

THE LOFTHOUSE FOUNDATION

England & Wales · Charity number 1038728

Details

Other names LOFTHOUSE FOUNDATION

Status Registered

Legal form Trust

Registered 1994-06-17

Register [View on the Charity Commission register](#)

Contact

Address Lofthouse of Fleetwood Ltd
Maritime Street
Fleetwood
FY7 7LP

Phone 01253872435

Activities

Objects: THE FURTHERANCE OF SUCH CHARITABLE PURPOSES FOR THE GENERAL BENEFIT OF THE INHABITANTS OF THE TOWN OF FLEETWOOD AND THE FYLDE COAST (INCLUDING ALL TOWNS AND LOCATIONS CONTAINED WITHIN THE AREA COVERED BY THE FY POSTAL CODE) AS THE TRUSTEES THINK FIT INCLUDING IN PARTICULAR BUT NOT SO AS TO LIMIT THE GENERALITY OF THE FOREGOING BY THE PROVISION OF SUCH AMENITIES AND FACILITIES FOR THE BENEFIT OF THE PUBLIC AS ARE NOT PROVIDED FROM PUBLIC FUNDS.

Activities: The provision of amenities and facilities for the benefit of the public.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** THE TOWN OF FLEETWOOD AND THE FYLDE COAST (INCLUDING ALL TOWNS AND LOCATIONS CONTAINED WITHIN THE AREA COVERED BY THE FY POSTAL CODE).
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£66,281,747	£61,757,855	£84,659,518	0
2023-12-31	£67,431,950	£64,568,628	£84,353,598	0
2022-12-31	£78,440,839	£32,850,768	£105,121,451	330
2021-12-31	£174,712	£50,000	-	-
2020-12-31	£109,000	£114,000	-	-

Trustees

Name	Role	Appointed
MR D C LOFTHOUSE	Chair	
Kieran Michael Ryan		2021-09-29
Linda Mary Lofthouse		2021-09-29
Martin Clive Brook		2025-09-29

THE LOFTHOUSE FOUNDATION

England & Wales - Charity number 1038728

Accounts

Charity registration number: 1038728

The Lofthouse Foundation

Report of the Trustees and Financial Statements
for the Year Ended 31 December 2024

Xeinadin Audit Ltd
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

The Lofthouse Foundation

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The Lofthouse Foundation
Reference and Administrative Details

Charity name	The Lofthouse Foundation
Charity registration number	1038728
Principal office	c/o Lofthouse of Fleetwood, Maritime Street, Fleetwood, Lancashire, FY7 7LP
Trustees	Mr DC Lofthouse Mrs LM Lofthouse Mr KM Ryan
Auditors	Xeinadin Audit Ltd, Statutory Auditors, 17 St Peters Place, Fleetwood, Lancashire, FY7 6EB

The Lofthouse Foundation Report of the Trustees

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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) (effective 1 January 2019).

Objectives and Activities

Objectives and Aims

The object of The Lofthouse Foundation is the furtherance of charitable purposes for the benefit of the inhabitants of the town of Fleetwood and the Fylde Coast including all towns and locations contained within the area covered by the FY postal code. As the Trustees think fit, the charity aims to provide amenities and facilities for the benefit of the public as are not provided from public funds.

Significant Activities

The charity does not solicit applications for funding of projects. Where applications are made by individuals or organisations, they are assessed by the trustees and, where appropriate, grants are made. Projects that are supported by the charity are actively monitored to ensure that any criteria set by the trustees are met.

Achievement and Performance

Fundraising Activities

During the current financial year, the Foundation received donations and legacies amounting to £1 (2023 - £34,715).

Trading Subsidiary

On 12th May 2022 the charity became the majority shareholder in the trading company Lofthouse of Fleetwood Limited. It is hoped that the charity can benefit from future profits of the company in order to meet its charitable objectives and widen its reach. The company's primary activity is the manufacture of Fishermans Friend Lozenges. The company is operated as a separate entity but the directors are both trustees of the charity.

