

Company number: 305704  
Charity Number: 216041

# The Lucis Trust

Report and financial statements  
For the year ended 31 December 2020

# The Lucis Trust

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### For the year ended 31 December 2020

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Reference and administrative information

For the year ended 31 December 2020

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<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 5 October 1935 and registered as a charity on 5 October 1935	
<b>Governing document</b>	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association last amended in December 2013.	
<b>Company number</b>	305704	
<b>Country of incorporation</b>	United Kingdom	
<b>Charity number</b>	216041	
<b>Country of registration</b>	England & Wales	
<b>Registered office and operational address</b>	Suite 54 3 Whitehall Court London SW1A 2EF	
<b>Honorary officers</b>	Christine Morgan Laurence Newey	Chief Executive Officer Executive Officer
<b>Principal bankers</b>	Lloyds TSB Bank Plc Charing Cross Branch Villiers House 48–49 The Strand London WC2 5LL	
<b>Independent examiner</b>	Noelia Serrano Sayer Vincent LLP Chartered Accountants Invicta House 108–114 Golden Lane LONDON EC1Y 0TL	
<b>Investment managers</b>	Rathbones 1 Curzon Street London W1J 5FB	

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

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Structure, governance and management**

The charity is constituted as a charitable company, governed by its memorandum and articles of association last amended in December 2013.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 in the accounts.

## **Recruitment and appointment of the Trustees**

According to the memorandum and articles of association, every candidate for election as a member shall be proposed by one member of the Board and seconded by another member of the Board. Notice of intention to propose a candidate for election, together with the name, address and description of every such candidate, and the names of his or her proposer and seconder (being members of the Board) shall be sent to the Chief Executive Officer (C.E.O.), fourteen days at least before, who will then send to each member of the Board a copy of the notice with the name, address and description of the candidates to be proposed, seven days at least before the meeting of the Board at which the election of the proposed member will be considered.

One-third of the members of the Trustees who have been longest in office since the last election, retire from office. A retiring member is eligible for re-election unless other new members take his/her place.

The following members retired and, being eligible, offered themselves for re-election in 2020:

Christine Morgan  
Diana Arcache  
Derek Fraser

## **Induction and training of the Trustees**

Upon the appointment of a new member, an induction pack is sent to them which consists of a copy of the London Memorandum and Articles of Association, along with a copy of the Charity Commission booklet "The Essential Trustee: What you need to Know CC3" and the "Charities Act

2006 – what trustees need to know”. Included is a copy of the latest accounts with Trustees' report which sets out key statements and policies of the charity. In addition, new members are notified that they will receive Quarterly Profit and Loss and Balance Sheet management accounts when they become available. They are also kept informed by means of minutes which are circulated by the Chief Executive Officer for approval by the Board during the year.

## Related parties and relationships with other organisations

The Lucis Trust in London carries out its objectives for students and co-workers in the Commonwealth – excluding Canada and the Caribbean – as well as for those in Europe who wish to work and correspond in English and Greek. Although each of the three Lucis Trust offices, London, Geneva and New York, forms an independent legal and financial entity, they share the same philosophy and objectives. They differ mainly in the language group and/or geographical area of responsibility and they co-operate, whenever practical, to co-ordinate their activities and service projects.

The separate HQ's support each other financially as required, or sometimes share funds with each other, when receiving beneficence, such as a large legacy. During 2020 no financial support was gifted to the Geneva centre; Geneva (2019: £40,000).

## Subsidiary undertaking

The Trust also owns 100% of the share capital of The Lucis Press, which is consolidated as a subsidiary. The Lucis Press sells books and other merchandise on behalf of The Trust.

## Risk statement

The Trustees have thought through measures to be taken for various categories of risk. They place a high priority on the procedures for the protection of all data and especially database information. At the beginning of 2019 the Trust's IT management was outsourced to an outside company, Hiteishee. The plan to update all computer hardware and software so that data can be moved to the Cloud and the servers dispensed with, was completed in February 2021. Hiteishee are also responsible for maintaining security and back up of all data through Microsoft Cloud Services. Business class anti-virus and anti-malware software is installed and updated daily on workstations in the London office and on home equipment, organised by Hiteishee, who also arrange Microsoft Spam filtering. Transfer of all data is encrypted prior to transfer.

Movement of our data to Microsoft Cloud Services was delayed by the advent of Covid19. Hiteishee worked diligently with staff to enable home working with VPN connection to work-stations. The transfer to Cloud then took place with the upgrade of home equipment and installation of security and virus software on home computers.

The establishment of the Arcane School online (ASMIS) has been carefully assessed in terms of data security. The ASMIS portal (website) uses an SSL (secure sockets layer) certificate to establish

a secure connection and to encrypt the transfer of data between the web server and a browser. The Arcane School is actively searching for a back-up person for the maintenance of the school's website to assist the person/company (Fosferon) responsible for software updates, liaising with students on ASMIS issues and maintenance work. A student of the Arcane School assisted with some of the design and layout of the School's website, however we need a qualified person to assist with maintenance issues and software support and the search is therefore ongoing.

The Trust recognised a need for assistance on employment issues and contracted The HR Department for a period of 12 months initially, as well as advising us on our ongoing legal obligations as employers HR Department assisted in the update of documentation for example contract letter of employment and Staff Handbook including GDPR and Covid19 obligations.

The Lucis Trust does not charge for any of its services and is therefore reliant on attracting voluntary donations and legacies from co-workers. The cost of running the charity is always a factor to be borne in mind and this is considered in our reserves policy. The charity does not follow traditional fund-raising activities nor does it charge membership fees.

The Lucis Trust and Arcane School protects its name through Trade Marks when feasible.

## Public benefit

The Trustees have referred to the Charity Commission's 'guidance on public benefit' when reviewing the charity's aims and objectives and in planning its future activities. The Lucis Trust makes its educational philosophy freely available to any interested enquirers. The Trustees consider how planned activities will contribute to the charity's aims and objectives.

