

# **Lytham Town Trust Limited**

**Report and Accounts**

**For the Year Ended  
31 December 2022**

# LYTHAM TOWN TRUST LIMITED

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YEAR ENDED 31 DECEMBER 2022

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# LYTHAM TOWN TRUST LIMITED

## COMPANY INFORMATION

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### Elected directors

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

### 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 Council (retired 4 May 2023)  
S M Williams – Lytham Heritage Group  
M Withers – Fylde Council (appointed 17 July 2023)

### 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 2022

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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 2022. 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 Council	1
Lytham St Annes Civic Society	1
Lytham Heritage Group	1
BAE Systems	1
Friends of Lytham Hall	1
<b>Co-opted members</b>	
Any said person having direct connections with the primary objects of the company – co-opted by the Board at its discretion	1
<b>Elected members</b>	8

#### 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.

# LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

## REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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### 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 £78,387 (2021: £65,693).

The directors have adopted a reserves policy whereby the unrestricted funds not set aside for or invested in tangible fixed assets, is between 12 and 24 months of the average resources expended over the previous three years.

The reserves at 31 December 2022 calculated on this basis equate to 21 months.

The funds held at the end of the year were:

	2022 £	2021 £
Unrestricted Fund – General	993,229	1,107,305
Unrestricted Fund – Designated	390,000	210,000
Restricted Fund – Endowment Fund	786,242	816,132
Restricted Fund – Lytham Hall	960,151	960,189
	<hr/>	<hr/>
<b>Total Funds at 31 December</b>	<b>3,129,622</b>	<b>3,093,626</b>
	<hr/> <hr/>	<hr/> <hr/>

### 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 2022**

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#### ***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***

Demand for community and commercial use of the Ribble Room has been strong this year. We are delighted as this aligns perfectly with the Objectives of the Trust.

Managing and maintaining the building to a high overall standard is also our objective, and recognise the long-term maintenance requirement of the building. As a result we continue 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 these requirements as and when they arise.

#### ***Lytham Hall***

Much progress has been made at Lytham Hall this year under HTNW CEO Liz Moss. The Hall, gardens and parkland continue to be upgraded and maintained to such a level that Lytham Hall was awarded a joint top place in 2023 by the Historic Houses Association sponsored by Christies.

The most significant project at the Hall has been the installation of a new Sewage Treatment Plant alongside the separation of the foul drainage and surface water systems. This was a much needed upgrade which has taken several years of hard work by HTNW, including assistance from Fylde Council, to bring to fruition. Income from the Endowment Fund and other moneys from other local organisations and charities were contributed towards this project. This project was completed in the summer of 2023.

Progress continues unabated at the Hall and we now have a high quality offer for both the local population and the many visitors who come from all over the country and abroad.

The Lytham Hall Executive Committee, which is constituted under the terms of the lease of Lytham Hall, was re-established in the year. Comprising representatives of Lytham Town Trust and Heritage Trust for the North West it has met on a semi-regular basis to discuss specific issues relating to the lease.

#### **Directors**

The directors who served during the year are shown on page 1.

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.

## LYTHAM TOWN TRUST LIMITED

(A Registered Charity and a Company Limited by Guarantee)

### REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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#### Future developments

*Lytham Hall* – since the year end of the year a grant of £40,000 has been made towards the drainage project. Another project in the pipeline is an additional parking area for 100 cars in the Paddock. This project is in the development phase with a planning application currently being prepared. The parking area will be grasscrete or something similar so that the area will still look like grass. However, a degree of levelling will be required and also swales and drainage ditches around the rear perimeter to ensure that the area does not flood during heavy rainfall. This expansion of the parking area is badly needed as the increase in activity at the Hall frequently makes parking an issue. This project will require Landlords Consent.

*Heritage Trust for the North West* - since the end of the financial year Fylde Council has accepted that their grant of £75,000 has been applied towards the maintenance of the collection and that the terms on which it was made have consequently been met. This has enabled the corresponding loan to HTNW to be cancelled. This will be reflected in the accounts for the year ending 31 December 2023. Although Liz Moss has tendered her resignation as CEO and will leave at the end of August she will remain as a trustee of Heritage Trust for the North West and continue to represent HTNW at the Lytham Hall Executive Committee meetings until a new CEO is appointed.

