

Lalibela Trust

Charity No. 1147147

Trustees' Report and Unaudited Accounts

31 December 2020

Lalibela Trust
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The Trustees present their report with the unaudited financial statements of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1147147

Principal Office

The Coach House
Trispen
Truro
Cornwall
TR4 9BB

Trustees

The following Trustees served during the year:

R. Gray
A.C. Sandbrook
A.M. Sharp
E.M.F. Sharp
H.C. Sharp
J.C. Sharp
J.H.C. Sharp

Accountants

David Johnson
Concord, South Town Lane
West Pennard
Glastonbury, Somerset
England
BA6 8NS

Trustees Report

The flagship maternity unit in the grounds of Lalibela Hospital finally opened in July 2020. The unit has performed well with over 500 deliveries and much improved performance in maternal and neonatal care. 20% of deliveries have been Caesarian sections, which equates to the United Kingdom rate.

Maternity provision, prior to opening of the maternity unit, was grossly inadequate consisting of three rooms – a labour ward, a second for immediate post-delivery rest plus a delivery room containing three couches and very basic equipment.

The new L-shaped stand-alone, self-contained unit – the size of two tennis courts – has in-patient and out-patient facilities. Out-patients has a consulting room, scanner room, pharmacy, laboratory and family planning room. A termination of pregnancy room is a late addition. In-patients contains a labour and delivery room with two operating theatres. There are five wards - ante-natal, post-natal and Caesarian section wards, plus two intensive care wards specifically for gravely ill women and neo-nates.

The unit is well staffed with experienced obstetricians, gynaecologists and anaesthetists, plus nineteen midwives, fifteen nurses and six intensive care nurses.

Festival Medical Services, following their 2018 visit, hope to return to improve critical management at first contact with the mother in labour and on arrival at the maternity unit.

The Exeter/Truro Medical School staff and student link to Lalibela have had two successful visits in March 2019 and March 2020. They are keen to assist with staff training and introducing “best practice”.

Norman and Carole, our partners, continue their very successful work. However, the serious civil unrest in neighbouring Tigray, the Covid pandemic and poverty in Lalibela – a town almost totally dependent on tourism – have resulted in major upset. Poverty now is compounded by IDPs fleeing from Oromia and some from Tigray, for whom Lalibela has been attractive because of its deep religious connections and churches for sanctuary. Lalibela Trust has significantly contributed financially to food aid. Our much-respected Ethiopian Project Manager, Derebe, oversees fair and equitable food distribution.

Millfield School, Somerset continues to fund projects at Lalibela High School. A UK donor funds food provision for 6 students who have attained the necessary academic standard to enter Lalibela High School but are unable to afford food.

Health Posts, Spring Improvement Projects and School classrooms are Norman and Caroles’s special focus.

Health Posts 16 completed serving a total of around 148,000 people. Frustratingly, work on a new Health Post in Meket Woreda continues to be delayed by a dispute between residents about its location.

Spring Improvement projects 128 completed; 6 failed (but 2 have been rebuilt); 9 under construction. Total beneficiaries 53,000. Work continues, but slowly because of the security risks and cement availability.

Schools 22 classrooms built. At an average of 40 children per shift, 2 shifts per day, the number of children benefitting is around 49,000. 3 shifts per day to allow social distancing; retired teachers re-engaged, etc. Hugh and Catherine, Norman and Carole plan to visit in October.

Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the charity's trustees

A handwritten signature in black ink, appearing to read 'H.C. Sharp', is written over a faint, light blue circular stamp. The signature is fluid and cursive.

H.C. Sharp

Trustee

30 June 2021

Independent Examiner's Report to the trustees of Lalibela Trust

I report to the trustees on my examination of the accounts of Lalibela Trust for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act'). The trustees consider that an audit is not required for this year under the Charities Act 2011, s.144(2) (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the 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 can 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:

- the accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts did 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.