Financial Review

Reserves Policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with an overall policy that is low risk. It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient investment income from which to cover unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

Future Plans

The charity plans to continue to provide charitable donations for the benefit of the inhabitants of Fleetwood and the Fylde Coast in the future. However, because of the significant recent legacy and the dating of the original trust deed, the trustees have spent much of the year reviewing the objects of the charity and other major clauses in the trust document. Whilst this review was in progress the Trustees did not make any new grants.

The Lofthouse Foundation Report of the Trustees Continued..

Structure, Governance and Management

Governing Document

The Lofthouse Foundation ("the charity") was established under the terms of a declaration of trust dated 15 June 1994 as amended on 18 April 2023 as amended by resolution dated 8 November 2023. It is a charity regulated by the Charity Commissioners for England and Wales under number 1038728.

Organisational Structure

The original trustees were appointed by the trust deed as the "First Trustees". The First Trustees shall hold office for life. Newly appointed trustees are made fully aware of their responsibilities and are given all the information required in respect of the charity's past and future activities in order to enable them to fulfil these responsibilities. The trustees meet throughout the year and have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"


The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20/05/2025 and signed on its behalf by

D C Lofthouse - Trustee

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The Lofthouse Foundation Report of The Independent Auditors

Opinion

We have audited the financial statements of The Lofthouse Foundation (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

The Lofthouse Foundation Report of The Independent Auditors

In connection with our audit of the financial statements, 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 this gives rise to 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.

Matters on Which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Discussions with trustees, including consideration of known or suspected instances of non-compliance with laws and regulation. This includes legislation that affects the running of the Foundation, such as the Charities Act 2011.
- 2) Testing all transactions in the year to supporting documentation, including any journal entries made.

The Lofthouse Foundation
Report of The Independent Auditors

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 Report of the Independent Auditors.

Use of our Report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Xeinadin Audit Limited
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date.....20/05/2025

The Lofthouse Foundation
Consolidated Statement of Financial Activities
For the Year Ended 31 December 2024

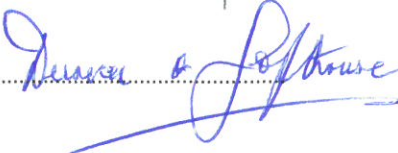
		2024	2023
		Total Funds	Total Funds
	Note	£	£
Incoming and Endowments From			
Donations and legacies	3	1	34,715
Commercial trading activities	3	64,849,343	66,489,863
Investments	3	1,700,187	1,073,641
Other items	3	(267,784)	(166,269)
Total		<u>66,281,747</u>	<u>67,431,950</u>
Resources expended			
Commercial trading activities	4	60,759,546	63,573,185
Charitable activities	5	1,200	36
Governance costs	6	14,422	12,720
Amortisation of goodwill		982,687	982,687
Total		<u>61,757,855</u>	<u>64,568,628</u>
Other recognised gains/loses			
(Losses)/gains on investments		-	-
Net movements in funds		4,523,892	2,863,322
Reconciliation of funds			
Total funds brought forward		<u>107,984,773</u>	<u>105,121,451</u>
Total funds carried forward		<u><u>112,508,665</u></u>	<u><u>107,984,773</u></u>
Plus Non-Controlling Interest at Acquisition			
Total Consolidated Funds		<u><u>112,508,665</u></u>	<u><u>107,984,773</u></u>
Movement attributed to			
Controlling party		2,826,397	1,676,827
Non-controlling interest		1,697,495	1,186,495
Total Movement in Funds		<u><u>4,523,892</u></u>	<u><u>2,863,322</u></u>

The Lofthouse Foundation
Consolidated Balance Sheet
For the Year Ended 31 December 2024