*Lytham Hall Executive Committee* - the intention is for this committee to meet every two months in order to:

- Review and update the terms of the lease of Lytham Hall
- Identify and put in place a regular mechanism for the Committee to share and consider the future development strategy for Lytham Hall
- Oversee the review of grant accounting for Lytham Hall

*The Lytham Institute* – Whilst we await the decision of the Charity Commission on the objects of the Charitable Trust and responses to the consultation by ourselves and other community groups we will continue to work towards finding a sustainable future for this historic building as a community asset.

#### 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

(A Registered Charity and a Company Limited by Guarantee)

### REPORT OF THE TRUSTEES (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

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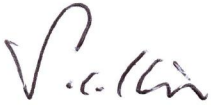
comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

4 September 2023

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

## LYTHAM TOWN TRUST LIMITED

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### Opinion

We have audited the financial statements of Lytham Town Trust Ltd for the year ended 31 December 2022 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 2022, 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)

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## 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. The specific procedures for the engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims,
- enquiry of the charities staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations,
- reviewing minutes of meetings of those charge with governance.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations,
- auditing the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

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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](http://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.

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 September 2023

# LYTHAM TOWN TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds		Restricted Endowment Fund	Restricted Fund Lytham Hall	2022	2021
		General £	Designated £	Fund £	Hall £	£	£
<b>Incoming resources</b>							
Donations	3	-	-	-	5,000	5,000	-
Investments	4	91,139	-	13,461	-	104,600	95,847
Charitable activities	5	29,859	-	-	1	29,860	23,655
<b>Total incoming resources</b>		120,998	-	13,461	5,001	139,460	119,502
<b>Resources expended</b>							
Raising funds	6	14,795	-	960	-	15,755	10,226
Charitable activities	7	40,180	-	-	5,138	45,318	43,583
<b>Total resources expended</b>		54,975	-	960	5,138	61,073	53,809
Net incoming/(outgoing) resources before revaluations, investment disposals and transfers		66,023	-	12,501	(137)	78,387	65,693
Realised gains/(losses)		-	-	(476)	-	(476)	-
Unrealised gains/(losses) 10b		-	-	(41,915)	-	(41,915)	42,186
Net income/(expenditure)		66,023	-	(29,890)	(137)	35,996	107,879
Transfers between funds	15	(180,099)	180,000	-	99	-	-
<b>Net movement in funds</b>		(114,076)	180,000	(29,890)	(38)	35,996	107,879
Total funds brought forward		1,107,305	210,000	816,132	960,189	3,093,626	2,985,747
<b>Total funds carried forward</b>		993,229	390,000	786,242	960,151	3,129,622	3,093,626

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 2022

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible fixed assets	10a		1,743,940		1,741,727
Investments	10b		786,242		930,421
			<u>2,530,182</u>		<u>2,672,148</u>
<b>Current assets</b>					
Debtors and prepayments	11	31,202		23,352	
Loans	12	75,000		75,000	
Cash at bank		590,973		416,763	
		<u>697,175</u>		<u>515,115</u>	
<b>Creditors – Amounts falling due within one year</b>					
Unexpended grant	13	75,000		75,000	
Accruals and other creditors	14	22,735		18,637	
		<u>97,735</u>		<u>93,637</u>	
<b>Net current assets</b>			<u>599,440</u>		<u>421,478</u>
<b>Total assets less liabilities</b>			<u>3,129,622</u>		<u>3,093,626</u>
<b>Funds</b>					
<b>Unrestricted</b>					
General		477,843		591,919	
Revaluation reserve		515,386		515,386	
		<u>993,229</u>		<u>1,107,305</u>	
Designated reserves	15	390,000		210,000	
			<u>1,383,229</u>		<u>1,317,305</u>
<b>Restricted</b>					
Endowment Fund	16		786,242		816,132
Lytham Hall	16		960,151		960,189
			<u>3,129,622</u>		<u>3,093,626</u>

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

These accounts were approved by the Directors on 4 September 2023 and signed on their behalf by

  
 .....  
 D K Gil Chairman

Company Registration No. 2523744

# LYTHAM TOWN TRUST LIMITED

## ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2022

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### 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 2022

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### 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 2022

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#### **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.

- **Heritage Property**

This has been set aside from a property sale to help preserve buildings of architectural and historical interest in Lytham.

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 2022

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### 1 Accounting policies

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14.