## Investment

Rathbones continues to operate our investment funds with a value of £1,455,742, an increase of £106,173 in 2020 comprising £72,465 increase in the portfolio and £33,708 dividends. Of the £106,173 there was £40,000 drawdown of funds and a £6,418 management fee with a net increase of £59,755.

Rathbones reported that Lucis Trust's portfolio is performing well with a return of 7.55% over the last 12 months and the balanced index produced a total return of 1.95%. This outperformance was assisted by the lack of oil and hospitality businesses in the portfolio. The portfolio continues to be well placed, and Rathbone's view is that this should continue when lockdown ends and the situation returns to the "new normal". There are also significant investments in technology and pharma stocks, along with green energy, which Rathbone thinks are the future. They will be looking to increase weighting in these sectors as and when appropriate. Please refer to Rathbone Annual Report.

During 2019 a Loan of £50,000 was made to Giles Hutchins of The Natural Business Partnership. The Lucis Trust supports Natural Business Partnership recognising similar aims and values to the

Trust. The interest on the loan of 3.75% is higher than dividends achieved from our investment portfolio. The financial backing of Triodos Bank and the purchase and development of land is considered a tangible asset, which offers good surety.

Natural Business Partnership loan is maintained at cost. Land value could be temporarily adversely affected by Covid-19 but positively affected by the increase in value as a result of land and building development. Early in 2021 Natural Business increased their debt by taking an interest free Government Loan of £100,000, the implications of which were discussed at a Trustees meeting. The lockdown of Covid-19 affected Natural Partnership as the business is largely focused around physical group meetings and one on one leadership training. It was noted that business activities were taking off well before the advent of the second lockdown, but losses were reported in 2020. The slow-down in the business allowed additional time to prepare over the year with capital investment in improvement of the land and property and preparation of activities in readiness for active participation when the business can work to its potential. The trustees agreed to monitor the situation and the C.E.O. agreed to notify trustees with regard to the payment of interest due at the end of July. A status and financial report were supplied by Natural Partnership.

As a result of a larger drawdown from Investments in 2019, funds were available to cover expenses over 2020 with only £40,000 drawdown in 2020. Long Term investments of £9,212 are held at Santander, £2,821 in an Australian Commonwealth account. Funds continue to be drawn from our Nigerian current account reducing the balance by £14,159 to £36,475 at the end of 2020.

## Fraud policy

Fraud is defined as comprising both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentation affecting the financial statements by one or more individuals among management and staff.

The Lucis Trust, by its very nature, is committed to high ethical and moral standards and members of staff share in this commitment. The Board already has policies in place that lessen the likelihood of fraud occurring. These internal controls include standing orders, cash sheet counter checks, documented procedures for inter-company transfers and Visa payments, and the requirement of two signatures for cheques and other authorisations.

The fraud policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants/other parties. Any investigative activity required would be carried out without regard to any person's relationship to the Trust, position or length of service.

The Board is absolutely committed to maintaining an honest, open and well-intentioned atmosphere within the Trust. It is therefore also committed to the elimination of any fraud within the Trust and to the rigorous investigation of any such cases. It encourages anyone who has reasonable suspicions of fraud to report them and assures staff that they will not be penalised in

any way for reporting reasonably held suspicions of fraud i.e. those not shown to be malicious or groundless.

## **Objectives and activities**

### **Charity objects**

The objects are defined in the memorandum of association as follows:

- To advance education and learning in general and primarily in the fields of comparative religion, philosophy, science and art.
- To relieve human suffering and promote mental and moral improvement in the human race.
- To promote the advancement of religion on a non-sectarian basis.

### **Basis and values**

The Lucis Trust provides worldwide financial support for the Arcane School, Triangles and World Goodwill as well as the books of Alice Bailey through its trading company, Lucis Press. Its international activities are dedicated to the establishment of right human relations. It promotes the education of the human mind towards recognition and practice of the spiritual principles and values upon which a stable and inter-dependent world society may be based.

The Lucis Trust is non-political and non-sectarian. It sponsors no special creed or dogma.

The Lucis Trust is on the roster of the United Nations Economic and Social Council and World Goodwill is a registered NGO.

### **Significant activities**

The pandemic and lockdown meant that all arrangements for physical public meetings had to be cancelled and replaced by virtual meetings via Zoom online. This involved reformatting all programmes and some staff training in running meetings with the new technology. This coincided with the continuing project to enable each employee to work from home during the lockdown, including the purchase of appropriate equipment where needed and involving Hiteishee, who manage our computer systems.

Because of this, the 2020 Arcane School Conference became an online programme which was extended from the usual two days to three days of 6, 7 & 8 June 2020. The meetings were well attended and due to its online presence, students and co-workers from around the world participated and interacted in the programme of talks and discussions. Being online, a feature of the conference Zooms in London, Geneva and New York was the increased participation of students worldwide, language permitting. Videos of the conference were subsequently posted on the School's website and transcripts posted to students. The monthly public meditation meetings were also changed from physical meetings to monthly zoom broadcasts.



## Trustees' annual report

### For the year ended 31 December 2020

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The weekly Triangles webinar continued to draw an international group of participants. The presentations, given by Triangles co-workers, remain available via a special archive on the Triangles website. In 2020 the Goodwill Meditation Group webinar became a permanent fixture with its webinars being held on the last Wednesday of each month. The aim is to empower the use of the Goodwill meditation and to feature the creative application of goodwill in building right relationships. The webinar hosting duties alternate between London, New York and Geneva and include a presentation, meditation and discussions with participants.

The World Goodwill Seminar on 14 November 2020 was entitled "The Spiritual Dynamics of Crisis on the Path to Global Cooperation" and an accompanying booklet of quotes and thinking on this theme was produced. Because the format of the meeting was online, its virtual nature meant that the Seminar functioned in effect as one meeting across all three centres. The London phase had a record attendance of 312 in total over the course of the meeting. World Goodwill also contributed to World Unity Week (20–27 June) and hosted two sessions – one was "Goodwill and the Spirit of Relationship" and the other involved a special edition of the Goodwill Meditation Group webinar on World Unity.