		2024	2023
		Total Funds	Total Funds
	Note	£	£
Fixed Assets			
Intangible assets	9	7,995,305	8,983,217
Tangible assets	10	47,416,055	49,785,535
Investments	11	-	-
Investment property	12	609,550	609,550
Total		<u>56,020,910</u>	<u>59,378,302</u>
Current Assets			
Stock	13	11,761,525	10,562,048
Debtors	14	6,872,175	7,740,757
Current investments	15	20,000,000	11,000,000
Cash at bank		29,023,211	30,015,330
Total		<u>67,656,911</u>	<u>59,318,135</u>
Creditors			
Amounts falling due within one year	16	<u>(5,094,034)</u>	<u>(6,677,998)</u>
Net Current Assets		<u>62,562,877</u>	<u>52,640,137</u>
Total Assets Less Current Liabilities		118,583,787	112,018,439
Provision for Liabilities	17	(6,075,122)	(4,033,666)
Net Assets		<u>112,508,665</u>	<u>107,984,773</u>
Total Unrestricted Funds	18	<u>112,508,665</u>	<u>107,984,773</u>
Attributed to			
Controlling party		80,966,112	78,139,715
Non-controlling interest		31,542,553	29,845,058
Total funds carried forward		<u>112,508,665</u>	<u>107,984,773</u>

Approved by order of the board of trustees on 20/05/2025 and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation
Charity Balance Sheet
For the Year Ended 31 December 2024

		2024	2023
	Note	Total Funds £	Total Funds £
Fixed Assets			
Tangible assets	10	163,411	163,410
Investments	11	<u>76,774,468</u>	<u>76,774,468</u>
Total		<u>76,937,879</u>	<u>76,937,878</u>
Current Assets			
Debtors	14	271,193	188,956
Cash at bank		<u>7,459,446</u>	<u>7,236,364</u>
Total		<u>7,730,639</u>	<u>7,425,320</u>
Creditors			
Amounts falling due within one year		(9,000)	(9,600)
Net Current Assets		<u>7,721,639</u>	<u>7,415,720</u>
Total Assets Less Current Liabilities		84,659,518	84,353,598
Net Assets		<u>84,659,518</u>	<u>84,353,598</u>
Total Unrestricted Funds	18	<u>84,659,518</u>	<u>84,353,598</u>

Approved by order of the board of trustees on 20/05/2025 and signed on its behalf by

D C Lofthouse - Trustee

The Lofthouse Foundation
Consolidated Cash Flow Statement
For the Year Ended 31 December 2024

		2024	2023
	Note	£	£
Cash Flow From Operating Activities			
Cash generated from operations	1	8,183,489	5,328,617
Tax paid		<u>(801,478)</u>	<u>-</u>
Net Cash From Operating Activities		<u>7,382,011</u>	<u>5,328,617</u>
Cash Flow From Investing Activities			
Purchase of intangible assets		(20,689)	(37,289)
Purchase of fixed assets		(1,013,903)	(5,268,752)
Sale of intangible fixed assets			122
Sale of fixed assets		21,000	9,348
Interest received		<u>1,700,185</u>	<u>1,073,641</u>
Net Cash From Investing Activities		<u>686,593</u>	<u>(4,222,930)</u>
Cash Flow From Financing Activities			
Current asset investment		(9,000,000)	(6,000,000)
Dividend paid		(500)	(1,000)
Share issue			-
Introduced by directors		900	1,000
Withdrawn by directors		<u>(61,123)</u>	<u>(206,215)</u>
Net Cash From Financing Activities		<u>(9,060,723)</u>	<u>(6,206,215)</u>
Change in cash and cash equivalents		(992,119)	(5,100,528)
Net cash on acquisition		-	-
Total Increase/(Decrease) in Cash Balance		<u>(992,119)</u>	<u>(5,100,528)</u>
Cash brought forward		<u>30,015,330</u>	<u>35,115,858</u>
Cash at Year End		<u>29,023,211</u>	<u>30,015,330</u>

The Lofthouse Foundation
Notes to the Consolidated Cash Flow Statement
For the Year Ended 31 December 2024

	2024	2023
	£	£
Net Income From Lofthouse of Fleetwood Ltd	7,022,556	4,676,882
Net Income from The Lofthouse Foundation	305,920	210,915
Adjustments for:		
Depreciation	3,342,219	3,073,304
Loss on sale of fixed assets	46,080	260,649
Investment income	(1,700,187)	(1,073,641)
Non cash legacy		-
(Increase)/decrease in stock	(1,199,477)	(115,280)
(Increase)/decrease in debtors	1,088,745	(387,827)
Increase/(decrease) in creditors	(722,367)	(1,316,385)
Cash Generated from Operations	<u><u>8,183,489</u></u>	<u><u>5,328,617</u></u>