### 2 Taxation

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

### 3 Income from donations

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2022 £	2021 £
Donations	-	-	-	5,000	5,000	-
Total for 2021	-	-	-	-	-	-

### 4 Income from investments

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2022 £	2021 £
Rents received	84,887	-	-	-	84,887	82,910
Bank interest	6,252	-	2,839	-	9,091	2,152
Dividends	-	-	10,622	-	10,622	10,785
Total for 2022	91,139	-	13,461	-	104,600	95,847
Total for 2021	82,910	-	12,937	-	-	95,847

**LYTHAM TOWN TRUST LIMITED**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2022**

**5 Income from charitable activities**

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2022 £	2021 £
Room hire Recharged	12,310	-	-	-	12,310	6,190
Insurance	2,111	-	-	-	2,111	2,402
Service charges	9,800	-	-	-	9,800	9,462
Car park fees	5,638	-	-	-	5,638	5,600
Rental income	-	-	-	1	1	1
Total for 2022	29,859	-	-	1	29,860	23,655
Total for 2021	23,654	-	-	1		23,655

**6 Expenditure on raising funds**

	Unrestricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2022 £	2021 £
Investment management costs	14,795	-	960	-	15,755	10,226
Total for 2022	14,795	-	960	-	15,755	10,226
Total for 2021	9,166	-	1,060	-		10,226

**LYTHAM TOWN TRUST LIMITED**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2022**

**7 Analysis of expenditure on charitable activities**

	Assembly Rooms £	Lytham Hall £	2022 £	2021 £
Wages and National Insurance	5,400	-	5,400	5,400
Gardening	2,391	-	2,391	3,409
Cleaning	5,440	-	5,440	4,878
Repairs and renewals	623	-	623	4,674
Telephone	859	-	859	794
Heat, light and water	6,479	-	6,479	5,447
Insurance	7,496	-	7,496	7,303
Audit fee	2,770	-	2,770	2,500
Accountancy	2,096	-	2,096	2,135
Bookkeeping and administration	-	-	-	-
Professional fees	5,330	-	5,330	1,011
Sundries	288	100	388	198
Depreciation:				
Buildings	-	5,038	5,038	5,038
Fixtures and equipment	1,008	-	1,008	323
Improvements to property	-	-	-	473
	40,180	5,138	45,318	43,583

	Unrest- ricted Fund General £	Designated Fund £	Restricted Endowment Fund £	Restricted Funds Lytham Hall £	2022 £	2021 £
Management of Assembly Rooms	37,410	-	-	-	37,410	34,393
Lytham Hall Governance costs (note 8)	-	-	-	5,138	5,138	6,690
	2,770	-	-	-	2,770	2,500
Total for 2022	40,180	-	-	5,138	45,318	43,583
Total for 2021	36,893	-	-	6,690		43,583

# LYTHAM TOWN TRUST LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

### 8 Governance costs

	2022 £	2021 £
Audit fee	2,770	2,500

### 9 Trustees remuneration

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £Nil).

### 10 (a) Tangible fixed assets

	Freehold Land and buildings £	Investment properties £	Fixtures and Equipment £	Improvement to property £	Total £
<b>Cost or valuation</b>				-	
At 1 January 2022	1,007,660	842,000	38,955	22,291	1,910,906
Disposal	-	-	-	-	-
Revaluations	-	-	-	-	-
Additions	-	-	8,259	-	8,259
<b>At 31 December 2022</b>	<b>1,007,660</b>	<b>842,000</b>	<b>47,214</b>	<b>22,291</b>	<b>1,919,165</b>
<b>Depreciation</b>					
At 1 January 2022	110,836	-	36,052	22,291	169,179
Depreciation on disposals	-	-	-	-	-
Charge for the year	5,038	-	1,008	-	6,046
<b>At 31 December 2022</b>	<b>115,874</b>	<b>-</b>	<b>37,060</b>	<b>22,291</b>	<b>175,225</b>
<b>Net book value</b>					
<b>At 31 December 2022</b>	<b>891,786</b>	<b>842,000</b>	<b>10,154</b>	<b>-</b>	<b>1,743,940</b>
At 31 December 2021	896,824	842,000	2,903	-	1,741,727

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 2022**

**10 (b) Investments**

	<b>2022</b>	<b>2021</b>
	£	£
Market value at 1 January 2022	430,637	334,944
Additions to investments at cost	130,670	114,050
Disposals at carrying value	(44,958)	(60,543)
Net unrealised investment gains/(losses)	(42,391)	42,186
	<u>473,958</u>	<u>430,637</u>

£45,434 investments were sold during the year (2021: £54,920).