Due to the pandemic, all trips were cancelled and instead the Lucis Trust held two Zoom webinars. The first was "Humanity and the New Fire", on September 12<sup>th</sup>, which led discussions on Humanity's awakening to its place and function in a living universe. It featured the astonishing scientific discovery of an integrating power at work in the cosmos which proves that the universe is alive. The second webinar, "The Ray of Hope", on Saturday 19 December 2020 celebrated the energies of harmony, beauty and art as a driving force in social evolution. The programme featured four student presentations and included music, creative visualisation as well as discussion.

### Special acknowledgement

The Lucis Trust relies on the voluntary donations and bequests of students and co-workers. The Trustees wish to record their gratitude for the generosity of donors who ensure that the objectives of the Trust can continue to be met. No charges are made to students for tuition for the Arcane School course, and most literature is distributed freely in accordance with the principle that spiritual teachings should not be denied on the grounds of money. Students and friends of the work give as they are able, knowing that it is their responsibility to give as well as to receive.

The Trust received the following legacies within the year.

Dorothy Lewis	£1,705
D J Mellin	£19,500
T Chivers	£10,000

Gift Aid claims from 2020 of £9,237 (2019: £9,617) plus a post-tax return on investments of £994 (2019: £1,571) are stated in debtors.

## Trustees' annual report

### For the year ended 31 December 2020

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At this point, we would like to record our gratitude to regular volunteers who came into the Trust over the year to help with mailings, their time is estimated to amount to 1 day per week. Appreciation is also extended to the member of staff whose financial circumstances enables him to give his time without recompense.

## Achievements and performance

Against the background of Covid-19, many office procedures had to change and one of these was the increased use of outside agents for printing both publications and envelopes, as well as the stuffing and dispatch of posted items. A small number of staff continued to work in the office for the dispatch of books, literature and transcripts as well as for other essential work which was not possible to be done outside of the office. The computer technology needed for home working, with its attendant adjustments and technical difficulties, also made up a large part of these changes.

The Lucis Trust distributed its mailings to all co-workers on its mailing lists in print and via email in English and Greek during 2020. Special booklets were produced on the meetings to be held by the Trust over the three spiritual festivals and for the Arcane School conference and similarly for the Autumn mailing and promotion of the World Goodwill Seminar on 14 November. In order to keep in touch with co-workers as far as possible, it was decided to continue to post worldwide unless we knew of severe restrictions and despite the delays to postal deliveries due to the pandemic. The Three Spiritual Festivals advertising involved worldwide Facebook advertising using the 2020 World Invocation Day video in French, Spanish and English (total cost of £600, reaching more than 500,000 people, with over 80,000 ThruPlays).

Two issues of the World Goodwill Newsletter – “Goodwill in World Affairs” were prepared: the first was on the theme “Problems of Humanity – Solutions for the World, part 1”. It shared reflections on three problem areas – Psychological Renewal of the Nations; Children, Youth and Education; and the Churches and Organised Religion. These themes were highlighted in the book, *The Problems of Humanity* by Alice Bailey. The second Newsletter was “Problems of Humanity – Solutions for the World part 2”, highlighting other themes in the book namely International Unity; Economics; and the Minorities.

The Cycle of Conferences continued to focus on important conferences including the World Economic Forum meeting in Davos-Klosters, Switzerland (Jan 21–24); the International Energy Agency Clean Energy Transitions Summit online, 9 July 2020; and the 75th Anniversary of the UN and related high-level events, from 21 September to 2 October 2020. This included providing members with notifications, links for background information and visualisation outline.

The Triangles service continued to expand, with London registering around 152 Triangles this year, an average of about three Triangles each week. Just over two thirds of these are international Triangles, and in these Triangles, about 150 people are new Triangle workers. Of special interest and a new development for the worldwide planetary network of Triangles, is that about a quarter of these new members live in India and a tenth of them are in Hong Kong.

## The Lucis Trust

### Trustees' annual report

#### For the year ended 31 December 2020

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The quarterly Triangles Bulletin and the tri-annual Esoteric Group in Triangles communication were distributed to their members by email and post. These publications were produced in both English and Greek for distribution to co-workers in the UK and the Commonwealth as well as English speakers in Europe.

Website development continued with Skype/ZOOM monthly calls to keep members of the web team in London and New York in close touch with the developer. There has been continuing development of various parts of the site. A major upgrade to the latest version of Expression Engine (v4) has been completed, and towards the end of 2020, work was ongoing on upgrading the shopping cart module, CartThrob.

In 2020 Lucis Press completed the digitisation of four Clothbound titles *A Treatise on Cosmic Fire*, *A Treatise on White Magic*, *Esoteric Psychology Vol I* and *Esoteric Healing*, and worked with a professional company to complete several production stages of the Audiobook *A Treatise on Cosmic Fire*.

In 2020 there was increased interest in the AAB books with an overall 50% increase on 2019 sales. Especially of note was the purchase of many complete sets of twenty-four books of Alice Bailey, a doubling of sales from the Books and Publications section of the website. Amazon and distributors in India and Australia also doubled sales over the previous year.

Total revenue in 2020 was effectively £61,209 (£63,770 less New York reallocations of £2,561). Lucis Press sold 6,692 publications which included Alice Bailey books, Audio books and CD-ROM of *The Twenty-Four Books of Esoteric Philosophy* (including Downloads), eBooks and books from other publishers. The year's best-selling titles were *Esoteric Healing*, *A Treatise on White Magic* and *Initiation, Human and Solar*.

## Financial review

The value of Lucis Trust group funds decreased slightly from £2,071,700 at the end of 2019 to £2,054,937 at the end of 2020.

The amount of £2,054,937 consists of:

£1,677,689 fixed assets. The fixed assets consist of the lease of the office space and essential equipment for pursuing the aims of the charity of £171,947. £1,505,742 is currently held as long-term investments.

£76,942 stock of books, the majority of which are the books of Alice Bailey, the foundation of the teachings which underlie the work and activities of the Lucis Trust.

£282,848 bank balances, debtors £46,547 and creditors of £29,089.