David Johnson
FCMA
David Johnson Associates
Concord, South Town Lane
West Pennard
Glattonbury, Somerset
England
BA6 8NS
30 June 2021

Lalibela Trust
Statement of Financial Activities
for the year ended 31 December 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Notes				
Income and endowments from:					
Donations and legacies	3	2,792	68,855	71,647	81,280
Total		2,792	68,855	71,647	81,280
Expenditure on:					
Charitable activities	4	5,000	92,000	97,000	80,600
Other	5	639	102	741	722
Total		5,639	92,102	97,741	81,322
Net gains on investments		-	-	-	-
Net expenditure		(2,847)	(23,247)	(26,094)	(42)
Transfers between funds		-	-	-	-
Net expenditure before other gains/(losses)		(2,847)	(23,247)	(26,094)	(42)
Other gains and losses					
Net movement in funds		(2,847)	(23,247)	(26,094)	(42)
Reconciliation of funds:					
Total funds brought forward		12,750	46,801	59,551	59,593
Total funds carried forward		<u>9,903</u>	<u>23,554</u>	<u>33,457</u>	<u>59,551</u>

Lalibela Trust
Balance Sheet

at 31 December 2020

Charity No. 1147147

	2020	2019
	£	£
Current assets		
Cash at bank and in hand	33,457	59,551
	<u>33,457</u>	<u>59,551</u>
Net current assets	33,457	59,551
Total assets less current liabilities	<u>33,457</u>	<u>59,551</u>
Net assets excluding pension asset or liability	<u>33,457</u>	<u>59,551</u>
Total net assets	<u><u>33,457</u></u>	<u><u>59,551</u></u>
The funds of the charity		
Restricted funds	7	
Restricted income funds	23,554	46,801
	<u>23,554</u>	<u>46,801</u>
Unrestricted funds	7	
General funds	12,750	12,750
Designated funds	(2,847)	-
	<u>9,903</u>	<u>12,750</u>
Reserves	7	
Total funds	<u><u>33,457</u></u>	<u><u>59,551</u></u>

Approved by the trustees on 30 June 2021

And signed on their behalf by:



H.C. Sharp
Trustee
30 June 2021

Lalibela Trust
Statement of Cash flows
for the year ended 31 December 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net expenditure per Statement of Financial Activities	(26,094)	(42)
Net cash used in operating activities	<u>(26,094)</u>	<u>(42)</u>
Net cash from investing activities	<u>-</u>	<u>-</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(26,094)	(42)
Cash and cash equivalents at the beginning of the year	59,551	59,593
Cash and cash equivalents at the end of the year	<u>33,457</u>	<u>59,551</u>
Components of cash and cash equivalents		
Cash and bank balances	33,457	59,551
	<u>33,457</u>	<u>59,551</u>

Lalibela Trust
Notes to the Accounts
for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with 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.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Income and endowments from:			
Donations and legacies	7,845	73,435	81,280
Total	<u>7,845</u>	<u>73,435</u>	<u>81,280</u>
Expenditure on:			
Charitable activities	5,500	75,100	80,600
Other	116	606	722
Total	<u>5,616</u>	<u>75,706</u>	<u>81,322</u>
Net income	<u>2,229</u>	<u>(2,271)</u>	<u>(42)</u>
Net income before other gains/(losses)	<u>2,229</u>	<u>(2,271)</u>	<u>(42)</u>
Other gains and losses:			
Net movement in funds	<u>2,229</u>	<u>(2,271)</u>	<u>(42)</u>
Reconciliation of funds:			
Total funds brought forward	11,010	48,583	59,593
Total funds carried forward	<u><u>13,239</u></u>	<u><u>46,312</u></u>	<u><u>59,551</u></u>

3 Income from donations and legacies

Unrestricted	Restricted	Total 2020	Total 2019
£	£	£	£
1,870	-	1,870	3,951
-	33,520	33,520	34,050
922	-	922	3,894
-	35,335	35,335	39,385
<u>2,792</u>	<u>68,855</u>	<u>71,647</u>	<u>81,280</u>

4 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
<i>Expenditure on charitable activities</i>				
	-	87,000	87,000	70,000
	-	5,000	5,000	5,100
	5,000	-	5,000	5,000
	-	-	-	500
<i>Governance costs</i>				
	5,000	92,000	97,000	80,600

5 Other expenditure

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
General administrative costs	24	102	126	137
Legal and professional costs	615	-	615	585
	639	102	741	722

6 Staff costs

No employee received emoluments in excess of £60,000.

