and charitable work.

The specific object of the Charity is maintaining and operating educational and training establishments and assisting other organisations engaged in advancing education, furthering health and relieving poverty, distress and sickness. This is to be focused primarily in Egypt and the Middle East but can be used worldwide at the discretion of the trustees.

The above object is normally achieved by the making of a grant to the Diocese of Egypt with North Africa and the Horn of Africa. This grant is allocated on the recommendation of the Bishop between a number of medical, educational and religious establishments serving the Christian and wider communities within the diocese.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charity in planning future activities and in setting the grant making policy for the year. In particular the trustees consider how planned activities will contribute to the aims and objectives that have been set.

**Objectives for the year**

The Charity's aim for the year was to maintain or increase the level of grant. This was achieved, as following the change in the timing of the calculation and payment of the grants in the year ended 30th June 2019 the grants have now reverted to being paid from a full year's income rather than from 9 months as in 2019 and are approximately in line with the grants paid in 2018.

**ACHIEVEMENT AND PERFORMANCE**

**Activities**

The Charity made a grant of £44,700, from investment income, during the year which in accordance with the request of the Provincial Standing Committee was allocated to the Diocese of Egypt for assistance with various projects being undertaken in the Diocese.

In common with the other charities administered by The Jerusalem and the East Mission Trust Limited, the decision was taken by the trustees that for the year ended 30th June 2019 and future years, the grant for the year would be based on the investment income to 31st March in each year rather than 30th June. This resulted in a one-off reduction in the level of grant in the year ended 30th June 2019 but the grants for the year ended 30th June 2020 are now based on a full year's investment income.

**Report of the Trustees**  
**for the Year Ended 30th June 2020**

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**FINANCIAL REVIEW**

**Investment**

Investment Powers

The trustees' power is governed by the Trustee Act 2000. This confers a general power of investment and requires the trustees to invest in a diversified range of suitable instruments.

Investment Objectives

The investment objectives are :

- a) to generate a sustainable income stream year on year which maintains its current purchasing power.
- b) to at least maintain the capital value of the investments over the long-term.

Risk Tolerance

The trustees place a high priority on maintaining the real value both of the investments and the income returns over the long-term while recognizing that at times achieving this will mean accepting short or medium term declines in capital value.

Ethical and Socially Responsible Investment

The trustees have reviewed their investment policy with regard to the Charity Commission's guidance on ethical and responsible investment.

The trustees recognize and approve the CBF funds manager's policy of investing only in investments that conform to the Church of England's 'Ethical Investment Advisory Group' (EIAG) guidelines.

Performance

Investment income, including deposit account interest, has increased by 1.5% compared to last year. The value of the listed investments has increased by 3.1% over the year.

**Financial review**

The transactions for the period and the Charity's financial position at the end of the year are shown in the attached financial statements.

The trustees consider it is appropriate to use the income of the Charity to support longer term projects requiring moderately substantial funds. In addition it is also the trustees' policy, if circumstances permit, to allocate from the annual income a significant sum for general charitable purposes within the Province of the Episcopal Church in Jerusalem and the Middle East. The maintenance of the Charity's capital base also enables the trustees to advance loans from time to time to the dioceses within the Province for major building projects on terms which, although commercial, are more easily affordable to the borrower.

**Reserves**

The trustees take the view that the aim should be to fulfil the Charity's objects over a long-term future. The experience of the trustees is that the Central Synod of the Episcopal Church in Jerusalem and the Middle East expects both to receive a regular annual grant at a sustained level and from time to time to call upon the Charity for additional and urgent funding, and it is the policy of the trustees, within the terms of the Charity, to maintain reserves at an adequate level to support these two needs. While keeping the level of resources under constant review, the trustees consider the current level to be prudent for this purpose.

The trustees consider, on the basis of current information available, that these funds are adequate to meet their known future commitments.