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertaking made up to 31 December 2024. A subsidiary is an entity that is controlled by the Charity. The results of subsidiary undertakings are included in the consolidated statement of financial activities from the date that control commences until the date that control ceases. Control is established when the Charity has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. From 12 May 2022 the Charity was considered to control Lofthouse of Fleetwood Limited and consequently the gross income and expenditure from operations are presented on the Statement of Financial Activities from this date.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Turnover in the company represents sales of medicated confectionery, net of VAT and trade discounts which are recognised when the goods are physically despatched to the customer.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible Assets

Trademarks are amortised on a straight line basis over the period from their acquisition to the date of their expiry. They are stated at cost less accumulated amortisation and accumulated impairment losses.

Goodwill is recognised under the purchase method on consolidation. Goodwill is the difference between the fair value of the consideration given at acquisition and the fair value of the parent's interest in the net assets of Lofthouse of Fleetwood Ltd at 12 May 2022.

Goodwill is being amortised over a period of 10 years in line with the FRS 102 recommended limit where a reasonable estimate cannot be made.

The Lofthouse Foundation Notes to the Accounts

1. Accounting Policies Continued...

Tangible Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes cost directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Freehold property	15 to 50 years
- Assets under construction	Nil
- Plant and machinery	5% on cost
- Fixtures and fittings	2 to 5 years
- Motor vehicles	5 to 10 years

Land is not depreciated, nor is the freehold property owned by the charity itself because the trustees believe the value is in excess of its historic cost.

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is shown in the Statement of Financial Activities.

Stocks

Stock is valued at the lower of cost or net realisable value. Finished goods are valued using the standard costing method which incorporates an element of overheads and labour into the final cost of the finished goods.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

Taxation

The charity is exempt from tax on its charitable activities.

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies Continued...

Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the period end. Exchange differences are taken into account in arriving at the operating result.

Pension Costs and Other Post-Retirement Benefits

The company operates defined contribution schemes in respect of its directors and employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the directors' fund and payments to individual pension plans of employees.

Provisions for Liabilities

Provisions are recognised where there is a legal or constructive obligation to transfer economic benefits as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is only recognised as a separate asset if recovery is virtually certain.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees, there are currently no restricted funds.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Lofthouse Foundation Notes to the Accounts

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty Continued...

Critical judgements in applying the Company's accounting policies and key source of estimation uncertainty

The following are the key sources of estimation uncertainty that the directors have assessed as being applicable to the entity and that have the most significant effect on the amounts recognised in the financial statements. It is deemed that there are no critical accounting judgements.

Fixed Assets

Accounting for fixed assets involves the use of estimates for (a) the useful life of the assets over which they are to be depreciated, and (b) the existence and any amount of impairment.

Fixed assets are depreciated over their estimated useful lives. When the company estimates useful lives, various factors are considered including expected technology obsolescence and the expected usage of the asset. The company regularly reviews these assets useful lives, their future economic utilization and the physical condition of the assets concerned.

The carrying value of the assets is assessed periodically to determine whether there are any indications of any impairment of the value beyond the depreciation charge. If this is the case, an impairment charge is taken against the carrying value of the assets and charged to profit and loss account. The impairment of fixed assets requires management judgement in determining the amounts to be impaired, in particular, judgement is used when assessing the future cash flows.

Investment Property

The fair value, £609,550 (2023: £609,550), of the investment property has been arrived at on the basis of the directors valuation carried out on 31st December 2024. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Stock

Stock provisions are provided where it is considered that the amount realisable is considered to be less than its carrying amount. The provisions are made using management's best estimate for recoverable amounts.

