

Lytham Town Trust Limited

Report and Accounts

**For the Year Ended
31 December 2021**

LYTHAM TOWN TRUST LIMITED

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YEAR ENDED 31 DECEMBER 2021

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LYTHAM TOWN TRUST LIMITED

COMPANY INFORMATION

Elected directors

D K Gill – Chairman #
S C Kitt – Secretary #
D F Clarke – Deputy Chairman #
Mrs A Evans (appointed 18 January 2022)
Dr A J P Gilchrist (appointed 18 January 2022)
W R T Hale #
R A C Smith #
A M Wolfe (appointed 18 January 2022)

Nominated directors

Mrs S M Cornah # – Lytham St Annes Civic Society
J D Hornyak – Friends of Lytham Hall
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 (died 27 April 2022)

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 2021

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 2021. 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

Co-opted members

Any said person having direct connections with the primary objects of the company – co-opted by the Board at its discretion	1
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Elected members	8
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Trustees induction and training

An induction programme is provided for all new trustees which includes information about the Trust's constitution, finances and governance. 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.

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REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

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 £65,693 (2020: £50,788).

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 2021 calculated on this basis equate to 35 months of the resources expended over the last 12 months. Averaging expenditure over the last three years reduces this to 24 months.

The Covid-19 pandemic has continued to affect the Trust's operations during the year. The trustees have been adhering to Government guidelines and advice.

The funds held at the end of the year were:

	2021 £	2020 £
Unrestricted Fund – General	1,107,305	1,053,451
Unrestricted Fund – Designated	210,000	205,000
Restricted Fund – Endowment Fund	816,132	762,069
Restricted Fund – Lytham Hall	960,189	965,227
Total Funds at 31 December	3,093,626	2,985,747

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.

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REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

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

Both the Library and the Ribble Room re-opened during the year following the relaxation of the Government's Covid restrictions. Users of the Ribble Rooms started to return in April and built up throughout the rest of the year although revenue was still significantly affected.

Following the completion of the refurbishment programme in 2019 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

Our tenant at Lytham Hall, Heritage Trust for the North West, appointed a new CEO, Liz Moss, on 1 October 2021 and since that time she has been 'getting under the skin' of the organisation. She has now met many of the key strategic partners and is looking to move forward with new systems, new technologies and new policies into the future. Lytham Hall is a key part of her evolving strategy.

Following major progress on key projects during lockdown work has continued apace during 2021/22 with the interior of the Hall being the location for much of this work.

Inside the Hall attention has been focussed on several areas where there has been serious water damage in the past and an expert Master Plaisterer, Colin Morris, has been instrumental in reinstating the ceilings with the traditional historic reed and then gradually adding layers of lime plaster. This has been a slow, painstaking job by an expert in the field and has enabled redecoration to take place using National Trust paint manufactured by Little Greene in authentic and often original colours.

Rooms which have undergone this transformation include the Georgian Bedroom, Violet's Boudoir and Dining Room, John Talbot Clifton's Bedroom, the Chinese Bedroom, the Inca Room and John Talbot's study. In addition, major works have been completed on the Billiard Room lantern along with the complete redecoration of the interior. Much of the decoration has been undertaken by Apex Interiors with the help of volunteers.

There has also been a recreation of the WW2 Convalescent Hospital on the second floor along with an exhibition based on extensive research.

Additional projects including lighting in several rooms and conservation UV protection film on the south elevation windows have also been installed during this last year. Work on the Gatehouse roofs has also begun.

Events and exhibitions have also continued during this last year with the highlight being the Last Night of the Proms in August 2021. This was put on by Cuffe and Taylor/Live Nation featuring high profile headliners. The winter event programme sponsored by an ARG Events Grant from Fylde Council included comedy nights, antique events and opera. These events were all a sellout. There was also a three-day Moorcroft Event which was extremely successful.

