

Charity Registration No. 1132473

Company Registration No. 06946149

THE LAWTON TRUST LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024

THE LAWTON TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H R Mecklenburgh T Harris C I Love T J Mecklenburgh
Charity number	1132473
Company number	06946149
Registered office	168 High Street Watford Hertfordshire WD17 2EG
Independent examiner	Paul Windmill FCA Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL
Bankers	National Westminster Bank Plc 72/74 High Street Watford Herts WD17 2GZ
Investment advisors	Investec Wealth & Investment Quayside House Canal Wharf Leeds LS11 5PU

THE LAWTON TRUST LIMITED

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THE LAWTON TRUST LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2024

The trustees present their annual report and financial statements for the year ended 5 April 2024.

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 £59,806 in grants as follows:

	£
Institutions:	
Hospice of St Francis	30,000
Kwambegi Regenration Foundation	3,306
Southwest International Development Network	3,000
East of England Ambulance Service	10,500
Thomas Corum School	13,000
Total awarded	59,806

Financial review

During the year the trust received income of £115,951 (2023: £103,639) from its portfolio of investments.

At 5 April 2024, the trust held long term investments of £4,083,721 (2023: £3,928,680) and free reserves not tied up in investments of £116,440 (2023: £99,785).

THE LAWTON TRUST LIMITED

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

FOR THE YEAR ENDED 5 APRIL 2024

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
H R Mecklenburgh
T Harris
C I Love
T J Mecklenburgh

(Resigned 18 November 2023)

THE LAWTON TRUST LIMITED

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

FOR THE YEAR ENDED 5 APRIL 2024

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: 17 December 2024

THE LAWTON TRUST LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LAWTON TRUST LIMITED

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 2024 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: 20 December 2024

THE LAWTON TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT *FOR THE YEAR ENDED 5 APRIL 2024*

		2024 Unrestricted funds	2023 Unrestricted funds
	Notes	£	£
Income from:			
Rent receivable		58,015	57,695
Income from listed investments		53,646	43,357
Interest receivable		4,290	2,587
Total income		<u>115,951</u>	<u>103,639</u>
Expenditure on:			
Grants		59,806	168,000
Independent examination fee		2,100	1,950
Accountancy		1,129	1,441
Investment management costs	2	39,962	49,230
Total charitable expenditure		<u>102,997</u>	<u>220,621</u>
Net gains/(losses) on investments	3	158,742	(158,726)
Net incoming/(outgoing) resources		<u>171,696</u>	<u>(275,708)</u>
Other recognised gains and losses			
Other gains or losses	5	-	(195)
Net movement in funds		<u>171,696</u>	<u>(275,903)</u>
Fund balances at 6 April 2023		<u>4,028,465</u>	<u>4,304,368</u>
Fund balances at 5 April 2024		<u><u>4,200,161</u></u>	<u><u>4,028,465</u></u>

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

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 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Investment properties			1,750,000		1,700,000
Investments			2,333,721		2,228,680
	6		<u>4,083,721</u>		<u>3,928,680</u>
Current assets					
Debtors	7	6,057		715	
Cash at bank and in hand		117,946		103,541	
		<u>124,003</u>		<u>104,256</u>	
Creditors: amounts falling due within one year	8	(7,563)		(4,471)	
		<u></u>		<u></u>	
Net current assets			116,440		99,785
Total assets less current liabilities			<u>4,200,161</u>		<u>4,028,465</u>
Income funds					
Unrestricted income funds		3,441,737		3,403,273	
Revaluation reserve		758,424		625,192	
		<u></u>		<u></u>	
			4,200,161		4,028,465
			<u>4,200,161</u>		<u>4,028,465</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 2024. 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 17 December 2024

H R Mecklenburgh
Trustee

Company Registration No. 06946149

THE LAWTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

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 2024

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

	Total 2024 £	Total 2023 £
Property management costs		
Management fees	9,838	10,382
Repairs and refurbishment	14,637	23,161
Investment management costs		
Management fees	15,487	15,687
	<u>39,962</u>	<u>49,230</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 2024

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

	Unrestricted funds
	2023 £
Foreign exchange (losses)/gains	(195)
	<u><u> </u></u>

THE LAWTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

6 Fixed asset investments

	Property	Listed investments	Cash held for reinvestment	Total
	£	£	£	£
Market value				
At 6 April 2023	1,700,000	2,188,285	40,395	3,928,680
Additions	58,140			58,140
Investment income	-	-	53,646	53,646
Movement on capital cash	-	(79,710)	79,710	-
Costs charged	-	-	(15,487)	(15,487)
Movement on unrealised gain/(loss)	(8,140)	166,882	-	158,742
Amounts withdrawn			(100,000)	(100,000)
Market value at 5 April 2024	1,750,000	2,275,457	58,264	4,083,721
Historical cost at 5 April 2024	1,136,090	2,130,943	58,264	3,325,297
Revaluation reserve at 5 April 2024	613,910	144,514	-	758,424

No individual listed investments comprised more than 5% of the total market value of listed investments at 5 April 2024.

7 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Other debtors and prepayments	6,057	715

8 Creditors: amounts falling due within one year

	2024	2023
	£	£
Rents in advance	3,367	1,733
Other creditors	1,256	38
Independent examiner's fees	2,940	2,700
	7,563	4,471

THE LAWTON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

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:

	2024	2023
	£	£
Management fees payable	9,838	10,382
	<u> </u>	<u> </u>