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**Report of the Trustees**  
**for the Year Ended 30th June 2020**

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**FUTURE PLANS**

The Charity aims to continue to support the work of the Church in the Middle East by the making of grants to organisations in support of long-term projects within the Province.

In the opinion of the trustees the finances of the Charity are adequate to enable it, with prudent management, to continue to carry out their charitable objectives.

Following the transition of the Diocese of Egypt with North Africa and the Horn of Africa into the autonomous Province of Alexandria which was formally inaugurated on 21st May 2020, the charity expects to continue to support the new Province as it has the Diocese in the past.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Charity, which is a registered charity (number 313916), was established under a trust deed dated 20th July 1967 with supplemental deeds drawn up on 3rd July 1968 and 4th October 1978.

The British Government obtained compensation from the Egyptian Government for the latter's sequestration of the church's property in 1955; one of the terms of the settlement was that the sum was to be held upon charitable trust in English form.

**Governing body and related charities**

The custodian trustee of the Charity is The Jerusalem and the East Mission Trust Limited. The company's board of directors, who serve in an honorary capacity, as at 30th June 2020 comprised:

J M Clark (Chairman)  
Rev Canon H M Wybrew  
Rev Canon Dr W H Taylor  
D A Wright  
J G Pringle  
Dr C Amos  
Rev Canon Dr M I Rhodes  
Rev Canon A J Ball

The directors of The Jerusalem and the East Mission Trust Limited are appointed by invitation. In accordance with company law, directors are confirmed in office at the annual general meeting following their appointment.

The directors met four times during the year to consider the overall policy of the Charity and the level of grants to be paid. These meetings were held in conjunction with other charities administered by The Jerusalem and the East Mission Trust Limited, being The Jerusalem and the Middle East Church Association, Trust Property Held in connection with the Episcopal Church in Egypt, The Arthur Jones Travel Bursary Trust and the Jerusalem Bishopric Fund

The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice Accounting and Reporting by Charities.

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**Report of the Trustees**  
**for the Year Ended 30th June 2020**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment, appointment, induction and training of new trustees**

The custodian trustee of the Charity is The Jerusalem and the East Mission Trust Limited.

The policy for recruitment and training of directors of the company is as follows:

New directors are recommended to fill vacancies by existing directors, Bishops of the Province or others closely associated with the Charity's activities. Prospective directors are interviewed by the chairman and other directors as appropriate and details including full CVs are submitted to the board for approval. Prospective directors are given an introduction to the work of the Charity and information on the role of trustees and charity law. Charity Commission publications are regularly distributed to the directors.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

313916

**Principal address**

1 Hart House  
The Hart  
Farnham  
Surrey  
GU9 7HJ

**Trustees**

J M Clark Chairman  
Rev Canon H M Wybrew  
Rev Canon Dr W H Taylor  
D A Wright  
J G Pringle  
G A Hill (resigned 27.11.19)  
Dr C Amos  
Rev Canon Dr M I Rhodes  
Rev Canon A J Ball (appointed 27.11.19)

**Independent Examiner**

D A Sanders BA (Hons) FCA  
Sheen Stickland Chartered Accountants  
4 High Street  
Alton  
Hampshire  
GU34 1BU

**Legal Advisors**

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

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**Report of the Trustees**  
**for the Year Ended 30th June 2020**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Investment Managers**

CCLA Investment Management Limited  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

**EFFECTS OF COVID-19 AND EVENTS SINCE THE END OF THE YEAR**

Information relating to the effects of Covid-19 on the charity and events since the end of the year is given in the notes to the financial statements.

Approved by order of the Board of the Trustee Company on 23<sup>rd</sup> September 2020 and signed on its behalf by:

J M Clark - Trustee

## **Independent Examiner's Report to the Trustees of St Mary's Waqf**

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### **Independent examiner's report to the trustees of St Mary's Waqf**

I report to the charity trustees on my examination of the accounts of St Mary's Waqf (the Trust) for the year ended 30th June 2020.

