

**ERICA LAWSON CHARITABLE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

# ERICA LAWSON CHARITABLE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr H Gee Lim Mr D Williams
<b>Charity number</b>	1159415
<b>Registered office</b>	First Floor 67 Victoria Road Horley RH6 7QH
<b>Auditor</b>	Richard Place Dobson Services Limited Chartered Accountants 1-7 Station Road Crawley West Sussex RH10 1HT

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# ERICA LAWSON CHARITABLE TRUST

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# ERICA LAWSON CHARITABLE TRUST

## TRUSTEES REPORT

*FOR THE PERIOD ENDED 31 DECEMBER 2020*

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The trustees present their report and financial statements for the Period ended 31 December 2020.

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 governing document, the Charities Act 2011 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 (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The relief of current and former Israeli soldiers and their families, including the widows of Israeli soldiers who have died in the course of their service, who are in conditions of need due to their poverty or financial hardship, sickness, disability or other disadvantage through the provision of grants to individuals in need and/or charities or other organisations working to relieve such needs.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The main objective of the charity is to make grants to Individuals who meet the set criteria. All requests for grants are considered by the trustees.

### **Achievements and performance**

We have invested into properties that needed a degree of renovations which will add to their Capital Value, in the long term and will also produce an ongoing Rental Income for the Charity to distribute. We have also taken advice from Close Brothers and invested a sizeable sum with them, again for long term growth together with a regular income for distribution.

### **Financial review**

At 31 December 2020 the charity had net incoming resources of £7,636,076 (3rd July 2019: £4,830).

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Period.

The trustees meet regularly to discuss investments with the investment advisors. The balance of the portfolio is reviewed and adjusted based on current and anticipated market conditions. The allocation of investments aim to provide protection against inflation and capital growth in majority of funds, together with providing liquidity for possible grants as the need arises.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees have considered the main risks facing the charity and consider these to be:

- A fall in the value of investment properties and listed investments held
- Being unable to let property and income falling leading to insufficient income to make grant payments
- Grant payments being made to individuals not meeting the charity objects.

Trustees plan to continue with the current policy with a view to growing capital through investments and hopefully, producing greater income for distribution.

# ERICA LAWSON CHARITABLE TRUST

## TRUSTEES REPORT (CONTINUED)

*FOR THE PERIOD ENDED 31 DECEMBER 2020*

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### Structure, governance and management

The governing document is a Trust deed dated 25 November 2014. It is an unincorporated charity,

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr H Gee Lim

Mr D Williams

New trustees will undergo an induction to clarify their duties and responsibilities. Trustees recognise the need for training and will receive training as required.

The Trust has two trustees. The trustees meet formally on a regular basis to review requests for grants and document these decisions.

Trustees are given training on their duties once they have been appointed.

Mr H G Lim, a trustee of the charity, was loaned £425,000 by Mrs Erica Lawson in 2016. The loan term is 25 years and interest is repayable at 2% per annum. On her death Mrs Erica Lawsons estate has passed to the charity and this includes the loan made to Mr H G Lim.


### Impact of COVID 19

During the period under review COVID 19 was declared a worldwide pandemic. The impact of this on the charity for this year has been minimal as the estate for Mrs Erica Lawson was only settled part way through the year and the funds have yet to be invested in full.

The main impact has been to curtail any visits to Israel to identify suitable beneficiaries.

After the year end the funds have been invested in a managed portfolio of listed equities. As this transaction has yet to be made COVID 19's impact on global markets and share prices has not affected the charity. Once travel restrictions are eased the Trustees will commence activities to identify suitable donors.

The trustees report was approved by the board of trustees.

  
Mr H Gee Lim (Oct 26, 2021 10:25 GMT+1)

Mr H Gee Lim

Trustee

Dated: Oct 26, 2021

  
Mr D Williams (Oct 26, 2021 10:24 GMT+1)

Mr D Williams

Trustee

Dated: Oct 26, 2021

# **ERICA LAWSON CHARITABLE TRUST**

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

***FOR THE PERIOD ENDED 31 DECEMBER 2020***

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

The 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 the state of affairs of the trust and of the incoming resources and application of resources of the trust for that Period.

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 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# ERICA LAWSON CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF ERICA LAWSON CHARITABLE TRUST

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#### Opinion

We have audited the financial statements of Erica Lawson Charitable Trust for the Period ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# ERICA LAWSON CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ERICA LAWSON CHARITABLE TRUST

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### **The extent to which this audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011 and Charities Statement of Recommended Practice. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.