## Reserves policy

Our current available funds are held in deposit accounts, with less available funds in term deposit and investment portfolios. The total funds of £2,054,937 would provide for around four years annual expenditure of around £500,000. We have been fortunate to receive exceptional legacies over several years, some of which have been shared with the Trust in Geneva and New York. The charity would find a reserve of £1,000,000 acceptable. This would cover operations sufficiently should there be any significant changes in the operation or funding of the charity. For many years expenditure has exceeded general income and it is expected that reserves will continue to be drawn upon to enable the ongoing work of the charity to proceed. We acknowledge the contribution that legacies or unexpected large donations can make to our funds.

## Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the amount of assets and liabilities within the next reporting period.

As outlined in the Activities, adjustments were made in 2020 to continue the work of Lucis Trust under Covid19 restrictions. Donations were not affected and some expenditure decreased in 2020, particularly in relation to events and travel. During 2020 there was increased interest from the public in the Activities of Lucis Trust and in Lucis Press publications resulting in an increase in sales.

## Plans for the future

The Trust continues with its principal activities – The Lucis publishing companies (Lucis Press), Arcane School, Triangles and World Goodwill– which form the basis of its charity and service objectives. It is not necessarily our policy therefore to constantly initiate new projects although new material is constantly offered within the existing framework as appropriate. The planned technological changes are largely in place, although all aspects are constantly reviewed, updated and developed to meet the needs of the work and of students and co-workers.

The website is continually updated with the aim of attracting new visitors and providing them with information and the opportunity to engage in its activities. It is intended to continue to redesign certain pages on the website within its existing framework, and in 2021 there will be particular emphasis on the webpages for the Wesak Festival and World Invocation Day, with plans to improve the World Goodwill website in particular.

By mid February 2021, our IT Support company had worked with every employee to ensure their pc was able to function fully in the Cloud. This means that the aim of dispensing with hardware servers was achieved.

Following the period of lockdown, most staff plan to return to work when they have been fully vaccinated. The aim is for the staff to return to work and a phased return will be discussed with each member. Decisions about a full return to prior arrangements and operations such as the holding of physical meetings, will be made according to how developments unfold.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of The Lucis Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them 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 reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## The Trustees

Members of the Trustees, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

Christine Morgan	Diana Arcache	Mintze van der Velde
Derek Fraser	Stephen Nation	Barbara Valocore
Laurence Newey	Peter H Peuler	

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees as at 31 December 2020 was 8 Trustees in 2020. (2019: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

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

The trustees' annual report has been approved by the trustees on Tuesday, 8th June 2021 and signed on their behalf by

Christine Morgan  
Chief Executive Officer

## **Independent examiner's report**

### **To the members of**

### **The Lucis Trust on the unaudited accounts**

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I report to the trustees on my examination of the accounts of Lucis Trust and its subsidiary undertakings for the year ended 31 December 2020.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

## **Responsibilities and basis of report**

As the charity trustees of the Company you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Charities Act 2011 ('the Act')/Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 Consolidated 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 Charities Act 2011 ('the 2011 Act').

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

## **Independent examiner's statement – matter of concern identified**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

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

- 1 Accounting records were not kept in respect of the as required by section 386 of the 2006 Act; and with respect to its subsidiaries were not kept as required by section 386 of the Companies Act 2006; or
- 2 The accounts do not accord with those records; or
- 3 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

## **Independent examiner's report**

**To the members of**

**The Lucis Trust on the unaudited accounts**

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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.

Signed:

Name: Noelia Serrano FCA

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 28 June 2021



# The Lucis Trust

## Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
<b>Income from:</b>							
Donations and legacies	2	198,901	–	<b>198,901</b>	142,806	–	142,806
Charitable activities							
Arcane School		–	16,606	<b>16,606</b>	–	43,158	43,158
World Goodwill		–	3,608	<b>3,608</b>	–	10,609	10,609
Triangles		–	5,153	<b>5,153</b>	–	9,821	9,821
Other Restricted		–	780	<b>780</b>	–	650	650
Royalties VSA		–	392	<b>392</b>	–	507	507
Other trading activities	3	64,999	–	<b>64,999</b>	43,999	–	43,999
Investments	4	35,067	39	<b>35,106</b>	40,128	43	40,171
<b>Total income</b>		<b>298,967</b>	<b>26,578</b>	<b>325,545</b>	226,933	64,788	291,721
<b>Expenditure on:</b>							
Charitable activities	5						
Lucis Trust		166,692	–	<b>166,692</b>	238,841	–	238,841
Arcane School		–	74,588	<b>74,588</b>	–	122,815	122,815
World Goodwill		–	67,156	<b>67,156</b>	–	81,167	81,167
Triangles		–	34,731	<b>34,731</b>	–	31,179	31,179
Other restricted		6,320	849	<b>7,169</b>	–	1,583	1,583
Other Trading Lucis Press	5	64,437	–	<b>64,437</b>	55,254	–	55,254
<b>Total expenditure</b>		<b>237,449</b>	<b>177,324</b>	<b>414,773</b>	294,095	236,744	530,839
<b>Net expenditure before net gains on investments</b>		<b>61,518</b>	<b>(150,746)</b>	<b>(89,228)</b>	(67,162)	(171,956)	(239,118)
Net gains on investments	12	72,465	–	<b>72,465</b>	240,466	–	240,466
<b>Net income/(expenditure) for the year</b>		<b>133,983</b>	<b>(150,746)</b>	<b>(16,763)</b>	173,304	(171,956)	1,348
Transfers between funds		(151,108)	151,108	–	(171,573)	171,573	–
<b>Net movement in funds</b>		<b>(17,125)</b>	<b>362</b>	<b>(16,763)</b>	1,731	(383)	1,348
<b>Reconciliation of funds:</b>							
Total funds brought forward		2,039,049	32,651	<b>2,071,700</b>	2,037,318	33,034	2,070,352
<b>Total funds carried forward</b>	21a	<b>2,021,924</b>	<b>33,013</b>	<b>2,054,937</b>	2,039,049	32,651	2,071,700

