

Company Registration No. 2523744 (England and Wales)

Lytham Town Trust Limited

Report and Accounts

**For the Year Ended
31 December 2020**

LYTHAM TOWN TRUST LIMITED

CONTENTS

YEAR ENDED 31 DECEMBER 2020

	Page
Company information	1
Report of the trustees'	2
Report of the auditor	6
Statement of financial activities	9
Balance sheet	10
Accounting policies	11
Notes to the accounts	14

LYTHAM TOWN TRUST LIMITED

COMPANY INFORMATION

Elected directors

D K Gill – Chairman #
S C Kitt – Secretary #
D F Clarke #
W R T Hale #
R A C Smith
His Hon Judge P Sycamore (Retired 9 September 2020)

Nominated directors

Mrs P Greenhill # – Friends of Lytham Hall (Retired 24 April 2021)
Mrs S M Cornah # – Lytham St Annes Civic Society
J D Hornyak – Friends of Lytham Hall (Appointed 24 May 2021)
A Lavin – BAE Systems
J R Thomas – Fylde Borough Council
S M Williams # – Lytham Heritage Group

Honorary Life Vice-Presidents

G A Burras
A L Turner

Secretary

S C Kitt

Registered office

Assembly Rooms
Dicconson Terrace
Lytham
FY8 5JY

Company number

2523744

Registered charity number

1000098

Auditors

Ashworth Treasure Ltd
17-19 Park Street
Lytham
FY8 5LU

- Members of the executive committee

LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

REPORT OF THE TRUSTEES

YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their report and the audited financial statements of the charity for the year ended 31 December 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 the 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 issued in October 2019.

Structure, governance and management

Governing document

The Trust is a company limited by guarantee and also a registered charity. The organisation was established under a Memorandum of Association on 19 July 1990 which established the objects and powers of the charitable company, and it is governed under its Articles of Association.

Appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, the board of directors shall consist of:

<i>Nominated members of:</i>	<i>Number of nominees</i>
Fylde Borough Council	1
Lytham St Annes Civic Society	1
Lytham Heritage Group	1
BAE Systems	1
Friends of Lytham Hall	1
<i>Co-opted members</i>	
Any said person having direct connections with the primary objects of the company – co-opted by the Board at its discretion	1
<i>Elected members</i>	8

Trustees induction and training

Training and induction is provided for new trustees by means of an induction pack containing information about the Trust's constitution, finances and meetings. All Trustees receive copies of the Charity Commission bulletins and other publications, where relevant.

Related parties

Any transaction entered into by the Trust is influenced only by the consideration of the charity's own interests.

Risk management

The trustees continually examine the major strategic business and operational risks which the charity faces and systems have been established to lessen these risks.

LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Organisation

The business of the charity is managed by the Board which meets quarterly. Day to day operational matters are delegated to an Executive Committee comprising of at least six members of the Board. Other sub – committees deal with property matters and the management of the Assembly Rooms and also report to the Board. An Executive Committee comprising of two members from Lytham Town Trust and two members from the Heritage Trust for the Northwest oversee the management of Lytham Hall.

Objectives

The Trust's objectives are to preserve buildings of historical and architectural interest and to provide community centres and other amenities for the inhabitants of the community residing in Lytham.

Review of activities – Achievements and performance

Activities

There have been no significant changes in the activities of the Trust in the year.

Financial review

The net surplus on incoming resources before revaluations and gains/losses on investments was £50,712 (2019: Deficit £10,350).

The directors have established a reserve policy whereby the unrestricted funds not committed or invested in the tangible fixed assets the company holds, is between 12 and 24 months of the resources expended.

The reserves at 31 December 2020 calculated on this basis equate to 23 months of the resources expended over the last 12 months.

The Covid-19 pandemic has affected the Trust's operations during the year. The trustees have been adhering to Government guidelines and advice and will continue to monitor the Trust's financial position in order to ensure that it is able to meet future commitments.