### **Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

D A Sanders BA (Hons) FCA  
Sheen Stickland Chartered Accountants  
4 High Street  
Alton  
Hampshire  
GU34 1BU

8<sup>th</sup> October 2020



**St Mary's Waqf**  
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**Statement of Financial Activities**  
**for the Year Ended 30th June 2020**

		2020 Unrestricted fund £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Investment income	2	51,006	50,230
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	3		
Support for the work of the Episcopal Church in Jerusalem and the Middle East		51,691	37,009
Net gains on investments		<u>47,469</u>	<u>119,872</u>
<b>NET INCOME</b>		46,784	133,093
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>1,726,353</u>	<u>1,593,260</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,773,137</u></u>	<u><u>1,726,353</u></u>

The notes form part of these financial statements

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**Balance Sheet**  
**30th June 2020**

		2020 Unrestricted fund £	2019 Total funds £
	Notes		
<b>FIXED ASSETS</b>			
Investments	7	1,758,521	1,711,052
<b>CURRENT ASSETS</b>			
Debtors	8	13,762	44,214
Cash at bank		<u>854</u>	<u>1,387</u>
		14,616	45,601
<b>CREDITORS</b>			
Amounts falling due within one year	9	-	(30,300)
		<u>14,616</u>	<u>15,301</u>
<b>NET CURRENT ASSETS</b>			
		1,773,137	1,726,353
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,773,137</u>	<u>1,726,353</u>
<b>NET ASSETS</b>			
		<u>1,773,137</u>	<u>1,726,353</u>
<b>FUNDS</b>	10		
Unrestricted funds		<u>1,773,137</u>	<u>1,726,353</u>
<b>TOTAL FUNDS</b>		<u>1,773,137</u>	<u>1,726,353</u>

The financial statements were approved by the Board of the Trustee Company and authorised for issue on 23<sup>rd</sup> September 2020 and were signed on its behalf by:

J M Clark - Trustee

J G Pringle - Trustee

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 30th June 2020**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with '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 1st January 2019) - (Charities SORP (FRS 102))', 'The Financial Reporting Standard applicable in the UK and Republic of Ireland - (FRS102)' and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared on the going concern basis as in the opinion of the trustees the effects of Covid-19 will not significantly impact on either the value of the charity's investments or its investment income in the long term.

**Income**

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

Investment income is recognised on a receivable basis and income accrued but not received at the year end is included in prepayments and accrued income.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Grants payable**

Grants payable are taken to the Statement of Financial Activities in the year they are approved. Grants from restricted income and funds are paid in accordance with the donors' wishes. Those paid from designated and unrestricted income and funds are distributed at the discretion of the trustees, sometimes in consultation with the Central Synod of the Episcopal Church in Jerusalem and the Middle East.

**Management charge**

The management charge is a support cost allocated to the activities of the Charity on a basis consistent with the use of resources, calculated by reference to the value of the funds as at 31st December of each year and is used to run the offices of The Jerusalem and the East Mission Trust Limited. The management charge is allocated entirely to charitable expenditure.

**Taxation**

As a registered charity no liability to direct taxation arises on the charitable activities.

**Fund accounting**

**Restricted Funds**

Income received for restricted purposes is retained in a separate fund to the extent that such amounts remain unspent at the year end.

Notes to the Financial Statements - continued  
for the Year Ended 30th June 2020

1. ACCOUNTING POLICIES - continued

**Investments**

Investments are stated at mid-market value at the balance sheet date. All movements in value arising from investment changes are shown in the Statement of Financial Activities.

Unrealised gains/losses are the difference in market value of investments held at the beginning of the year, or their cost if purchased in the year, and at the end of the year.

2. INVESTMENT INCOME

	2020	2019
	£	£
Income from listed investments	50,892	50,113
Deposit account interest	<u>114</u>	<u>117</u>
	<u>51,006</u>	<u>50,230</u>

All investment income derives from listed investments in The CBF Church of England Funds.

3. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 4) £	Support costs £	Totals £
Support for the work of the Episcopal Church in Jerusalem and the Middle East	<u>44,700</u>	<u>6,991</u>	<u>51,691</u>

One grant was made to an organisation. Support costs comprise the management service charge which has been taken entirely to charitable expenditure.

4. GRANTS PAYABLE

	2020	2019
	£	£
Support for the work of the Episcopal Church in Jerusalem and the Middle East	<u>44,700</u>	<u>30,300</u>

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Diocese of Egypt	<u>44,700</u>	<u>30,300</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30th June 2020**

**5. TRUSTEES' REMUNERATION AND BENEFITS**

The Jerusalem and the East Mission Trust Limited (the company) when acting as trustee received remuneration in the form of a service charge of £6,991 (2019 - £6,709). £1,228 had been overpaid by the Charity to The Jerusalem and the East Mission Trust Limited in respect of service charge as at 30th June 2020 (2019 - overpaid £898), and is included as a debtor on the balance sheet.

The directors of the company did not receive any remuneration or expenses from the Charity.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30th June 2020 nor for the year ended 30th June 2019.

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

All of the income, expenditure and net gains and losses on investments in the year ended 30th June 2019 relate to the one unrestricted fund of the charity.

**7. FIXED ASSET INVESTMENTS**

	2020 £	2019 £
Shares	1,598,521	1,551,052
Loans	<u>160,000</u>	<u>160,000</u>
	<u>1,758,521</u>	<u>1,711,052</u>

Additional information as follows:

	Listed investments £
<b>MARKET VALUE</b>	
At 1st July 2019	1,551,052
Revaluations	<u>47,469</u>
At 30th June 2020	<u>1,598,521</u>
<b>NET BOOK VALUE</b>	
At 30th June 2020	<u>1,598,521</u>
At 30th June 2019	<u>1,551,052</u>

Notes to the Financial Statements - continued  
for the Year Ended 30th June 2020

**7. FIXED ASSET INVESTMENTS - continued**

	The Jerusalem and The East Mission Trust Limited £ <u>160,000</u>
At 1st July 2019 and 30th June 2020	

The historical cost of listed fixed asset investments was £277,412 (2019: £277,412).

The loan of £160,000 is to The Jerusalem and the East Mission Trust Limited. The service charge made by the company to St Mary's Waqf is adjusted to reflect a 5% interest rate. This is considered by the trustees to represent an arms length commercial interest rate.

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Debtors	1,228	898
The Jerusalem and The East Mission Trust Limited	-	30,300
Prepayments and accrued income	<u>12,534</u>	<u>13,016</u>
	<u>13,762</u>	<u>44,214</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Accruals and deferred income	<u>-</u>	<u>30,300</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30th June 2020**

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**10. MOVEMENT IN FUNDS**

**11. RELATED PARTY DISCLOSURES**

Other than as detailed in note 5, there were no related party transactions for the year ended 30th June 2020.

**12. POST BALANCE SHEET EVENTS**

Following the outbreak of Covid-19 there was a significant reduction in the value of the charity's investments with CCLA.

The value of a unit in the CBF Church of England Investment Fund fell from a high of 2,003.64p on 18th February 2020 to a low of 1,595.97p on 24th March 2020. The value had recovered to 1,900.75p by 30th June 2020 and has continued to recover, although at a slower rate since that date.

The value of a unit in the CBF Church of England Property Fund fell from a high of 138.25p on 24th September 2019 to 126.67 by 30th June 2020 and has continued to fall since that date. CCLA have taken the decision to temporarily suspend trading in this fund.

Despite the reduction in dividends being paid by companies, owing to the approach taken by CCLA it expects to be able to at least maintain the dividend payable on the Investment Fund going forward.

The trustees believe that given the recovery in the Investment Fund and the charity's relatively low investment in the Property Fund (8.0% of the total investment portfolio by value at 30th June 2020) that there will be no lasting impact on the finances of the charity either with respect to investment income in the long term or on its ability to operate.