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

As at 31 December 2020

		The group		The charity	
	Note	2020	2019	2020	2019
		£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	11	171,947	184,302	171,947	184,302
Investments	12	1,505,742	1,445,987	1,511,770	1,452,015
		<b>1,677,689</b>	1,630,289	<b>1,683,717</b>	1,636,317
<b>Current assets:</b>					
Stock	16	76,942	89,457	–	–
Debtors	17	46,547	28,546	31,047	27,040
Investments		12,033	16,748	12,033	16,748
Cash at bank and in hand		270,815	351,328	258,607	337,394
		<b>406,337</b>	486,079	<b>301,687</b>	381,182
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	18	29,089	44,668	28,185	46,956
<b>Net current assets</b>		<b>377,248</b>	441,411	<b>273,502</b>	334,226
<b>Total assets less current liabilities</b>		<b>2,054,937</b>	2,071,700	<b>1,957,219</b>	1,970,543
Debtors: amounts falling due after one year	17	–	–	61,984	65,989
<b>Total net assets</b>		<b>2,054,937</b>	2,071,700	<b>2,019,203</b>	2,036,532
<b>Funds:</b>	21a				
Restricted income funds		33,013	32,651	33,013	32,651
Unrestricted income funds:					
Designated funds		117,738	120,052	117,738	120,052
General funds		1,501,199	1,558,658	1,501,199	1,558,659
Fair value reserve		367,253	325,170	367,253	325,170
Non-charitable trading funds		35,734	35,169	–	–
Total unrestricted funds		<b>2,021,924</b>	2,039,049	<b>1,986,190</b>	2,003,881
<b>Total funds</b>		<b>2,054,937</b>	2,071,700	<b>2,019,203</b>	2,036,532

For the year ending 31 December 2020 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Trustees acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006,
- (ii) The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the trustees on 8th June 2021 and signed on their behalf by

The Lucis Trust

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Cash flows from operating activities	23				
Net cash (used in) operating activities		(111,645)		(233,880)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		35,103		40,171	
Purchase of fixed assets		(21,396)		(51,254)	
Proceeds from sale of investments		184,646		315,354	
Purchase of investments		(171,093)		(153,423)	
Purchase of mix-motive investments		–		(50,000)	
Increase in cash held by investment manager		(843)		(2,485)	
Net cash provided by investing activities		26,417		98,363	
Change in cash and cash equivalents in the year		(85,228)		(135,517)	
Cash and cash equivalents at the beginning of the year		368,076		503,593	
Cash and cash equivalents at the end of the year	24	282,848		368,076	

**1 Accounting policies**

**a) Statutory information**

Lucis Trust is a charitable company limited by guarantee and is incorporated in United Kingdom. The registered office address is Suite 54, 3 Whitehall Court, London, SW1A 2EF.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The trustees have taken advantage of the reduced disclosure framework exemptions as noted in FRS 102 section 1.12.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Lucis Press Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The impact of Covid-19 is not considered to be a serious threat to Lucis Trust stability as sufficient funds are available to work through the implications. Staff have adapted to operate from home with minimal attendance at the office and activities are being developed through the web-site for meetings and the Arcane School Conference. As supporters return to busy lives in 2021 donations may reduce, however savings will be made on travel and meetings. Investments which have been stable during 2020 should remain so.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

**Accounting policies (continued)**

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

• Lucis Trust General including Manage	47.67%
• Arcane School	18.99%
• World Goodwill	15.44%
• Triangles	7.07%
• Lucis Press	10.83%
Net expenses without LP contribution	LP 5.23% and LT 53.27%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £100. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold property	Length of lease
• Leasehold improvements	Depreciated to amount held in reserve
• Fixtures, fittings, and computers	5 years

**Accounting policies (continued)**

**l) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**Investments in subsidiaries**

Investments in subsidiaries are at cost.

**Mixed motive investments**

Mixed motive investments are recognised at cost and reviewed for impairment on an annual basis. Natural Business Partnership loan is maintained at cost. Land value could be temporarily adversely affected by Covid-19 and positively affected with increase in value as a result of land and building development.

**m) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**n) 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.

**o) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

**p) Creditors and provisions**

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.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**q) Financial instruments**

With the exception of the listed investments described above the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**r) Foreign exchange**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange on the date that the transaction or transfer takes place. Exchange differences are taken into account in arriving at the net incoming resources for the year.

**2 Income from donations and legacies**

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Gifts	169,401	–	<b>169,401</b>	142,304	–	142,304
Legacies	29,500	–	<b>29,500</b>	502	–	502
	<b>198,901</b>	<b>–</b>	<b>198,901</b>	<b>142,806</b>	<b>–</b>	<b>142,806</b>

**3 Income from other trading activities**

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Lucis Press	64,999	–	<b>64,999</b>	43,999	–	43,999
	<b>64,999</b>	<b>–</b>	<b>64,999</b>	<b>43,999</b>	<b>–</b>	<b>43,999</b>

**4 Income from investments**

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Bank accounts	1,359	39	<b>1,398</b>	2,738	43	2,781
Income from listed investments	33,708	–	<b>33,708</b>	37,390	–	37,390
	<b>35,067</b>	<b>39</b>	<b>35,106</b>	<b>40,128</b>	<b>43</b>	<b>40,171</b>

The Lucis Trust

Notes to the financial statements

For the year ended 31 December 2020

5a Analysis of expenditure (current year)