3. Donations, Legacies and Turnover and Other Income

	2024	2023
	£	£
Income from Legacies	1	34,715
Income from Donations	-	-
Sales of Goods	64,849,343	66,489,863
Interest Received	1,700,187	1,073,641
Foreign Exchange Gains	(659,863)	(269,454)
Sundry Income	392,079	103,185
	66,281,747	67,431,950

The Lofthouse Foundation
Notes to the Accounts

4. Expenditure on Commercial Trading Activities

	2024	2023
	£	£
Cost of Sales	32,487,863	36,216,851
Direct Staff Costs	8,670,023	8,651,250
Direct Utilities	1,970,820	2,268,187
Direct Depreciation	3,159,647	2,940,867
Commission	5,358,632	5,374,869
Distribution Costs	325,373	327,696
Distribution Depreciation	25,784	27,185
Administration Staff Costs	5,063,244	4,240,038
Administration Costs	668,465	706,493
Administration Utilities	165,607	192,181
Administration Amortisation	25,915	26,181
Administration Depreciation	130,873	79,071
Legal & Professional	686,645	1,063,966
Taxation	1,821,397	1,047,218
Dividends	500	1,000
Profit/(Loss) on Sale of Tangible Fixed Assets	46,080	260,649
Bank Charges	4,678	5,683
Auditors Remuneration	88,000	88,000
Auditors Remuneration Non Audit Work	60,000	55,800
	60,759,546	63,573,185

5. Expenditure on Charitable Activities

	2024	2023
	£	£
Sundries	-	36
Website costs	1,200	-
	1,200	36

6. Governance Costs

	2024	2023
	£	£
Auditors Remuneration	1,500	1,500
Auditors Remuneration Non Audit Work	7,500	11,220
Accounts, Legal & Professional	5,422	-
	14,422	12,720

The Lofthouse Foundation
Notes to the Accounts

7. Trustees Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

8. Employees and Directors

The average number of employees during the year was as follows:

	2024	2023
Production Staff	256	275
Office and Management	63	59
	319	334
 Directors remuneration:		
	2024	2023
	£	£
Directors remuneration	342,625	100,000
	342,625	100,000

9. Intangible Fixed Assets

Consolidated Balance Sheet

	Goodwill	Trademarks	Total
Cost			
At 1 January 2024	9,826,867	146,262	9,973,129
Additions	-	20,689	20,689
Disposals	-	(22,284)	(22,284)
Reclassification	-		0
At 31 December 2024	9,826,867	144,667	9,971,534
 Amortisation			
At 1 January 2024	982,687	7,225	989,912
Charge for Year	982,687	25,914	1,008,601
Elimination on Disposal	-	(22,284)	(22,284)
At 31 December 2024	1,965,374	10,855	1,976,229
 Net Book Value			
At 31 December 2024	7,861,493	133,812	7,995,305
At 31 December 2023	8,844,180	139,037	8,983,217

The Lofthouse Foundation
Notes to the Accounts

10. Tangible Fixed Assets
Consolidated Balance Sheet

	Freehold Property	Assets Under Construction	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Total
Cost						
At 1 January 2024	15,484,185	9,654,224	27,107,568	303,841	40,895	52,590,713
Additions	10,513	642,623	122,959	237,808		1,013,903
Disposals	(62,202)		(123,995)	(52,064)		(238,261)
Reclassifications	1,049,776	(10,296,847)	9,227,350	19,721		-
At 31 December 2024	16,482,272	-	36,333,882	509,306	40,895	53,366,355
Depreciation						
At 1 January 2024	632,854	-	2,058,287	111,447	2,590	2,805,178
Charge for Year	360,146		2,806,899	147,038	2,220	3,316,303
Elimination on Disposal	(35,559)		(83,558)	(52,064)		(171,181)
At 31 December 2024	957,441	-	4,781,628	206,421	4,810	5,950,300
Net Book Value						
At 31 December 2024	15,524,831	-	31,552,254	302,885	36,085	47,416,055
At 31 December 2023	14,851,331	9,654,224	25,049,281	192,394	38,305	49,785,535

Charity Balance Sheet

	Freehold Property	Total
Cost		
At 1 January 2024	163,410	163,410
Additions	1	1
Reclassifications	-	-
At 31 December 2024	163,411	163,411
Depreciation		
Charge for Year	-	-
Net Book Value		
At 31 December 2024	163,411	163,411
At 31 December 2023	163,410	163,410

11. Investments

Prior to the 12 May 2022, the investment represented the fair value of the Foundation's investment in shares of Lofthouse of Fleetwood Limited, the amount being £39,574,468. In the Charity individual balance sheet to 31 December 2022 this became £76,774,468 as the Charity received additional shares. In the Consolidated Balance Sheet the fair value of the investment is removed on consolidation.