The funds held at the end of the year were:

	2020 £	2019 £
Unrestricted Fund – General	1,053,451	1,001,895
Unrestricted Fund – Designated	205,000	200,000
Restricted Fund – Endowment Fund	762,069	766,477
Restricted Fund – Lytham Hall	965,227	970,264
Total Funds at 31 December	2,985,747	2,938,636

Objectives and activities

The Trust owns Lytham Hall which is managed by The Heritage Trust for the North West under a 99 year lease.

The Assembly Rooms are let to the Trust by Fylde Borough Council under a 125 year lease at a nominal rent which runs from 1991. Part of the building is let on commercial tenancies and the remainder houses a public library and a community centre.

LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

In shaping the Trust's objectives for the year and planning our activities, the directors have considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. The Trust relies on room hire income to cover its operating costs. In setting the level of hire charges, the directors have sought to ensure that the Assembly Rooms are accessible to charitable and community organisations by charging fees that are below commercial rates.

Assembly Rooms

Like many businesses the Assembly Rooms has been adversely affected by the Covid Pandemic and both the Library and the Ribble Room have been closed for most of the year. This has resulted in a significant drop in income from Room Hire. Both the Library and the Ribble Room have re-opened since the year end following the relaxation of Government restrictions.

Following the completion of the refurbishment programme last year the trustees have re-examined the long-term maintenance requirements of the building. They have resolved to set aside £5,000 a year, to be adjusted subsequently for inflation, over a twenty-year period to ensure that sufficient funds are available to meet the maintenance requirements as and when they arise.

Lytham Hall

There have been further major improvements at the Hall over the last year with the completion of the exterior paintwork and upgrading of the interior rooms. The overall presentation of the Hall to the public has been massively improved and is now deservedly a major attraction in the region. We were delighted to be advised by Historic England that this progress is to be recognised by the removal of Lytham Hall from the next edition of Historic England's Heritage at Risk Register.

Despite the Pandemic and lockdowns the number of volunteers has now reached a very healthy 300+ with waiting lists in some areas. Where regulations have allowed essential tasks have been carried out and in some areas the lack of a public presence has given the ideal opportunity to carry out larger Parkland improvements to the woodland car park, drive and numerous access paths.

As restrictions slowly eased the public returned in record numbers meaning that the various groups of volunteers were needed in ever increasing numbers on more days and evenings. The main groups, supporting the growing number of enterprises cover many areas including:-

Parkland; Kitchen Garden; Ornamental gardens; Events; Cafe; The new Lytham Hall Shop; Archives; collection conservation; Room stewards; Tour guides; Light Maintenance; Security Patrols; Wildlife monitoring and recording; Reception administration; Caretaking; Joinery and cabinet making; Machinery maintenance and many others.

With such a large cohort of volunteers the co-ordination becomes even more crucial and there is no doubt that the host of skills and expertise within their ranks is vitally significant during the present unprecedented successes of the whole team at Lytham Hall.

Directors

The directors who served during the year are shown on page 1. We would like to thank Philip Sycamore and Pamela Greenhill who have retired as directors of the trust since our last report and also welcome John Hornyak who has been nominated as a director by the Friends of Lytham Hall as a replacement for Pam Greenhill.

None of the directors receive remuneration or other benefits from their work with the charity. Any interests directors have in transactions must be reported to the board. Any such transactions during the year are noted in note 20 to the accounts.

LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Investment policy

The directors have adopted a cautious investment policy with funds that may be required in the short term being held in cash deposits and a limited exposure to a spread of investments in professionally managed funds in order to achieve a better rate of return to support our activities.

Future developments

Lytham Hall – an application has been received for landlord's consent for a scheme to improve the foul water drainage and we will be working with our advisers in considering this. We have also received a list of potential projects for which funding is required and we will be working with the team at Lytham Hall to agree those for which we can provide financial support.

Ansdell Institute – The Board have agreed to support the endeavours of the Friends of Ansdell Institute to improve the fabric of the building by paying for a building survey.