# ERICA LAWSON CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ERICA LAWSON CHARITABLE TRUST

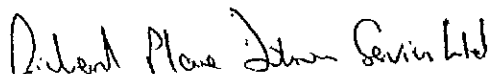
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The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



#### **Richard Place Dobson Services Limited**

Eligible to act as an auditor in terms of section 1212 of the Companies Act

#### **Chartered Accountants**

#### **Statutory Auditor**

1 - 7 Station Road

Crawley

West Sussex

RH10 1HT

Date 26 October 2021

# ERICA LAWSON CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	5,320,349	2,532,248	7,852,597	10,000
<b><u>Charitable activities</u></b>					
Investment income	4	24,325	-	24,325	-
<b>Total income</b>		<b>5,344,674</b>	<b>2,532,248</b>	<b>7,876,922</b>	<b>10,000</b>
<b><u>Expenditure on:</u></b>					
<b><u>Raising funds</u></b>					
<b><u>Charitable activities</u></b>					
Provision of relief to Israeli Soldiers	5	240,846	-	240,846	5,170
<b>Total charitable expenditure</b>		<b>240,846</b>	<b>-</b>	<b>240,846</b>	<b>5,170</b>
<b>Net income for the year/ Net movement in funds</b>		<b>5,103,828</b>	<b>2,532,248</b>	<b>7,636,076</b>	<b>4,830</b>
Fund balances at 3 July 2019		4,830	-	4,830	-
<b>Fund balances at 31 December 2020</b>		<b>5,108,658</b>	<b>2,532,248</b>	<b>7,640,906</b>	<b>4,830</b>

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

All income and expenditure derive from continuing activities.

# ERICA LAWSON CHARITABLE TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investment properties	8	2,532,248		-	
<b>Current assets</b>					
Debtors	9	777,860		-	
Cash at bank and in hand		4,339,798		4,830	
		<u>5,117,658</u>		<u>4,830</u>	
<b>Creditors: amounts falling due within one year</b>	10	(9,000)		-	
		<u></u>		<u></u>	
Net current assets		5,108,658		4,830	
<b>Total assets less current liabilities</b>		<u>7,640,906</u>		<u>4,830</u>	
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	11	2,532,248		-	
General unrestricted funds		5,108,658		4,830	
		<u></u>		<u></u>	
		7,640,906		4,830	
		<u>7,640,906</u>		<u>4,830</u>	

The financial statements were approved by the trustees on Oct 26, 2021

Huck gee Lim  
Huck gee Lim (Oct 26, 2021 10:35 GMT+1)

Mr H Gee Lim  
Trustee

D Williams  
D Williams (Oct 26, 2021 10:34 GMT+1)

Mr D Williams  
Trustee

# ERICA LAWSON CHARITABLE TRUST

## STATEMENT OF CASH FLOWS

*FOR THE PERIOD ENDED 31 DECEMBER 2020*

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16		6,842,891		4,830
<b>Investing activities</b>					
Purchase of investment property		(2,532,248)		-	
Investment income received		24,325		-	
<b>Net cash used in investing activities</b>			(2,507,923)		-
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			4,334,968		4,830
Cash and cash equivalents at beginning of Period			4,830		-
<b>Cash and cash equivalents at end of Period</b>			4,339,798		4,830

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# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE PERIOD ENDED 31 DECEMBER 2020*

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the trust's trust deed, the Charities Act 2011 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 (FRS 102) (effective 1 January 2019)". The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the charity continues to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the charity in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donations in kind are recognised when the charity has confirmed both the intention of the donor to make the gift and the amount receivable. In accordance with Charities SORP FRS 102, volunteer time is not recognised.

Investment income, which includes rental income from investment properties and loan interest, is recognised in the year to which it relates.

# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Liabilities and costs are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party.

Charitable activity costs consist of costs in maintaining investment properties, grants made, support and governance costs. Governance costs include costs incurred in meeting the legal and statutory obligations of the Trust.

Support costs are all allocated to the one charitable activity.

#### 1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in income and expenditure..

#### 1.7 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.

#### 1.8 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.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *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 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The charity is exempt from tax on its charitable activities.

#### 1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key accounting estimates and judgements are:

Estimation of market value of investment properties at the financial year end.

