

LIEUTENANT COLONEL COHEN CHARITABLE TRUST
TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5 APRIL 2020

Charity Registration Number: 1082471

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

FINANCIAL STATEMENTS

5 APRIL 2020

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LIEUTENANT COLONEL COHEN CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

5 APRIL 2020

The Trustees present their report together with the financial statements of the charity for the year ended 5 April 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the Accounts 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 published in October 2019.

Objectives and activities

The objects of the Trust are:

- To hold up to one third of the income of the trust fund upon trust to apply that income, at such time or times and in such manner to, or for the benefit of, the British Red Cross in the Teesside area as they may in their discretion think fit.
- To hold up to one third of the income of the trust fund upon trust to apply that income, at such time or times and in such manner to, or for the benefit of, the Royal British Legion in the Teesside area as they may in their discretion think fit.
- To hold up to one third of the income of the trust fund upon trust to apply that income, at such time or times and in such manner to, or for the benefit of, the St Johns Ambulance in the Teesside area as they may in their discretion think fit.
- The Trustees may make contributions, as they may think fit, towards, or otherwise assist (but only out of income), the objects or expenses of any charitable trust, institution or body having objects similar to those in the trust deed.

The Trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks.

Public benefit statement

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Strategic Report

Achievements and performance

The Statement of Financial Activities for the year is set out on page 5 of the financial statements.

During the year the trust has distributed income totalling £43,000 in accordance with its objects.

Financial Review

The trust is reliant on the income from its investments, the income from which was £130,053. As at 5 April 2020, restricted funds were available to distribute in the sum of £162,334.

During previous years, anonymous donations were received totalling £150 and this remains available to distribute as unrestricted funds.

Reserves Policy

The policy of the charity is to distribute all income net of expenses. The Trustees have the power to establish funds for particular purposes or to maintain reserves

Plans for the future

The Trustees' objective is to enhance the asset value of the trust with a view to maximising income for distribution to the beneficiaries in accordance with the trust deed.

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

5 APRIL 2020

Structure, Governance and Management

Governing Document

The Trust is an unincorporated trust, constituted under a trust deed dated 2 February 2000 and is a registered charity, number 1082471. The Trust was established by an initial gift from Lieutenant Colonel N. L. Cohen. Lieutenant Colonel Cohen's Will provided for a further bequest to the trust following his death in September 2000. The trust does not actively fundraise and seeks to continue the philanthropic work desired by the donor through the careful stewardship of its existing resources.

The original Trustees were appointed by Lieutenant Colonel N.L. Cohen. The Trust Deed provides for the appointment of new Trustees at any time, although the maximum number of trustees shall at no time exceed three.

Risk Management

The Trustees intend that the real value of the assets will be maintained and enhanced over the long term by investments in a portfolio comprised of equities, fixed interest and cash.

In order to meet these objectives the Trustees have appointed Charles Stanley & Co Limited as their agents to manage the portfolio on a discretionary basis. Investments are selected in a balanced manner with medium risk. The proportion invested in equities, fixed interest and cash will be reviewed with Charles Stanley & Co Limited from time to time to provide guidance on the ongoing suitability of investment policy.

Key Management Personnel Remuneration

The Trustees consider that the Board of Trustees are the key management personnel of the charity, in charge of directing and controlling the charity. Trustees give of their time freely, although the Trustees have agreed that any specialist work undertaken for the Charity is invoiced to the Charity, subject to the approval of the other Trustees.

The accounting records of the Trust are maintained by Tees Valley Community Foundation on behalf of the Trustees, for which a management fee is charged. In addition, the Trustees use the services of a consultant to process grant applications, requests from other organisations and to monitor the use of any funds awarded to them and their progress reports set against specific targets.

Reference and Administrative details

Charity registration number 1082471

Trustees Wendy Jacqueline Shepherd
Henry Alan Kitching
Mary Robinson (retired 25 September 2019)
Robin Smith (appointed 25 September 2019)

Independent Examiner Trevor Cook FCA
Baines Jewitt Limited
Barrington House
41 – 45 Yarm Lane
Stockton on Tees
TS18 3EA

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

5 APRIL 2020

Reference and Administrative details (continued)

Solicitors

Jacksons Law Firm
17 Falcon Court
Preston Farm Industrial Estate
Stockton on Tees
TS18 3TU

Bankers

Handelsbanken
Ground Floor
Winder House
Kingfisher Way
Stockton-on-Tees
TS18 3EX

Investment Managers

Charles Stanley & Co Limited
14 King Street
Leeds
LS1 2HL

Address for Correspondence

Skipton Hall
Skipton on Swale
Thirsk
YO7 4SB

Approved by the Trustees and signed on their behalf.