	Charitable activities						Governance costs £	Support costs £	2020 Total £	2019 Total £
	Lucis Press £	Lucis Trust £	Arcane School £	World Goodwill £	Triangles £	Other Restricted £				
Staff costs (Note 7)	20,596	76,878	37,116	29,360	13,450		12,791	–	190,191	214,861
Travel	–	–	1,262	–	–	–	–	274	1,536	9,865
Post and carriage	–	–	3,303	6,987	7,256	–	–	12,672	30,218	35,965
Cost of book sales	32,690	–	–	–	–	–	–	–	32,690	24,153
Service charge	–	–	–	–	–	–	–	27,929	27,929	23,401
Building costs	–	–	–	–	–	–	–	13,867	13,867	18,588
Insurance	–	–	–	–	–	–	–	2,035	2,035	1,769
Printing & stationery	–	–	415	4,515	2,313	–	–	10,091	17,334	21,312
Telephone & fax	–	–	–	–	–	–	–	3,083	3,083	3,067
Conference, seminar, meetings	–	–	1,002	300	–	9	–	–	1,311	22,309
Office equipment costs	–	–	–	–	–	–	–	15,178	15,178	18,387
Repairs and maintenance	–	–	–	–	–	–	–	466	466	1,799
Advertising	1,075	–	–	55	–	6,320	–	545	7,995	1,236
Legal and professional charges	–	634	–	–	–	–	–	23,317	23,951	35,686
Audit and accountancy	1,495	–	–	–	–	–	5,280	–	6,775	5,986
Library and media costs	–	–	33	–	–	–	–	253	286	548
Bank charges	304	–	–	–	–	–	–	2,271	2,575	2,338
Depreciation	–	–	–	–	–	–	–	33,752	33,752	43,982
Miscellaneous	552	–	–	363	–	600	–	1,846	3,361	5,587
Donation	–	–	–	–	–	240	–	–	240	40,000
	56,712	77,512	43,131	41,580	23,019	7,169	18,071	147,579	414,773	530,839
	7,725	78,609	28,025	22,786	10,434	–	–	(147,579)	–	–
Governance costs	–	10,571	3,432	2,790	1,278	–	(18,071)	–	–	–
<b>Total expenditure 2020</b>	<b>64,437</b>	<b>166,692</b>	<b>74,588</b>	<b>67,156</b>	<b>34,731</b>	<b>7,169</b>	<b>–</b>	<b>–</b>	<b>414,773</b>	
Total expenditure 2019	55,254	238,841	122,815	81,167	31,179	1,583	–	–		530,839



## 5b Analysis of expenditure (prior year) 2019

	Charitable activities						Governance costs £	Support costs £	2019 Total £
	Lucis Press £	Lucis Trust £	Arcane School £	World Goodwill £	Triangles £	Other Restricted £			
Staff costs (Note 7)	22,000	85,470	52,028	29,990	12,412	–	12,961	–	214,861
Travel	–	3,851	6,014	–	–	–	–	–	9,865
Post and carriage	–	–	6,512	7,758	5,010	–	–	16,685	35,965
Cost of book sales	24,153	–	–	–	–	–	–	–	24,153
Service charge	–	–	–	–	–	–	–	23,401	23,401
Building costs	–	–	–	–	–	–	–	18,588	18,588
Insurance	–	–	–	–	–	–	–	1,769	1,769
Printing & stationery	–	–	1,940	6,671	1,646	–	–	11,055	21,312
Telephone & fax	–	–	–	–	–	–	–	3,067	3,067
Conference, seminar, meetings	–	–	16,323	5,986	–	–	–	–	22,309
Office equipment costs	–	–	–	–	–	706	–	17,681	18,387
Repairs and maintenance	–	–	–	–	–	–	–	1,799	1,799
Advertising	167	–	–	949	–	120	–	–	1,236
Legal and professional charges	–	317	–	–	–	–	–	35,369	35,686
Audit and accountancy	826	–	–	–	–	–	5,160	–	5,986
Library and media costs	–	–	27	166	–	–	–	355	548
Bank charges	334	–	–	–	–	–	–	2,004	2,338
Depreciation	–	–	–	–	–	–	–	43,982	43,982
Miscellaneous	446	–	–	381	–	757	–	4,003	5,587
Donation	–	40,000	–	–	–	–	–	–	40,000
	47,926	129,638	82,844	51,901	19,068	1,583	18,121	179,758	530,839
Support costs	7,328	98,531	36,311	26,586	11,002	–	–	(179,758)	–
Governance costs	–	10,672	3,660	2,680	1,109	–	(18,121)	–	–
<b>Total expenditure 2019</b>	<b>55,254</b>	<b>238,841</b>	<b>122,815</b>	<b>81,167</b>	<b>31,179</b>	<b>1,583</b>	<b>–</b>	<b>–</b>	<b>530,839</b>

Notes to the financial statements

For the year ended 31 December 2020

**6 Net incoming/(outgoing) resources for the year**

This is stated after charging / (crediting):

	2020 £	2019 £
Depreciation	33,752	43,983
Independent Examiner's fee	5,855	5,710
Additional Professional fee	690	276
	<u>39,300</u>	<u>50,969</u>

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	159,284	171,193
Social security costs	8,311	9,528
Other staff costs and staff benefits	21,496	22,075
Volunteer costs	1,100	12,065
	<u>190,191</u>	<u>214,861</u>

No employee earned more than £60,000 during the year (2019: nil).

The total employee remuneration, including employer's national insurance and pension contributions, of two key management personnel, Laurence Newey and Christine Morgan in 2020, were £42,168 combined (Two personnel in 2019: £42,394). Both these individuals are trustees of the charity. Remuneration to trustees is permitted by the charity's governing documents.

One charity trustee claimed travel expenses whilst participating in voluntary work totalling £1,100 (one Trustee in 2019: £4,885).

**8 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Arcane School	1.89	2.43
World Goodwill	1.55	1.77
Triangles	0.71	0.73
Lucis Trust General	4.10	5.00
Lucis Press	1.08	1.30
Governance	0.67	0.77
	<u>10.0</u>	<u>12.0</u>

**9 Related party transactions**

Related party transactions between Lucis Trust and Lucis Press are:

	2020 £	2019 £
Lucis Trust Publishing Grant to Lucis Press	–	8,000
Debtor at year end due to Lucis Press	75	2,687
Creditor at year end due from Lucis Press	<b>(1,679)</b>	<b>(4,525)</b>

Lucis Trust Donation to Lucis Trust, Geneva £0 in 2020 (£40,000 in 2019).

Aggregate unrestricted donations from Trustees of £3,303 were received in the year (£3,555 in 2019).