Hospitality and catering continues to be very successful even though staffing issues have become more problematical since Covid. This is a problem for catering establishments countrywide.

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REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

A key outdoor project for this year is the new foul drainage system, this includes the separation of the surface water from the foul with a new sewage treatment plant installed to take care of the foul discharge. The completed planning application has been registered with Fylde Council and work is anticipated to commence in the Autumn. Lytham Town Trust has pledged £40,000 towards the cost of this work.

Directors

It is regret that the directors record the death of our Honorary Life Vice-President Alan Turner. He joined the board in 1998 and served for 21 years and provided much valuable legal and general advice during that time.

The directors who served during the year are shown on page 1. We were pleased to welcome Alan Gilchrist, Alex O'Toole and Andy Wolfe all of whom joined the board on 18 January 2022.

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.

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 are working with our advisers in considering this. The board has pledged the sum of £40,000 in the year to 30 September 2022 to be spent on projects at Lytham Hall.

Lytham Institute – Four of the directors serve on the Lytham Institute Working Group which has been developing plans for a sustainable future for this building as a community asset. Following publication of a draft Scheme for the Lytham Institute Charity by the Charity Commission the board of the Town Trust has submitted a response requesting amendments that it is hoped will encourage Fylde Borough Council to work with the Town Trust and other community groups to establish a sustainable future for this important building in the town.

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

LYTHAM TOWN TRUST LIMITED

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REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

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

17 August 2022

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 2021 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 2021, 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 2022

LYTHAM TOWN TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds		Restricted Endowment Fund	Restricted Fund Lytham Hall	2021	2020
		General	Designated	Fund	Hall		
		£	£	£	£	£	£
Incoming resources							
Donations	3	-	-	-	-	-	-
Investments	4	82,910	-	12,937	-	95,847	93,958
Charitable activities	5	23,654	-	-	1	23,655	18,306
Total incoming resources		106,564	-	12,937	1	119,502	112,264
Resources expended							
Raising funds	6	9,166	-	1,060	-	10,226	4,023
Charitable activities	7	36,893	-	-	6,690	43,583	57,453
Total resources expended		46,059	-	1,060	6,690	53,809	61,476
Net incoming/(outgoing) resources before revaluations, investment disposals and transfers		60,505	-	11,877	(6,689)	65,693	50,788
Realised gains/(losses)		-	-	-	-	-	-
Unrealised gains/(losses) 10b		-	-	42,186	-	42,186	(3,677)
Net income/(expenditure)		60,505	-	54,063	(6,689)	107,879	47,111
Transfers between funds	15	(6,651)	5,000	-	1,651	-	-
Net movement in funds		53,854	5,000	54,063	(5,038)	107,879	47,111
Total funds brought forward		1,053,451	205,000	762,069	965,227	2,985,747	2,938,636
Total funds carried forward		1,107,305	210,000	816,132	960,189	3,093,626	2,985,747

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 15 to 22 form part of these accounts.

LYTHAM TOWN TRUST LIMITED

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible fixed assets	10a		1,741,727		1,744,335
Investments	10b		930,421		894,728
			<u>2,672,148</u>		<u>2,639,063</u>
Current assets					
Debtors and prepayments	11	23,352		39,458	
Loans	12	75,000		75,000	
Cash at bank		<u>416,763</u>		<u>329,363</u>	
		515,115		443,821	
Creditors – Amounts falling due within one year					
Unexpended grant	13	75,000		75,000	
Accruals and other creditors	14	<u>18,637</u>		<u>22,137</u>	
		93,637		97,137	
Net current assets			<u>421,478</u>		<u>346,648</u>
Total assets less liabilities			<u>3,093,626</u>		<u>2,985,747</u>
Funds					
Unrestricted					
General		591,919		538,065	
Revaluation reserve		<u>515,386</u>		<u>515,386</u>	
Designated reserves	15	1,107,305		1,053,451	
	15	<u>210,000</u>		<u>205,000</u>	
			1,317,305		1,258,451
Restricted					
Endowment Fund	16		816,132		762,069
Lytham Hall	16		<u>960,189</u>		<u>965,227</u>
			<u>3,093,626</u>		<u>2,985,747</u>

The notes on pages 15 to 22 form part of these accounts.