The Lofthouse Foundation
Notes to the Accounts

12. Investment Property
Consolidated Balance Sheet

	£
Fair Value	
Brought forward	<u>609,550</u>
At 31 December 2024	<u>609,550</u>
Net Book Value	
At 31 December 2024	<u><u>609,550</u></u>
At 31 December 2023	<u><u>609,550</u></u>

13. Stock
Consolidated Balance Sheet

	2024	2023
	£	£
Raw Materials	8,483,096	7,900,388
Finished Goods	3,278,429	2,661,660
	<u>11,761,525</u>	<u>10,562,048</u>

14. Debtors
Consolidated Balance Sheet

	2024	2023
	£	£
Trade Debtors	5,694,394	6,571,482
Other Debtors	204,639	495,866
Tax	220,163	-
Prepayments	752,979	673,409
	<u>6,872,175</u>	<u>7,740,757</u>

The charity balance sheet contains £271,193 of interest which is accrued as at 31 December 2024.

15. Current Investments

Current investments of £20,000,000 (2023 - £11,000,000) in the Consolidated Balance Sheet represent short time deposits held with the Bank.

The Lofthouse Foundation
Notes to the Accounts

16. Creditors

Consolidated Balance Sheet

	2024	2023
	£	£
Trade Creditors	3,151,334	3,978,661
Taxation and Social Security	289,431	1,085,738
Other Creditors	1,653,269	1,613,599
	<u>5,094,034</u>	<u>6,677,998</u>

17. Provision for Liabilities

Consolidated Balance Sheet

	2024	2023
	£	£
Deferred Tax	<u>6,075,122</u>	<u>4,033,666</u>

18. Movement in Funds

Consolidated Balance Sheet

	At 1/1/24	Net Movement	At 31/12/24
	£	£	£
Unrestricted Funds			
General Fund	107,984,773	4,523,892	112,508,665
Total Funds	<u>107,984,773</u>	<u>4,523,892</u>	<u>112,508,665</u>

Net Movement in funds is as follows:

	Incoming Resources	Resources Expended	Investment Revaluation	Total Movement
Unrestricted Funds				
General Fund	66,281,747	(61,757,855)	-	4,523,892
Total Funds	<u>66,281,747</u>	<u>(61,757,855)</u>	<u>-</u>	<u>4,523,892</u>

Total Funds are attributed as follows:

Controlling party	80,966,112
Non-controlling interest	31,542,553
Total funds carried forward	<u>112,508,665</u>

The Lofthouse Foundation
Notes to the Accounts

18. Movement in Funds Continued...
Charity Balance Sheet

	At 1/1/24	Net Movement	At 31/12/24
	£	£	£
Unrestricted Funds			
General Fund	84,353,598	305,920	84,659,518
Total Funds	<u>84,353,598</u>	<u>305,920</u>	<u>84,659,518</u>

Net Movement in funds is as follows:

	Incoming Resources	Resources Expended	Total Movement
Unrestricted Funds			
General Fund	321,542	(15,622)	305,920
Total Funds	<u>321,542</u>	<u>(15,622)</u>	<u>305,920</u>

19. Related Party Disclosures

On 12 May 2022, the Foundation became the majority parent of Lofthouse of Fleetwood Limited with a 67.4% shareholding. The Directors of the company are both Trustees of the Foundation. During the year there were no transactions between the two entities.

THE LOFTHOUSE FOUNDATION

England & Wales - Charity number 1038728

Accounts

Charity registration number: 1038728

The Lofthouse Foundation

Report of the Trustees and Financial Statements
for the Year Ended 31 December 2023

Jones Harris Limited
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

The Lofthouse Foundation

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The Lofthouse Foundation
Reference and Administrative Details

Charity name	The Lofthouse Foundation
Charity registration number	1038728
Principal office	c/o Lofthouse of Fleetwood, Maritime Street, Fleetwood, Lancashire, FY7 7LP
Trustees	Mr DC Lofthouse Mrs LM Lofthouse Mr KM Ryan
Auditors	Jones Harris Limited, Statutory Auditors, 17 St Peters Place, Fleetwood, Lancashire, FY7 6EB

The Lofthouse Foundation Report of the Trustees

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

Objectives and Activities

Objectives and Aims

The object of The Lofthouse Foundation is the furtherance of charitable purposes for the benefit of the inhabitants of the town of Fleetwood and the Fylde Coast including all towns and locations contained within the area covered by the FY postal code. As the Trustees think fit, the charity aims to provide amenities and facilities for the benefit of the public as are not provided from public funds.