W J Shepherd
Trustee

H A Kitching
Trustee

R Smith
Trustee

Date: 15 December 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

5 APRIL 2020

I report to the Charity Trustees on my examination of the financial statements of the charity for the year ended 5 April 2020, which are set out on pages 5 to 13.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I 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 charity as required by section 130 of the Act; or
- (2) the financial statements do not accord with those records; or
- (3) the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Trevor Cook FCA
Baines Jewitt Limited
Chartered Accountants
Barrington House
41 – 45 Yarm Lane
Stockton on Tees
TS18 3EA

13 January 2021

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

5 APRIL 2020

		2020 £	2020 £	2020 £	2020 £	2019 £
	Note	Unrestricted funds	Restricted funds	Endowment funds	Total	Total
Income and endowments from:						
Investments	2	-	130,053	-	130,053	<i>138,202</i>
HMRC Interest Supplement		-	-		-	<i>2</i>
Total income and endowments		-	130,053	-	130,053	<i>138,204</i>
Expenditure on:						
Costs of raising funds	3	-	2,199	19,837	22,036	<i>540</i>
Charitable activities	4	-	47,065	9,203	56,268	<i>91,612</i>
Total Expenditure		-	49,264	29,040	78,304	<i>92,152</i>
Net realised and unrealised gains/(losses) on investment assets						
	8	-	-	(570,999)	(570,999)	<i>64,621</i>
Net movement in funds	13	-	80,789	(600,039)	(519,250)	<i>110,673</i>
Reconciliation of funds:						
Total funds brought forward	13	150	81,545	3,728,500	3,810,195	<i>3,699,522</i>
Total funds carried forward	13	150	162,334	3,128,461	3,290,945	<i>3,810,195</i>

All income and expenditure derive from continuing activities

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

BALANCE SHEET

5 APRIL 2020

	Note	2020 £	2019 £
Fixed Assets			
Investments	10	3,069,905	3,687,010
CURRENT ASSETS			
Debtors	11	87	87
Cash at bank		138,552	67,987
Cash in stockbrokers nominees account		86,361	60,751
		<u>225,000</u>	<u>128,825</u>
Creditors: amounts falling due within one year	12	<u>3,960</u>	<u>5,640</u>
Net current assets		221,040	123,185
Net assets		<u>3,290,945</u>	<u>3,810,195</u>
Charity Funds			
Endowment Funds	14	3,128,461	3,728,500
Restricted Funds	14	162,334	81,545
Unrestricted Funds	14	150	150
Total charity funds		<u>3,290,945</u>	<u>3,810,195</u>

The financial statements were approved and authorised for issue by the Trustees on 15 December 2020.

W J Shepherd

H A Kitching

R Smith

The notes on pages 7 to 13 form part of these financial statements.

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

Lieutenant Colonel Cohen Charitable Trust is an unincorporated trust, constituted in the United Kingdom under a trust deed dated 2 February 2000 and is a registered charity, number 1082471.

The nature of the charity's operations and principal activities are reliant on the income from investments to make contributions towards, or otherwise, assist the objects of any charitable trust at the discretion of the Trustees. This is done through the careful stewardship of its existing resources.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and 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 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as restricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

(c) **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

(d) **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes investment management charges and overseas custody charges.
- Expenditure on charitable activities includes governance costs and costs incurred in the application of income to any other charitable trust having objects similar to those in the trust deed.
- Other expenditure represents those items not falling into the categories above.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

(e) **Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in notes 4 to 6.

(f) **Investments**

Investments are stated at market value, excluding accrued interest on Fixed Interest Securities, at the balance sheet date.

The endowment fund includes the net gains and losses arising on revaluations and disposals throughout the year.

Profit or loss on part disposals have been calculated on the same basis as the rules for capital gains tax.

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

(h) **Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011.

(i) **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from investments

	2020	2019
	£	£
Dividends – equities	65,572	68,623
Dividends – unit trusts	14,979	14,225
Interest - fixed interest securities	6,767	6,916
Interest – unit trusts	9,443	8,787
Overseas securities	17,511	29,651
Other investment income	15,781	10,000
	<u>130,053</u>	<u>138,202</u>
	=====	=====

Income from investments was £130,053 (2019 £138,202), all of which was attributable to restricted funds.

3 Investment management costs

	2020	2019
	£	£
Investment manager fees	21,976	480
Overseas custody fee	60	60
	<u>22,036</u>	<u>540</u>
	=====	=====

£19,837 (2019 - £492) of the above costs were attributable to endowment funds. £2,199 (2019 - £48) of the above costs were attributable to restricted funds.

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

4 Analysis of expenditure on charitable activities

	Grant funding of activities	Support costs	2020 Total	2019
	£	£	£	£
British Red Cross	18,000	5,554	23,554	21,683
St Johns Ambulance	25,000	7,714	32,714	27,104
Peat Rigg Outdoor Training Centre	-	-	-	40,656
Cleveland Mountain Rescue	-	-	-	2,169
First Light Trust	-	-	-	-
Riverside Care and Support	-	-	-	-
Little Sprouts	-	-	-	-
	43,000	13,268	56,268	91,612
	=====	=====	=====	=====

£9,203 (2019 £4,569) of the above costs were attributable to endowment funds. £47,065 (2019 £87,043) of the above costs were attributable to restricted funds.