The Lucis Trust in London carries out its objectives for students and co-workers in the Commonwealth – excluding Canada and the Caribbean – as well as for those in Europe who wish to work and correspond in English and Greek. Although each of the three Lucis Trust offices, London, Geneva and New York, forms an independent legal and financial entity they share the same philosophy and objectives. They differ mainly in the language group and/or geographical area of responsibility and they co-operate, whenever practical, to co-ordinate their activities and service projects.

The trustees incurred expenses of £1,537 relating to travel and subsistence for voluntary attendance to events relating to the charity and its objects (2019: £3,851).

**10 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Lucis Press Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2020 £	2019 £
UK corporation tax at 19% (2019: 19%)	<b>1</b>	<b>1</b>

**11 Tangible fixed assets****The group & the charity**

	Leasehold property and improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At the start of the year	219,925	138,442	209,442	<b>567,809</b>
Additions in year	550	589	20,257	<b>21,396</b>
Disposals in year	–	(7,785)	(51,739)	<b>(59,524)</b>
At the end of the year	<b>220,475</b>	<b>131,246</b>	<b>177,960</b>	<b>529,681</b>
<b>Depreciation</b>				
At the start of the year	80,135	128,844	174,526	<b>383,505</b>
Charge for the year	2,386	3,657	27,709	<b>33,752</b>
Eliminated on disposal	–	(7,785)	(51,738)	<b>(59,523)</b>
At the end of the year	<b>82,521</b>	<b>124,716</b>	<b>150,497</b>	<b>357,734</b>
<b>Net book value</b>				
At the end of the year	<b>137,954</b>	<b>6,530</b>	<b>27,463</b>	<b>171,947</b>
At the start of the year	139,790	9,598	34,916	184,304

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 December 2020

12 Listed investments

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Fair value at the start of the year	1,393,940	1,315,405	1,393,940	1,315,405
Additions at cost	171,093	153,423	171,093	153,423
Disposal proceeds	(184,646)	(315,354)	(184,646)	(315,354)
Net profit on change in fair value	72,465	240,466	72,465	240,466
	<b>1,452,852</b>	<b>1,393,940</b>	<b>1,452,852</b>	<b>1,393,940</b>
Investment in trading subsidiary	–	–	6,028	6,028
Cash held by investment broker pending reinvestment	2,890	2,047	2,890	2,047
Fair value at the end of the year	<b>1,455,742</b>	<b>1,395,987</b>	<b>1,461,770</b>	<b>1,402,015</b>
Historic cost at the end of the year	<b>1,088,489</b>	<b>1,070,817</b>	<b>1,088,489</b>	<b>1,070,817</b>

Investments comprise:

	The group 2020 £	2019 £	The charity 2020 £	2019 £
UK Common investment funds	1,452,852	1,393,940	1,452,852	1,393,940
Unlisted shares in UK registered companies	–	–	6,028	6,028
Business loan – Natural Business Partnership (note 13)	50,000	50,000	50,000	50,000
Cash	2,890	2,047	2,890	2,047
	<b>1,505,742</b>	<b>1,445,987</b>	<b>1,511,770</b>	<b>1,452,015</b>

13 Social or mixed motive investments

Business loan as part of a group venture to purchase land for The Natural Business Partnership engaged in the development of services that benefit the social, environmental and/or ethical considerations of its corporate clients.

Lucis Press facilitates the sales and distribution of the books upon which the foundation of the Lucis Trust is based.

#### 14 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Lucis Press Limited, a company registered in England (company number: 338727). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2020 £	2019 £
Turnover	63,770	43,680
Cost of sales	(32,690)	(24,153)
Gross profit	31,080	19,527
Administrative expenses	(1,075)	(167)
Other operating expenses	(30,672)	(30,934)
	(667)	(11,574)
Other Income	1,232	8,325
Profit on ordinary activities	565	(3,249)
The aggregate of the assets, liabilities and funds was:		
Assets	106,405	107,586
Liabilities	(64,643)	(66,389)
Funds	41,762	41,197

#### 15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2020 £	2019 £
Gross income	361,328	517,510
Result for the year	(17,328)	4,598

#### 16 Stock

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Finished goods	76,942	89,457	–	–
	76,942	89,457	–	–

## Notes to the financial statements

For the year ended 31 December 2020

## 17 Debtors

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Trade debtors	6,392	3,580	–	–
Other debtors	14,715	14,292	12,746	13,678
Prepayments	25,440	10,674	18,226	10,674
Amounts due from subsidiary	–	–	75	2,688
	<b>46,547</b>	<b>28,546</b>	<b>31,047</b>	<b>27,040</b>
Due after more than 1 year from subsidiary	–	–	61,984	65,989

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 20a below.

## 18 Creditors: amounts falling due within one year

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Loans	9,500	9,500	9,000	9,000
Trade creditors	8,123	23,006	7,165	22,233
Taxation and social security	4,294	4,059	4,294	4,059
Other creditors	767	1,933	767	1,979
Accruals	6,405	6,170	5,280	5,160
Amounts owed to subsidiary	–	–	1,679	4,525
	<b>29,089</b>	<b>44,668</b>	<b>28,185</b>	<b>46,956</b>

## 19 Pension scheme

Fully compliant with statutory pension scheme and all payments made.

## 20a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	171,947	–	–	171,947
Investments	1,505,742	–	–	1,505,742
Net current assets	226,497	117,738	33,013	377,248
<b>Net assets at the end of the year</b>	<b>1,904,186</b>	<b>117,738</b>	<b>33,013</b>	<b>2,054,937</b>

## 20b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	184,302	–	–	184,302
Investments	1,445,987	–	–	1,445,987
Net current assets	288,708	120,052	32,651	441,411
<b>Net assets at the end of the year</b>	<b>1,918,997</b>	<b>120,052</b>	<b>32,651</b>	<b>2,071,700</b>