7 Movement in funds

	At 1 January 2020	Incoming resources (including other gains/losses) £	Resources expended £	At 31 December 2020 £
Restricted funds:				
Restricted income funds:				
Community Project - Norman Coward	46,801	68,855	(92,102)	23,554
<i>Total</i>	<u>46,801</u>	<u>68,855</u>	<u>(92,102)</u>	<u>23,554</u>
Unrestricted funds:				
General funds	12,750	-	-	12,750
Designated funds:				
Lalibela Maternity Unit & Community Support	-	2,792	(5,639)	(2,847)
<i>Total</i>	<u>-</u>	<u>2,792</u>	<u>(5,639)</u>	<u>(2,847)</u>
Revaluation Reserves:				
Total funds	<u>59,551</u>	<u>71,647</u>	<u>(97,741)</u>	<u>33,457</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Community Project - Norman Coward Community Projects

Designated funds:

Lalibela Maternity Unit & Establish Maternity Unit and Support Infrastructure
Community Support

8 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Net current assets	10,509	22,948	33,457
	<u>10,509</u>	<u>22,948</u>	<u>33,457</u>

9 Reconciliation of net debt

	At 1 January		At 31
	2020	Cash flows	December
	£	£	2020
			£
Cash and cash equivalents	59,551	(26,094)	33,457
	<u>59,551</u>	<u>(26,094)</u>	<u>33,457</u>
Net debt	<u>59,551</u>	<u>(26,094)</u>	<u>33,457</u>

Lalibela Trust
Detailed Statement of Financial Activities
for the year ended 31 December 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:				
Donations and legacies	1,870	-	1,870	3,951
	-	33,520	33,520	34,050
	922	-	922	3,894
	-	35,335	35,335	39,385
	<u>2,792</u>	<u>68,855</u>	<u>71,647</u>	<u>81,280</u>
Total income and endowments	2,792	68,855	71,647	81,280
Expenditure on:				
Charitable activities	-	87,000	87,000	70,000
	-	5,000	5,000	5,100
	5,000	-	5,000	5,000
	-	-	-	500
	<u>5,000</u>	<u>92,000</u>	<u>97,000</u>	<u>80,600</u>
Total of expenditure on charitable activities	5,000	92,000	97,000	80,600
General administrative costs, including depreciation and amortisation				
Bank charges	14	72	86	69
Postage and couriers	10	30	40	68
	<u>24</u>	<u>102</u>	<u>126</u>	<u>137</u>
Legal and professional costs				
Accountancy and bookkeeping	615	-	615	585
	<u>615</u>	<u>-</u>	<u>615</u>	<u>585</u>
Total of expenditure of other costs	<u>639</u>	<u>102</u>	<u>741</u>	<u>722</u>
Total expenditure	5,639	92,102	97,741	81,322
Net gains on investments	-	-	-	-
	<u>(2,847)</u>	<u>(23,247)</u>	<u>(26,094)</u>	<u>(42)</u>
Net expenditure				
Net expenditure before other gains/(losses)	<u>(2,847)</u>	<u>(23,247)</u>	<u>(26,094)</u>	<u>(42)</u>
Other Gains	-	-	-	-
	<u>(2,847)</u>	<u>(23,247)</u>	<u>(26,094)</u>	<u>(42)</u>
Net movement in funds	<u>(2,847)</u>	<u>(23,247)</u>	<u>(26,094)</u>	<u>(42)</u>
Reconciliation of funds:				

Lalibela Trust
Detailed Statement of Financial Activities

Total funds brought forward	12,750	46,801	59,551	59,593
Total funds carried forward	<u>9,903</u>	<u>23,554</u>	<u>33,457</u>	<u>59,551</u>