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>Market</b>	<b>Cost</b>	<b>Market</b>	<b>Cost</b>
	value	£	value	£
	£	£	£	£
Investments comprise:				
Unitised and common investment funds	473,958	474,936	430,637	389,720
Cash and cash equivalents	312,284	312,284	499,784	499,784
	<u>786,242</u>	<u>787,220</u>	<u>930,421</u>	<u>889,504</u>

**11 Debtors and prepayments**

	<b>2022</b>	<b>2021</b>
	£	£
Rent receivable	6,550	750
Other debtors	24,651	22,602
	<u>31,201</u>	<u>23,352</u>

**12 Concessionary loans receivable**

	<b>2022</b>	<b>2021</b>
	£	£
Heritage Trust for the North West	75,000	75,000
	<u>75,000</u>	<u>75,000</u>

Following acceptance in May 2023 by Fylde Council that expenditure incurred on the Collection by HTNW fully met the criteria of the grant to Lytham Town Trust this loan will be deemed to have been repaid in the year ending 31 December 2023.

# LYTHAM TOWN TRUST LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

### 13 Unexpended grant

	2022 £	2021 £
Fylde Borough Council	75,000	75,000

The Council agreed in May 2023 that the grant had been applied to its original purpose.

### 14 Creditors: Due within less than one year

	2022 £	2021 £
Rent receivable in advance	6,550	3,950
Accruals	16,185	14,687
	22,735	18,637

### 15 Unrestricted funds

	Brought forward at 1 Jan 2022 £	Income £	Expenditure £	Gains and Transfers £	Carried forward at 31 Dec 2022 £
<b>General unrestricted funds</b>	1,107,305	120,998	(54,975)	(5,099)	1,168,229
<b>Designated funds</b>					
Assembly Rooms	10,000	-	-	5,000	15,000
Heritage Property	200,000	-	-	-	200,000
<b>Total designated funds</b>	210,000	-	-	5,000	215,000
<b>Total funds</b>	1,317,305	120,998	(54,975)	(99)	1,383,229

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

	2022 Total funds £	2021 Total funds £
Represented by:		
Tangible fixed assets at cost less depreciation	336,768	329,517
Revaluation of tangible fixed assets	515,386	515,386
Net current assets less current liabilities	531,075	472,402
	1,383,229	1,317,305

# LYTHAM TOWN TRUST LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2022

### 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.

##### Heritage Property

This has been set aside from a property sale to provide funding to help preserve buildings of architectural and historical interest in Lytham.

	2022 Assembly Rooms £	2022 Heritage Property £	2022 Total £	2021 Total £
1 January	10,000	200,000	210,000	205,000
31 December	15,000	375,000	390,000	210,000

Represented by	2022 £	2021 £
Net current assets	390,000	210,000
	390,000	210,000

### 16 Restricted funds

	Brought forward at 1 Jan 2022 £	Income £	Expenditure £	Gains/ (losses) £	Carried forward at 31 Dec 2022 £
Endowment	816,132	13,461	(960)	(42,391)	786,242
Lytham Hall	960,189	5,001	(5,138)	99	960,151
	1,776,321	18,462	(6,098)	(42,292)	1,746,393

#### Endowment Fund

Represented by	2022 £	2021 £
Investments	473,958	431,652
Net current assets/(liabilities)	-	-
Cash deposits	312,284	384,480
	786,242	816,132

**LYTHAM TOWN TRUST LIMITED****NOTES TO THE ACCOUNTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2022**

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

Represented by	<b>2022</b> £	<b>2021</b> £
Tangible fixed assets	891,786	896,824
Current assets less current liabilities	<u>68,365</u>	<u>63,365</u>
	<u>960,151</u>	<u>960,189</u>

The Endowment Fund is a permanent endowment for the benefit of Lytham Hall the income from which is applied towards projects at Lytham Hall. 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 and includes an unspent legacy of £5,000 (2021: £nil)

**17 Capital commitments**

The Company had no contracted capital commitments at 31 December 2022 (2021: None).

**18 Directors and employees**

	<b>2022</b> £	<b>2021</b> £
The Trust had 1 part time equivalent employee during the year (2021: 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 (2021 : 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 (2021: £Nil).

At 31 December 2022 there was a loan outstanding from Heritage Trust for the North West of £75,000 (2021: £75,000).

**20 Control relationships**

The company is under the control of the directors.