## 21a Movement in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
<b>Restricted funds:</b>					
Arcane School	–	16,606	(74,588)	57,982	–
World Goodwill	–	3,608	(67,156)	63,548	–
Triangles	–	5,153	(34,731)	29,578	–
World Service	934	540	(600)	–	874
Public Library	1,340	120	(9)	–	1,451
Tibetan Book Fund	120	120	(240)	–	–
VSA Fund	30,257	431	–	–	30,688
<b>Total restricted funds</b>	<b>32,651</b>	<b>26,578</b>	<b>(177,324)</b>	<b>151,108</b>	<b>33,013</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Staff Benefits Fund	67,347	–	–	–	67,347
Book/Promotion Fund	6,182	–	(6,182)	–	–
Tibetan Book Fund	46,523	20,006	(16,138)	–	50,391
Total designated funds	120,052	20,006	(22,320)	–	117,738
Fair value reserve	325,170	42,083	–	–	367,253
General charity funds	1,558,658	244,341	(150,692)	(151,108)	1,501,199
Total charity unrestricted funds	2,003,880	306,430	(173,012)	(151,108)	1,986,190
Non-charitable trading funds	35,169	65,002	(64,437)	–	35,734
<b>Total unrestricted funds</b>	<b>2,039,049</b>	<b>371,432</b>	<b>(237,449)</b>	<b>(151,108)</b>	<b>2,021,924</b>
<b>Total funds</b>	<b>2,071,700</b>	<b>398,010</b>	<b>(414,773)</b>	<b>–</b>	<b>2,054,937</b>

A description of these funds is given beneath the following note.

## 21b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2019 £
<b>Restricted funds:</b>					
Arcane School	–	43,158	(122,815)	79,657	–
World Goodwill	–	10,609	(81,167)	70,558	–
Triangles	–	9,821	(31,179)	21,358	–
World Service	1,331	360	(757)	–	934
Public Library	1,876	170	(706)	–	1,340
Tibetan Book Fund	120	120	(120)	–	120
VSA Fund	29,707	550	–	–	30,257
<b>Total restricted funds</b>	<b>33,034</b>	<b>64,788</b>	<b>(236,744)</b>	<b>171,573</b>	<b>32,651</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Staff Benefits Fund	72,647	–	(5,300)	–	67,347
Book/Promotion Fund	6,182	–	–	–	6,182
Tibetan Book Fund	43,478	12,519	(9,474)	–	46,523
Total designated funds	122,307	12,519	(14,774)	–	120,052
Fair value reserve	85,030	240,140	–	–	325,170
General charity funds	1,791,563	162,735	(224,067)	(171,573)	1,558,658
Total charity unrestricted funds	1,998,900	415,394	(238,841)	(171,573)	2,003,880
Non-charitable trading funds	38,418	52,005	(55,254)	–	35,169
<b>Total unrestricted funds</b>	<b>2,037,318</b>	<b>467,399</b>	<b>(294,095)</b>	<b>(171,573)</b>	<b>2,039,049</b>
<b>Total funds</b>	<b>2,070,352</b>	<b>532,187</b>	<b>(530,839)</b>	<b>–</b>	<b>2,071,700</b>

**Purposes of restricted funds**

Arcane School: A correspondence course of meditation, study and service.

World Goodwill: An educational service activity which promotes right human relations and spiritual values through its publications.

Triangles: Groups of three people link in daily thought and meditation.

World Service Fund: set up in 1957 to receive and administer money donated for service work other than the specific activities for which the Lucis Trust is legally responsible but which are broadly in line with its spiritual objectives. This fund will continue indefinitely. During 2019 Lucis Trust transferred £2,500 into the fund.

Public Library Fund: set up in response to donations specifically directed towards supplying books to co-workers living in areas of financial hardship and where foreign currency is not easily obtainable e.g. Russia, Eastern Europe, Africa. This year funds were used to supply students in Africa. This fund will continue indefinitely.



**Purposes of restricted funds (continued)**

The Tibetan Book Fund (TBF) (restricted donated funds and designated): is a revolving fund administered by the Lucis Trust for the publishing of books written by Alice Bailey. The TBF is a revolving fund, money is advanced to manufacture books and is returned to the Fund as the books are sold. This Fund is restricted when donations are given specifically for the reprinting of the books. However, the majority of the funds are designated where funds have accumulated from sales where the Trust initially funded the publication of the books. Monies advanced to Lucis Press is treated as a loan secured against the stock of books. A revolving fund which will continue indefinitely to enable the production of the books.

VSA Fund: The Vera Stanley Alder (VSA) Fund was set up to continue the printing and the promotion of the books of the late Mrs Alder. The Lucis Trust hold copyright of all her published works. To continue indefinitely while the books remain in print. Lucis Trust printed one title in 2018 which continues to be marketed by Lucis Publishing Companies.

**Purposes of designated funds**

Staff Benefits Fund: £80,000 was set aside before 2009. Fund balance at start and end of year was £67,347. This fund is to cover unforeseen medical or financial expenses of staff that the Council of Management deem as suitable to receive assistance. It may also include payments to retired staff who experience financial hardship. The fund will continue while funds are available to replenish and indefinitely as required.

Book/Promotion Fund: A transfer from Tibetan Book Fund in 2004 set aside to enable promotion and distribution of the books. In 2020 the fund of £6,182 was used to contact a sound technician to produce the Audiobook *A Treatise on Cosmic Fire*. This fund is now depleted.

**22 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**23 Reconciliation of net (expenditure) to net cash flow from operating activities**

	2020 £	2019 £
<b>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</b>	<b>(16,763)</b>	<b>1,348</b>
Depreciation charges	33,752	43,983
Gains on investments	(72,465)	(240,466)
Dividends, interest and rent from investments	(35,106)	(40,171)
Decrease/(increase) in stocks	12,515	(5,429)
(Increase)/decrease in debtors	(17,999)	3,874
(Decrease)/increase in creditors	(15,579)	2,981
<b>Net cash (used in) operating activities</b>	<b>(111,645)</b>	<b>(233,880)</b>

**24 Analysis of cash and cash equivalents**

	At 1 January 2020 £	Cash flows £	Other changes £	At 31 December 2020 £
Cash at bank and in hand	351,328	(80,513)	–	270,815
Short term investments	16,748	(4,715)	–	12,033
<b>Total cash and cash equivalents</b>	<b>368,076</b>	<b>(85,228)</b>	<b>–</b>	<b>282,848</b>