Directors' responsibilities for the accounts

The trustees (who are also directors of Lytham Town Trust Limited 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 directors 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The directors 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to re-appoint Ashworth Treasure Limited will be placed before the Annual General Meeting.



S C Kitt
Secretary

16 August 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LYTHAM TOWN TRUST LIMITED

Opinion

We have audited the financial statements of Lytham Town Trust Ltd for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Historical Cost Surpluses and Deficits, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information includes the information contained in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LYTHAM TOWN TRUST LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements;

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LYTHAM TOWN TRUST LIMITED (CONTINUED)

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable

company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Anthony Cooney (Senior Statutory Auditor)
for and on behalf of Ashworth Treasure Limited
Statutory Auditors
17-19 Park Street
LYTHAM, Lancashire, FY8 5LU

18 August 2021

LYTHAM TOWN TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds		Restricted Endowment Fund	Restricted Fund Lytham Hall	2020	2019
		General	Designated	Fund	Hall	£	£
		£	£	£	£	£	£
Incoming resources							
Donations	3	-	-	-	-	-	-
Investments	4	83,312	-	10,646	-	93,958	87,038
Charitable activities	5	18,305	-	-	1	18,306	28,376
Total incoming resources		101,617	-	10,646	1	112,264	115,414
Resources expended							
Raising funds	6	3,388	-	635	-	4,023	9,683
Charitable activities	7	41,673	-	10,742	5,038	57,453	116,081
Total resources expended		45,061	-	11,377	5,038	61,476	125,764
Net incoming/(outgoing) resources before revaluations, investment disposals and transfers		56,556	-	(731)	(5,037)	50,788	(10,350)
Realised gains/(losses)		-	-	-	-	-	848
Unrealised gains/(losses) 10b		-	-	(3,677)	-	(3,677)	88,212
Net income/(expenditure)		56,556	-	(4,408)	(5,037)	47,111	78,710
Transfers between funds	15	(5,000)	5,000	-	-	-	-
Net movement in funds		51,556	5,000	(4,408)	(5,037)	47,111	78,710
Total funds brought forward		1,001,895	200,000	766,477	970,264	2,938,636	2,859,926
Total funds carried forward		1,053,451	205,000	762,069	965,227	2,985,747	2,938,636

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 14 to 21 form part of these accounts.

LYTHAM TOWN TRUST LIMITED

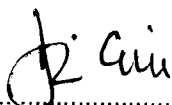
BALANCE SHEET

YEAR ENDED 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible fixed assets	10a		1,744,335		1,749,843
Investments	10b		894,728		756,079
			<u>2,639,063</u>		<u>2,505,922</u>
Current assets					
Debtors and prepayments	11	39,458		23,520	
Loans	12	75,000		75,000	
Cash at bank		329,363		417,584	
		<u>443,821</u>		<u>516,104</u>	
Creditors – Amounts falling due within one year					
Unexpended grant	13	75,000		75,000	
Accruals and other creditors	14	22,137		8,390	
		<u>97,137</u>		<u>83,390</u>	
Net current assets			<u>346,648</u>		<u>432,714</u>
Total assets less liabilities			<u>2,985,747</u>		<u>2,938,636</u>
Funds					
Unrestricted					
General		538,065		486,509	
Revaluation reserve		515,386		515,386	
		<u>1,053,451</u>		<u>1,001,895</u>	
Designated reserves	15	205,000		200,000	
			<u>1,258,451</u>		<u>1,201,895</u>
Restricted					
Endowment Fund	16		762,069		766,477
Lytham Hall	16		965,227		970,264
			<u>2,985,747</u>		<u>2,938,636</u>

The notes on pages 14 to 21 form part of these accounts.

These accounts were approved by the Directors on 16 August 2021 and signed on their behalf by



.....
D K Gill Chairman

Company Registration No. 2523744

LYTHAM TOWN TRUST LIMITED

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2020

Accounting policies

Basis of accounting

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 on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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.