These accounts were approved by the Directors on 17 August 2022 and signed on their behalf by



D K Gill Chairman

Company Registration No. 2523744

LYTHAM TOWN TRUST LIMITED

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2021

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 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.

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 2021

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

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

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 £	2021 £	2020 £
Donations	-	-	-	-	-	-
Total for 2020	-	-	-	-	-	-

4 Income from investments

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2021 £	2020 £
Rents received	82,910	-	-	-	82,910	83,312
Bank interest	-	-	2,152	-	2,152	3,160
Dividends	-	-	10,785	-	10,785	7,468
Total for 2021	82,910	-	12,937	-	95,847	93,958
Total for 2020	83,312	-	10,646	-	-	93,958

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

5 Income from charitable activities

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2021 £	2020 £
Room hire	6,190	-	-	-	6,190	4,652
Recharged Insurance	2,402	-	-	-	2,402	1,141
Service charges	9,462	-	-	-	9,462	8,312
Car park fees	5,600	-	-	-	5,600	4,200
Rental income	-	-	-	1	1	-
Total for 2021	23,654	-	-	1	23,655	18,306
Total for 2020	18,305	-	-	1		18,306

6 Expenditure on raising funds

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2021 £	2020 £
Investment management costs	9,166	-	1,060	-	10,226	4,023
Total for 2021	9,166	-	1,060	-	10,226	4,023
Total for 2020	3,388	-	635	-		4,023

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

7 Analysis of expenditure on charitable activities

	Assembly Rooms £	Lytham Hall £	2021 £	2020 £
Wages and National Insurance	5,400	-	5,400	5,400
Gardening	3,409	-	3,409	2,784
Cleaning	4,878	-	4,878	3,474
Repairs and renewals	3,877	797	4,674	8,592
Telephone	794	-	794	649
Heat, light and water	5,447	-	5,447	5,789
Insurance	7,303	-	7,303	6,692
Audit fee	2,500	-	2,500	2,705
Accountancy	2,135	-	2,135	3,210
Bookkeeping and administration	-	-	-	595
Professional fees	156	855	1,011	11,816
Bank charges	-	-	-	95
Sundries	198	-	198	144
Depreciation:				
Buildings	-	5,038	5,038	5,038
Fixtures and equipment	323	-	323	-
Improvements to property	473	-	473	470
	36,893	6,690	43,583	57,453

	Unrest- ricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2021 £	2020 £
Management of Assembly Rooms	34,393	-	-	-	34,393	38,968
Lytham Hall Governance costs (note 8)	-	-	-	6,690	6,690	15,780
	2,500	-	-	-	2,500	2,705
Total for 2021	36,893	-	-	6,690	43,583	57,453
Total for 2020	41,673	-	10,742	5,038		57,453

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

8 Governance costs

	2021 £	2020 £
Audit fee	2,500	2,705

9 Trustees remuneration

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £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 2021	1,007,660	842,000	35,729	22,291	1,907,680
Disposal	-	-	-	-	-
Revaluations	-	-	-	-	-
Additions	-	-	3,226	-	3,226
At 31 December 2021	1,007,660	842,000	38,955	22,291	1,910,906
Depreciation					
At 1 January 2021	105,798	-	35,729	21,818	163,345
Depreciation on disposals	-	-	-	-	-
Charge for the year	5,038	-	323	473	5,834
At 31 December 2021	110,836	-	36,052	22,291	169,179
Net book value					
At 31 December 2021	896,824	842,000	2,903	-	1,741,727
At 31 December 2020	901,862	842,000	-	473	1,744,335

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 has been no material change in value since that date.

