

**Charity Registration No. 1132473**

**Company Registration No. 06946149**

**THE LAWTON TRUST LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2023**

# THE LAWTON TRUST LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	H R Mecklenburgh T Harris C I Love T J Mecklenburgh	(Appointed 8 April 2022) (Appointed 8 April 2022)
<b>Charity number</b>	1132473	
<b>Company number</b>	06946149	
<b>Registered office</b>	168 High Street Watford Hertfordshire WD17 2EG	
<b>Independent examiner</b>	Paul Windmill FCA Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL	
<b>Bankers</b>	Schroders 100 Wood Street London EC2V 7ER	
<b>Investment advisors</b>	Investec Wealth & Investment Quayside House Canal Wharf Leeds LS11 5PU	

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# THE LAWTON TRUST LIMITED

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# THE LAWTON TRUST LIMITED

## TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

### *FOR THE YEAR ENDED 5 APRIL 2023*

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The trustees present their annual report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The objects of the trust, as set out in the governing document, are the relief of poverty, advancement of education and religion and any other charitable purposes identified by the trustees.

The trustees deliver these charitable objects through a programme of grants to institutions.

The trustees give due regard to the Charity Commission general guidance on public benefit when awarding grants to ensure that they are applying the funds to charitable purposes and for the public benefit.

#### **Achievements and performance**

The trustees have awarded a total of £168,000 in grants as follows:

	£
Institutions:	
Hospice of St Francis	60,000
Peace Hospice	30,000
St Marys Church	10,000
DENS	10,000
Small Acts of Kindness	10,000
Gaddesden Place RDA	18,000
RAISE (NHS)	10,000
Victoria School (Library)	20,000
Total awarded	168,000

#### **Financial review**

During the year the trust received income of £103,638 (2022: £99,822) from its portfolio of investments.

At 5 April 2023 the trust held long term investments of £3,928,680 (2022: £4,159,736) and free reserves not tied up in investments of £99,785 (2022: £144,632).

# THE LAWTON TRUST LIMITED

## TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### *FOR THE YEAR ENDED 5 APRIL 2023*

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

The trust is a company, limited by guarantee and operates in accordance with the provisions of the memorandum and articles of association.

Members of the company are the subscribers to the memorandum and any other persons who apply to, and are accepted by, the directors of the company.

Trustees, who are the directors under company law, are elected by the membership at the annual general meeting. One third in number so appointed must retire by rotation at each annual general meeting. Retiring directors may stand for re-election.

The trustees may appoint additional trustees between annual general meetings but any so appointed must stand for re-election at the next annual general meeting.

The number of directors must not be less than 3. There is no maximum.

New trustees are familiarised with the operation of the trust by existing trustees.

The trustees meet periodically to decide on policy and procedures, including the awarding of grants.

The trust has no paid or volunteer staff. The day to day management of the charity is delegated to Mr H R Mecklenburgh, a trustee.

The trustees have identified the major risk to which the charity is exposed as a fall in the capital value of its assets or a drop in investment income. The trustees manage these risks by prudent grant making decisions.

#### **Reference and administrative details of the charity, its trustees and advisers**

The Lawton Trust Limited is registered in England and Wales as a charity (no: 1132473) and a company, limited by guarantee (no: 6946149). The company was incorporated on 27 June 2009 and registered with the Charity Commission on 5 November 2009.

The registered address and principal operating address of the Trust is 168 High Street, Watford, Herts, WD17 2EG.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F R Mecklenburgh	(Resigned 18 November 2023)
H R Mecklenburgh	
T Harris	
C I Love	(Appointed 8 April 2022)
T J Mecklenburgh	(Appointed 8 April 2022)

# THE LAWTON TRUST LIMITED

## TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

***FOR THE YEAR ENDED 5 APRIL 2023***

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### **Statement of trustee's responsibilities**

Company law 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 charitable company and of the net incoming/(outgoing) resources for the year. In preparing the financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable it to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking steps for the prevention and detection of fraud and other irregularities.

This report and the financial statements have been prepared in accordance with

- The special provisions of part 15 of the Companies Act 2006 relating to small entities.
- The provisions of the Charities Acts that determine the form and content of Charity Annual Reports.
- Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

The directors have taken advantage of section 477(2) of the Companies Act 2006 which exempts the company from the requirement to have the accounts audited.

### **Independent Examination**

The trust is required to have an Independent Examination under the Charities Act 2011. Accordingly, Paul Windmill FCA of Myers Clark, Chartered Accountants was appointed Independent Examiner during the year.

The trustee's report was approved by the Board of Trustees.

**H R Mecklenburgh**

Dated: 20 December 2023

# THE LAWTON TRUST LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE LAWTON TRUST LIMITED

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I report to the trustees on my examination of the financial statements of The Lawton Trust Limited (co. no. 6946149 and charity no. 1132473) for the year ended 5 April 2023 set out on pages 5 to 10.