### 3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £
Legacies receivable	5,320,349	2,532,248	7,852,597	10,000

### 4 Investment income

	Unrestricted funds general 2020 £	Total 2019 £
Rental income	17,950	-
Interest income	6,375	-
	24,325	-

# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

### 5 Charitable activities

	Grant giving 2020 £	Grant giving 2019 £
Property costs	208,848	-
Travel costs	6,640	1,200
Rent	10,954	3,370
Insurance	602	-
	<u>227,044</u>	<u>4,570</u>
Share of support costs (see note 6)	1,253	-
Share of governance costs (see note 6)	12,549	600
	<u>240,846</u>	<u>5,170</u>

### 6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Bank charges	1,253	-	1,253	-	-	-
Audit fees	-	7,000	7,000	-	-	-
Accountancy	-	3,775	3,775	-	-	-
Legal and professional	-	1,774	1,774	-	600	600
	<u>1,253</u>	<u>12,549</u>	<u>13,802</u>	<u>-</u>	<u>600</u>	<u>600</u>
Analysed between Charitable activities	<u>1,253</u>	<u>12,549</u>	<u>13,802</u>	<u>-</u>	<u>600</u>	<u>600</u>

Governance costs includes payments to the auditors of £7,000 (2019- £nil) for audit fees.

### 7 Trustees

None of the trustees received any remuneration from the charity during the period to 31 December 2020 nor to the year 2 July 2019.

During the period two trustees were reimbursed £6,640 (2019: £1,200), in travel and meeting cost expenses.

Erica Lawson Trust loaned one of the trustees £425,000 over 25 years with an interest rate of 2%. On settlement of the estate this loan has been transferred to the charity and the Trustee owes this amount to the Charity and is paying the interest to the charity.



# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

### 8 Investment property

	2020 £
<b>Fair value</b>	
At 3 July 2019	-
Additions through external acquisition	2,532,248
	<u>2,532,248</u>
At 31 December 2020	<u>2,532,248</u>

Investment property comprises 5 properties, which were acquired during the year for renting out. The fair value of the investment properties have been arrived at on the basis of purchase price. As each property was purchased during the year, this is estimated to be a fair representation of the market value of each property at the end of the year.

	2020 £	2019 £
Freehold	340,990	-
Long leasehold	2,191,258	-
Short leasehold	-	-
	<u>2,532,248</u>	<u>-</u>

### 9 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	350,000	-
Prepayments and accrued income	2,860	-
	<u>352,860</u>	<u>-</u>

	2020 £	2019 £
<b>Amounts falling due after more than one year:</b>		
Loan to Trustee	425,000	-
	<u>777,860</u>	<u>-</u>
<b>Total debtors</b>		
	<u>777,860</u>	<u>-</u>

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

	2020 £	2019 £
Accruals	9,000	-
	<u>9,000</u>	<u>-</u>

# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

### 11 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds	
	Incoming resources	Balance at 3 July 2019	Incoming resources	Balance at 31 December 2020
	£	£	£	£
Investment properties	-	-	2,532,248	2,532,248
	-	-	2,532,248	2,532,248

The Investment property fund represents the charity funds being used to hold investment properties, which are being held to earn future income for the charity.

### 12 Analysis of net assets between funds

	Unrestricted funds 2020	Designated funds 2020	Total 2020	Unrestricted funds 2019
	£	£	£	£
Fund balances at 31 December 2020 are represented by:				
Investment properties	-	2,532,248	2,532,248	-
Current assets/(liabilities)	5,108,658	-	5,108,658	4,830
	5,108,658	2,532,248	7,640,906	4,830

### 13 Covid-19

At the reporting date Covid-19 caused widespread lockdown measures to be imposed in the UK and worldwide. The management consider that the financial effect of this pandemic for the financial year to 31 December 2020 is reflected in these accounts. It is not currently possible to gauge any impact the pandemic will have on the future financial results for the company but management consider that it will not be significant.

### 14 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	2,860	5,720
Between two and five years	-	2,860
	2,860	8,580

# ERICA LAWSON CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE PERIOD ENDED 31 DECEMBER 2020*

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### 15 Related party transactions

During the year £13,814 (2019: £Nil) was paid to Cynicklee Ltd for rental of office premises. Mr D Williams has a connection with Cynicklee Ltd. All payments made were on an arms length basis.

16	Cash generated from operations	2020 £	2019 £
	Surplus for the Period	7,636,076	4,830
	Adjustments for:		
	Investment income recognised in statement of financial activities	(24,325)	-
	Movements in working capital:		
	(Increase) in debtors	(777,860)	-
	Increase in creditors	9,000	-
	<b>Cash generated from operations</b>	<u>6,842,891</u>	<u>4,830</u>
17	<b>Analysis of changes in net funds</b>		
	The trust had no debt during the year.		