Going concern

The rapid escalation in the Covid-19 pandemic has created significant economic uncertainty and with it an uncertainty over the future performance of the Trust. Information to inform expectations, together with the actions of Government is changing daily. Where we are able, we will take advantage of the support available as and when required, ensuring that we continue to operate within our available cash reserves and bank facilities through this period of uncertainty in order to enable us to meet our debts as they fall due. In view of this, the trustees have a reasonable expectation that the charity has adequate resources to continue in operation for a period of at least twelve months from the date the accounts are approved. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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 Trust 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. The legacies are credited to the general fund unless the legator indicates a specific bequest.

Capital grants and donations are included in income in the period in which the expenditure they are intended to fund is incurred

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied. Other payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Expenditure on raising funds comprises investment management costs. Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs are those incurred in the operation of procedures and associated with the decisions making, performance and control of the organisation, with providing structures to give it overall direction to the organisation and to satisfy the expectations of accountability to those outside it. Also included are costs with meeting the constitutional and statutory requirements and inspection. Support costs are those costs which enable fund generating and charitable activities to be undertaken.

LYTHAM TOWN TRUST LIMITED

ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Fixed assets

Tangible

The cost of fixed assets is depreciated on a straight line basis at the following rates:-

Freehold buildings	½%	per annum
Fixtures and equipment	10%	per annum
Improvements to long leasehold property	5%	per annum

Lytham Hall is a Grade 1 listed building and is being maintained in a good state of repair. Clifton Portfolio controls several properties which are let and also maintained in a good state of repair. The directors consider the depreciation rate to be appropriate.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities. The directors are satisfied that the value of the properties is not materially different to the current open market value. Depreciation is not provided in respect of freehold investment properties.

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.

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans

Concessionary loans include those receivable and payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. All loans are repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

Financial instruments

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.

LYTHAM TOWN TRUST LIMITED

ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specific by the donor or when funds are raised for particular restricted purposes.

The cost of raising and administering such funds are charged against the specific fund.

Designated funds

- **Assembly Rooms repairs**

Amounts are appropriated from the Accumulated Fund at the discretion of the Board to meet the longer term maintenance of the Assembly Rooms. The annual transfer is made in accordance with the maintenance plan.

- **Lytham Hall**

This has been set aside from a property sale to match fund a future bid to the National Lottery Heritage Fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Cash flow statement

The Company has not prepared a cash flow statement as part of the financial statements, having taken advantage of the exemptions from preparing such a statement on the grounds that it qualifies as a small company.

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 11 to 13.

2 Taxation

The company is a registered charity and consequently is exempt from corporation tax.

3 Income from donations

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2020 £	2019 £
Donations	-	-	-	-	-	-
Total for 2019	-	-	-	-	-	-

4 Income from investments

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2020 £	2019 £
Rents received	83,312	-	-	-	83,312	69,781
Property sale proceeds	-	-	-	-	-	5,000
Bank interest	-	-	3,160	-	3,160	5,558
Dividends	-	-	7,486	-	7,486	6,699
Total for 2020	83,312	-	10,646	-	93,958	87,038
Total for 2019	74,781	-	12,257	-	-	87,038

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

5 Income from charitable activities

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2020 £	2019 £
Room hire	4,652	-	-	-	4,652	12,757
Recharged insurance	1,141	-	-	-	1,141	929
Service charges	8,312	-	-	-	8,312	4,689
Car park fees	4,200	-	-	-	4,200	10,000
Rental income	-	-	-	-	-	1
Total for 2020	18,305	-	-	1	18,306	28,376
Total for 2019	28,375	-	-	1		28,376

6 Expenditure on raising funds

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2020 £	2019 £
Investment management costs	3,388	-	635	-	4,023	9,683
Total for 2020	3,388	-	635	-	4,023	9,683
Total for 2019	9,228	-	455	-		9,683