Significant Activities

The charity does not solicit applications for funding of projects. Where applications are made by individuals or organisations, they are assessed by the trustees and, where appropriate, grants are made. Projects that are supported by the charity are actively monitored to ensure that any criteria set by the trustees are met.

Achievement and Performance

Fundraising Activities

During the current financial year, the Foundation received donations and legacies amounting to £34,715 (2022 - £44,274,893). This included a donation of shares in a trading company in the prior year.

Trading Subsidiary

On 12th May 2022 the charity became the majority shareholder in the trading company Lofthouse of Fleetwood Limited. It is hoped that the charity can benefit from future profits of the company in order to meet its charitable objectives and widen its reach. The company's primary activity is the manufacture of Fishermans Friend Lozenges. The company is operated as a separate entity but the directors are both trustees of the charity.

Financial Review

Reserves Policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with an overall policy that is low risk. It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient investment income from which to cover unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

Future Plans

The charity plans to continue to provide charitable donations for the benefit of the inhabitants of Fleetwood and the Fylde Coast in the future. However, because of the significant recent legacy and the dating of the original trust deed, the trustees have spent much of the year reviewing the objects of the charity and other major clauses in the trust document. Whilst this review was in progress the Trustees did not make any new grants.

The Lofthouse Foundation Report of the Trustees Continued..

Structure, Governance and Management

Governing Document

The Lofthouse Foundation ("the charity") was established under the terms of a declaration of trust dated 15 June 1994 as amended on 18 April 2023 as amended by resolution dated 8 November 2023. It is a charity regulated by the Charity Commissioners for England and Wales under number 1038728.

Organisational Structure

The original trustees were appointed by the trust deed as the "First Trustees". The First Trustees shall hold office for life. Newly appointed trustees are made fully aware of their responsibilities and are given all the information required in respect of the charity's past and future activities in order to enable them to fulfil these responsibilities. The trustees meet throughout the year and have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 22/05/2024 and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation Report of The Independent Auditors

Opinion

We have audited the financial statements of The Lofthouse Foundation (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

The Lofthouse Foundation Report of The Independent Auditors

In connection with our audit of the financial statements, 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 this gives rise to 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.

Matters on Which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Discussions with trustees, including consideration of known or suspected instances of non-compliance with laws and regulation. This includes legislation that affects the running of the Foundation, such as the Charities Act 2011.
- 2) Testing all transactions in the year to supporting documentation, including any journal entries made.

The Lofthouse Foundation
Report of The Independent Auditors

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 Report of the Independent Auditors.

Use of our Report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jones Harris Limited

Jones Harris Limited
Chartered Accountants
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date... 22/05/2024

The Lofthouse Foundation
Consolidated Statement of Financial Activities
For the Year Ended 31 December 2023

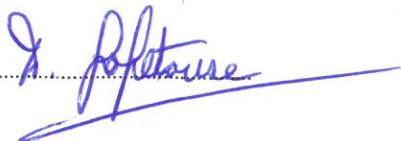
	2023	2022
	Total Funds	Total Funds
Note	£	£
Incoming and Endowments From		
Donations and legacies	34,715	44,274,893
Commercial trading activities	66,489,863	33,641,384
Investments	1,073,641	37,734
Other items	(166,269)	486,828
Total	<u>67,431,950</u>	<u>78,440,839</u>
Resources expended		
Commercial trading activities	63,573,185	32,844,348
Charitable activities	36	-
Governance costs	12,720	6,420
Amortisation of goodwill	982,687	-
Total	<u>64,568,628</u>	<u>32,850,768</u>
Other recognised gains/loses		
(Losses)/gains on investments	-	(8,576,468)
Net movements in funds	2,863,322	37,013,603
Reconciliation of funds		
Total funds brought forward	<u>105,121,451</u>	<u>39,874,211</u>
Total funds carried forward	<u>107,984,773</u>	<u>76,887,814</u>
Plus Non-Controlling Interest at Acquisition		28,233,637
Total Consolidated Funds	<u>107,984,773</u>	<u>105,121,451</u>
Movement attributed to		
Controlling party	1,676,827	36,588,677
Non-controlling interest	1,186,495	424,926
Total Movement in Funds	<u>2,863,322</u>	<u>37,013,603</u>