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

10 (b) Investments

	2021 £	2020 £
Market value at 1 January 2021	334,944	197,057
Additions to investments at cost	114,050	141,564
Disposals at carrying value	(60,543)	-
Net unrealised investment gains/(losses)	42,186	(3,677)
Market value at 31 December 2021	430,637	334,944

£54,920 investments were sold during the year (2020: £Nil).

	2021 Market value £	2021 Cost £	2020 Market value £	2020 Cost £
Investments comprise:				
Unitised and common investment funds	430,637	389,720	334,944	331,471
Cash and cash equivalents	499,784	499,784	559,784	559,784
	930,421	889,504	894,728	891,255

11 Debtors and prepayments

	2021 £	2020 £
Rent receivable	750	13,174
Other debtors	22,602	26,284
	23,352	39,458

12 Concessionary loans receivable

	2021 £	2020 £
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 2021

13 Unexpended grant

	2021 £	2020 £
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

	2021 £	2020 £
Rent received in advance	3,950	3,614
Accruals	14,687	18,523
	<u>18,637</u>	<u>22,137</u>

15 Unrestricted funds

	Brought forward at 1 Jan 2020 £	Income £	Expenditure £	Gains and Transfers £	Carried forward at 31 Dec 2021 £
General unrestricted funds	1,053,451	106,564	(46,059)	(6,651)	1,107,305
Designated funds					
Assembly Rooms	5,000	-	-	5,000	10,000
Lytham Hall	200,000	-	-	-	200,000
Total designated funds	<u>205,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>210,000</u>
Total funds	<u>1,258,451</u>	<u>106,564</u>	<u>(46,059)</u>	<u>(1,651)</u>	<u>1,317,305</u>

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

	2021 Total funds £	2020 Total funds £
Represented by:		
Tangible fixed assets at cost less depreciation	326,614	327,087
Revaluation of tangible fixed assets	515,386	515,386
Net current assets less current liabilities	<u>475,305</u>	<u>415,978</u>
	<u>1,317,305</u>	<u>1,258,451</u>

LYTHAM TOWN TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

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.

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.

	2021 Assembly Rooms £	2021 Lytham Hall £	2021 Total £	2020 Total £
1 January	5,000	200,000	205,000	200,000
31 December	10,000	200,000	210,000	205,000

Represented by	2021 £	2020 £
Net current assets	210,000	205,000
	210,000	205,000

16 Restricted funds

	Brought forward at 1 Jan 2021 £	Income £	Expenditure £	Gains/ (losses) £	Carried forward at 31 Dec 2021 £
Endowment	762,069	12,937	(1,060)	42,186	816,132
Lytham Hall	965,227	1	(6,690)	1,651	960,189
	1,727,296	12,938	(7,750)	43,837	1,776,321

Endowment Fund

Represented by	2021 £	2020 £
Investments	431,652	334,944
Net current assets/(liabilities)	-	-
Cash deposits	384,480	427,125
	816,132	762,069

LYTHAM TOWN TRUST LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2021**

16 Restricted funds (continued)**Lytham Hall Fund**

Represented by	2021 £	2020 £
Tangible fixed assets	896,824	901,862
Current assets less current liabilities	<u>63,365</u>	<u>63,365</u>
	<u>960,189</u>	<u>965,227</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 2021 (2020: None).

18 Directors and employees

	2021 £	2020 £
The Trust had 1 part time equivalent employee during the year (2020 : 1 part time)		
The employees' costs amount to		
Salary	5,400	5,400
Social Security costs	<u>-</u>	<u>-</u>
	<u>5,400</u>	<u>5,400</u>

There are no employees who received total employee benefits of more than £60,000 (2020 : 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 (2020 : £1).

At 31 December 2021 there was a loan outstanding from Heritage Trust for the North West of £75,000 (2020: £75,000).

20 Control relationships

The company is under the control of the directors.