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

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

I have completed my examination. I confirm that no 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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

#### **Paul Windmill FCA**

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

Dated: 21 December 2023

# THE LAWTON TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT *FOR THE YEAR ENDED 5 APRIL 2023*

		2023 Unrestricted funds	2022 Unrestricted funds
	Notes	£	£
<b>Income from:</b>			
Rent receivable		57,695	53,665
Income from listed investments		43,357	45,815
Interest receivable		2,587	342
<b>Total income</b>		103,639	99,822
<b>Expenditure on:</b>			
Grants		168,000	25,619
Independent examination fee		1,950	1,820
Accountancy		1,441	893
Investment management costs	2	49,230	83,865
<b>Total charitable expenditure</b>		220,621	112,197
Net gains/(losses) on investments	3	(158,726)	242,904
<b>Net (outgoing)/incoming resources</b>		(275,708)	230,529
<b>Other recognised gains and losses</b>			
Other gains or losses	5	(195)	(1,662)
<b>Net movement in funds</b>		(275,903)	228,867
Fund balances at 6 April 2022		4,304,368	4,075,501
<b>Fund balances at 5 April 2023</b>		4,028,465	4,304,368

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# THE LAWTON TRUST LIMITED

## BALANCE SHEET

**AS AT 5 APRIL 2023**

	Notes	£	2023 £	£	2022 £
<b>Fixed assets</b>					
Investment properties			1,700,000		1,720,500
Investments			2,228,680		2,439,236
	<b>6</b>		<u>3,928,680</u>		<u>4,159,736</u>
<b>Current assets</b>					
Debtors	<b>7</b>	715		944	
Cash at bank and in hand		103,541		151,657	
		<u>104,256</u>		<u>152,601</u>	
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	(4,471)		(7,969)	
Net current assets			99,785		144,632
<b>Total assets less current liabilities</b>			<u>4,028,465</u>		<u>4,304,368</u>
<b>Income funds</b>					
Unrestricted income funds		3,403,273		3,194,978	
Revaluation reserve		625,192		880,523	
		<u></u>	<u>4,028,465</u>	<u></u>	<u>4,304,368</u>
			<u>4,028,465</u>		<u>4,304,368</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 relating to small companies, for the year ended 5 April 2023. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 20 December 2023

H R Mecklenburgh  
**Trustee**

**Company Registration No. 06946149**

# THE LAWTON TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### *FOR THE YEAR ENDED 5 APRIL 2023*

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

The charity constitutes a public entity as defined by FRS 102.

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

##### **1.2 Charitable funds**

Unrestricted Income Funds are those funds that are available to the trustees to apply to the general charitable purposes as laid out in the Trust Deed.

##### **1.3 Incoming resources**

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 from listed investments is recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by investment managers of the receipt of the dividend.

Income from investment properties is accounted for in the period to which it relates. Income received in advance is deferred.

##### **1.4 Resources expended**

Expenditure is recognised when a liability is incurred.

Grant payments are recognised when the recipient has been advised of the grant and there is an obligation to pay.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

##### **1.5 Investment properties**

Investment properties are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using open market value.

# THE LAWTON TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2023

#### 1 Accounting policies

(Continued)

##### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### 2 Investment management costs

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Property management costs</b>		
Management fees	10,382	9,666
Repairs and refurbishment	23,161	57,426
<b>Investment management costs</b>		
Management fees	15,687	16,772
	<u>49,230</u>	<u>83,864</u>

#### 3 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# THE LAWTON TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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### **4 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### **5 Other gains or losses**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Foreign exchange (losses)/gains	(195)	1,662
	<u>          </u>	<u>          </u>

# THE LAWTON TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2023

#### 6 Fixed asset investments

	Property	Listed investments	Cash held for reinvestment	Total
	£	£	£	£
<b>Market value</b>				
At 6 April 2022	1,720,500	2,422,346	16,890	4,159,736
Investment income	-	-	43,356	43,356
Movement on capital cash	-	(95,835)	95,835	-
Costs charged	-	-	(15,687)	(15,687)
Income reinvested	-	-	196	196
Movement on unrealised gain/(loss)	(20,500)	(138,226)	-	(158,726)
Foreign exchange gain/(loss)	-	-	(195)	(195)
Amounts withdrawn			(100,000)	(100,000)
Market value at 5 April 2023	1,700,000	2,188,285	40,395	3,928,680
<b>Historical cost at 5 April 2023</b>	1,077,950	2,273,820	40,395	3,392,165
<b>Revaluation reserve at 5 April 2023</b>	622,050	(85,535)	-	536,515

No individual listed investments comprised more than 5% of the total market value of listed investments at 5 April 2023.

#### 7 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors and prepayments	715	944

#### 8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Rents in advance	1,733	3,795
Other creditors	38	1,654
Independent examiner's fees	2,700	2,520
	4,471	7,969

# THE LAWTON TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### *FOR THE YEAR ENDED 5 APRIL 2023*

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#### **9 Related party transactions**

Mr R Mecklenburgh and Mr H Mecklenburgh are directors and shareholders of LP&M who are the charity's managing agents in respect of the investment properties. Transactions with LP&M in the year, which were all at commercial market rates, were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Management fees payable	10,382	9,666
	<u>          </u>	<u>          </u>