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

7 Analysis of expenditure on charitable activities

	Assembly Rooms £	Lytham Hall £	2020 £	2019 £
Wages and National Insurance	5,400	-	5,400	5,873
Gardening	2,784	-	2,784	2,740
Cleaning	3,474	-	3,474	4,419
Repairs and renewals	5,206	3,386	8,592	60,999
Telephone	649	-	649	966
Heat, light and water	5,789	-	5,789	7,237
Insurance	6,692	-	6,692	6,040
Audit fee	2,705	-	2,705	2,195
Accountancy	3,210	-	3,210	3,850
Bookkeeping and administration	595	-	595	1,440
Printing and stationery	-	-	-	9
Professional fees	4,460	7,356	11,816	11,682
Clifton Portfolio valuation fees	-	-	-	1,800
Bank charges	95	-	95	2,760
Sundries	144	-	144	1,047
Depreciation:				
Buildings	-	5,038	5,038	5,038
Improvements to property	470	-	470	470
	41,673	15,780	57,453	116,081

	Unrestricte d Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2020 £	2019 £
Management of Assembly Rooms	43,850	-	-	-	43,850	97,800
Lytham Hall Governance costs (note 8)	-	-	10,742	5,038	15,780	16,086
	2,705	-	-	-	2,705	2,195
Total for 2020	46,555	-	10,742	5,038	62,335	116,081
Total for 2019	100,695	-	11,048	5,038		116,081

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

8 Governance costs

	2020 £	2019 £
Audit fee	2,705	2,195

9 Trustees remuneration

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

10 (a) Tangible fixed assets

	Freehold Land and buildings £	Investment properties £	Fixtures and Equipment £	Improvement to property £	Total £
Cost or valuation				-	
At 1 January 2019	1,007,660	842,000	35,729	22,291	1,907,680
Disposal	-	-	-	-	-
Revaluations	-	-	-	-	-
Additions	-	-	-	-	-
At 31 December 2020	1,007,660	842,000	35,729	22,291	1,907,680
Depreciation					
At 1 January 2019	100,760	-	35,729	21,348	157,837
Depreciation on disposals	-	-	-	-	-
Charge for the year	5,038	-	-	470	5,508
At 31 December 2020	105,798	-	35,729	21,818	163,345
Net book value					
At 31 December 2020	901,862	842,000	-	473	1,744,335
At 31 December 2019	906,900	842,000	-	943	1,749,843

No value has been attributed to the Trust's 125 year lease of the Assembly Rooms.

The investment properties were re-valued by Bushells & Benstead, Chartered Surveyors, at 31 December 2019 and, in the opinion of the directors, there there has been no material change in value since that date.

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

10 (b) Investments

	2020 £	2019 £
Market value at 1 January 2020	197,057	175,894
Additions to investments at cost	141,564	11,824
Disposals at carrying value	-	(7,232)
Net unrealised investment gains/(losses)	<u>(3,677)</u>	<u>16,571</u>
Market value at 31 December 2020	334,944	197,057

No investments were sold during the year (2020: £8,080).

	2020 Market value £	2020 Cost £	2019 Market value £	2019 Cost £
Investments comprise:				
Unitised and common investment funds	334,944	331,471	197,057	189,907
Cash and cash equivalents	<u>559,784</u>	<u>559,784</u>	<u>559,022</u>	<u>559,022</u>
	<u>894,728</u>	<u>891,255</u>	<u>756,079</u>	<u>748,929</u>

11 Debtors and prepayments

	2020 £	2019 £
Rent receivable	13,174	9,079
Other debtors	<u>26,284</u>	<u>14,441</u>
	<u>39,458</u>	<u>23,520</u>

12 Concessionary loans receivable

	2020 £	2019 £
Heritage Trust for the North West	75,000	75,000

The loans is repayable on demand and no interest is charged as the loan was project related.

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

13 Unexpended grant

	2020 £	2019 £
Fylde Borough Council	75,000	75,000

The grant was made towards the purchase of the Clifton Collection and is now repayable on demand.