5 Allocation of support costs

	2020	2019
	£	£
Governance costs	10,738	6,078
Consultancy fees and expenses	2,530	1,034
	13,268	7,112
	=====	=====

The support costs are allocated in proportion to the funding of activities.

6 Governance costs

	2020	2019
	£	£
Trustee remuneration and expenses	-	-
Management Fees	1,800	1,800
Independent Examiners remuneration	3,960	3,840
Business development fees and expenses	3,575	339
Other administration costs	95	99
Legal Fees	1,308	-
	10,738	6,078
	=====	=====

7 Analysis of grants

All grants and the application of income totalling £43,000, as detailed in note 4 above were made to charitable institutions.

8 Net income for the year

	2020	2019
	£	£
Net income is stated after charging:		
Net realised gains / (losses) on investments	(42,464)	103,755
Net unrealised losses on investments	(528,535)	(39,134)
	(570,999)	64,621
	=====	=====
Independent Examiners Remuneration	3,960	3,840
	=====	=====

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

9 Trustees' remuneration and related part transactions

The Trustees neither received nor waived any remuneration or expenses during the year (2019: nil).

10 Fixed asset investments

	2020	2019
	£	£
Fair value as at 6 April 2019	3,687,010	3,465,914
Additions	1,431,868	1,276,115
Disposal proceeds	(1,477,974)	(1,119,640)
Net realised gains / (losses)	(42,464)	103,755
Net unrealised losses	(528,535)	(39,134)
	<hr/>	<hr/>
Fair value at 5 April 2020	3,069,905	3,687,010
	=====	=====
Historical cost at 5 April 2020	3,288,469	3,377,039
	<hr/>	<hr/>
Fixed income securities	371,057	675,653
UK equities	1,526,942	1,621,132
International equities	1,080,516	1,103,164
Alternative investments	91,390	287,061
	<hr/>	<hr/>
Total	3,069,905	3,687,010
	=====	=====

11 Debtors

	2020	2019
	£	£
Tax recoverable	87	87
	==	==

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other Creditors	3,960	5,640
	====	====

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

13 Fund reconciliation

	Balance at 6 April 2019	Income	Expenditure	Gains / (Losses)	Balance at 5 April 2020
	£	£	£	£	£
Unrestricted Funds	150	-	-	-	150
Restricted Funds	81,545	130,053	(49,264)	-	162,334
Endowment Funds	3,728,500	-	(29,040)	(570,999)	3,128,461
	<u>3,810,195</u>	<u>130,053</u>	<u>(78,304)</u>	<u>(570,999)</u>	<u>3,290,945</u>
	=====	=====	=====	=====	=====

Fund descriptions

- a) Unrestricted Funds are general funds and relate to anonymous donations received in previous years. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. There are no designated unrestricted funds.
- b) Restricted Funds are income funds which are to be used in accordance with the specific restrictions imposed by the donor.
- c) Endowment Funds are held for investment, the income from which is held as restricted funds for use in furthering the Trust's charitable purposes. The endowment funds are permanent funds to be held indefinitely and the Trustees do not have the power to convert the endowment funds into income.

14 Analysis of net assets between funds

Fund balances at 5 April 2020 are represented by:

	Endowment Fund	Restricted Fund	Unrestricted Fund	Total
	£	£	£	£
Investments	3,069,905	-	-	3,069,905
Bank accounts	61,526	163,237	150	224,913
Accruals	(2,970)	(990)	-	(3,960)
Debtors	-	87	-	87
	<u>3,128,461</u>	<u>162,334</u>	<u>150</u>	<u>3,290,945</u>
	=====	=====	=====	=====

LIEUTENANT COLONEL COHEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2020

15 Financial instruments

The carrying amount of the charity's financial instruments are as follows:

	2020	2019
	£	£
Financial assets		
Measured at fair value through net income/expenditure		
Fixed asset listed investments (note 10)	3,069,905	3,687,010
Other debtors (note 11)	87	87
Cash and cash equivalents	224,913	128,738
	<u>3,294,905</u>	<u>3,815,835</u>
Financial Liabilities		
Other creditors (note 12)	(3,960)	(5,640)
	<u>3,290,945</u>	<u>3,810,195</u>
	=====	=====

The income, expenses, net gains and net losses attributable to the charity's finance instruments are summarised as follows:

	2020	2019
	£	£
Net gains and losses (including changes at fair value)		
Financial assets (liabilities) measured at fair value through net income and expenditure	(570,999)	64,621
	=====	=====

The difference between fair value at initial recognition and the amount that would be determined at that date if using a valuation technique is £(218,564) (2019 £309,971). The amount recognised in net income/expenditure was £(528,535) (2019 £39,134).