14 Creditors: Due within less than one year

	2020 £	2019 £
Rent received in advance	3,614	1,833
Accruals	18,523	6,557
	<u>22,137</u>	<u>8,390</u>

15 Unrestricted funds

	Brought forward at 1 Jan 2019 £	Income £	Expenditure £	Gains and Transfers £	Carried forward at 31 Dec 2020 £
General unrestricted funds	1,001,895	101,617	(45,061)	(5,000)	1,053,451
Designated funds					
Assembly Rooms	-	-	-	5,000	5,000
Lytham Hall	200,000	-	-	-	200,000
Total designated funds	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>205,000</u>
Total funds	<u>1,201,895</u>	<u>101,617</u>	<u>(45,061)</u>	<u>5,000</u>	<u>1,258,451</u>

The general fund represents the free funds of the trust which are not designated for a particular purpose.

	2020 Total funds £	2019 Total funds £
Represented by:		
Tangible fixed assets at cost less depreciation	327,087	327,557
Revaluation of tangible fixed assets	515,386	515,386
Net current assets less current liabilities	<u>415,978</u>	<u>158,952</u>
	<u>1,258,451</u>	<u>1,001,895</u>

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

15 Unrestricted funds (continued)

Designated funds

Assembly Rooms repairs

Amounts are appropriated from the Accumulated Fund at the discretion of the Board to meet the longer term maintenance of the Assembly Rooms in accordance with the maintenance plan. The reserve has been fully expended in the year.

Lytham Hall

This has been set aside from a property sale in order to provide matched funding for a further bid to restore Lytham Hall.

	2020 Assembly Rooms £	2020 Lytham Hall £	2020 Total £	2019 Total £
1 January 2019	-	200,000	200,000	-
31 December 2020	5,000	200,000	205,000	200,000

Represented by	2020 £	2019 £
Net current assets	205,000	200,000
	205,000	200,000

16 Restricted funds

	Brought forward at 1 Jan 2020 £	Income £	Expenditure £	Gains/ (losses) £	Carried forward at 31 Dec 2020 £
Endowment	766,477	10,646	(11,377)	(3,677)	762,069
Lytham Hall	970,264	-	(5,037)	-	965,227
	1,736,741	10,646	(16,414)	(3,677)	1,727,296

Endowment Fund

Represented by	2020 £	2019 £
Investments	334,944	197,057
Net current assets/(liabilities)	-	10,398
Cash deposits	427,125	559,022
	762,069	766,477

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

16 Restricted funds (continued)

Lytham Hall Fund

Represented by	2020 £	2019 £
Tangible fixed assets	901,862	906,900
Current assets less current liabilities	<u>63,365</u>	<u>63,364</u>
	<u>965,227</u>	<u>970,264</u>

The Endowment Fund is a permanent endowment for the benefit of Lytham Hall the income from which is applied towards the upkeep of the Hall and grounds. Access to the capital becomes available in the event of the lease of Lytham Hall to Heritage Trust for the North West Ltd being terminated or after the expiry of eighty years from 1 January 2005.

The Lytham Hall fund represents the donations originally received to enable the purchase of Lytham Hall less depreciation charged since acquisition.

17 Capital commitments

The Company had no contracted capital commitments at 31 December 2020 (2019:None).

18 Directors and employees

	2020 £	2019 £
The Trust had 1 part time equivalent employee during the year (2019 : 1 part time)		
The employees' costs amount to		
Salary	5,400	5,873
Social Security costs	<u>-</u>	<u>-</u>
	<u>5,400</u>	<u>5,873</u>

There are no employees who received total employee benefits of more than £60,000 (2019 : none).

19 Related party transactions

Rent of £1 is payable by The Heritage Trust for the North West for Lytham Hall and Lytham Town Trust made no donations to Heritage Trust for the North West in the year (2019:£1).

At 31 December 2020 there was a loan outstanding from Heritage Trust for the North West of £75,000 (2019: £75,000).

20 Control relationships

The company is under the control of the directors.