The Lofthouse Foundation
Consolidated Balance Sheet
For the Year Ended 31 December 2023

		2023	2022
	Note	Total Funds £	Total Funds £
Fixed Assets			
Intangible assets	9	8,983,217	9,952,138
Tangible assets	10	49,785,535	47,836,691
Investments	11	-	-
Investment property	12	<u>609,550</u>	<u>609,550</u>
Total		<u>59,378,302</u>	<u>58,398,379</u>
Current Assets			
Stock	13	10,562,048	10,446,768
Debtors	14	7,740,757	7,352,930
Current investments	15	11,000,000	5,000,000
Cash at bank		<u>30,015,330</u>	<u>35,115,858</u>
Total		<u>59,318,135</u>	<u>57,915,556</u>
Creditors			
Amounts falling due within one year	16	<u>(6,677,998)</u>	<u>(7,398,225)</u>
Net Current Assets		<u>52,640,137</u>	<u>50,517,331</u>
Total Assets Less Current Liabilities		112,018,439	108,915,710
Provision for Liabilities	17	(4,033,666)	(3,794,259)
Net Assets		<u>107,984,773</u>	<u>105,121,451</u>
Total Unrestricted Funds	18	<u>107,984,773</u>	<u>105,121,451</u>
Attributed to			
Controlling party		78,139,715	76,462,888
Non-controlling interest		<u>29,845,058</u>	<u>28,658,563</u>
Total funds carried forward		<u>107,984,773</u>	<u>105,121,451</u>

Approved by order of the board of trustees on 22/05/2024 and signed on its behalf by

D C Lofthouse - Trustee

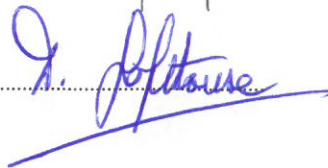


The Lofthouse Foundation
Charity Balance Sheet
For the Year Ended 31 December 2023

		2023	2022
	Note	Total Funds £	Total Funds £
Fixed Assets			
Tangible assets	10	163,410	163,410
Investments	11	<u>76,774,468</u>	<u>76,774,468</u>
Total		<u><u>76,937,878</u></u>	<u><u>76,937,878</u></u>
Current Assets			
Debtors	14	188,956	250
Cash at bank		<u>7,236,364</u>	<u>7,210,555</u>
Total		<u><u>7,425,320</u></u>	<u><u>7,210,805</u></u>
Creditors			
Amounts falling due within one year		(9,600)	(6,000)
Net Current Assets		<u>7,415,720</u>	<u>7,204,805</u>
Total Assets Less Current Liabilities		84,353,598	84,142,683
Net Assets		<u><u>84,353,598</u></u>	<u><u>84,142,683</u></u>
Total Unrestricted Funds	18	<u><u>84,353,598</u></u>	<u><u>84,142,683</u></u>

Approved by order of the board of trustees on 22/05/2024 and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation
Consolidated Cash Flow Statement
For the Year Ended 31 December 2023

		2023	2022
	Note	£	£
Cash Flow From Operating Activities			
Cash generated from operations	1	5,328,617	7,584,904
Tax paid		-	990,222
Net Cash From Operating Activities		<u>5,328,617</u>	<u>8,575,126</u>
Cash Flow From Investing Activities			
Purchase of intangible assets		(37,289)	(25,747)
Purchase of fixed assets		(5,268,752)	(629,241)
Sale of intangible fixed assets		122	-
Sale of fixed assets		9,348	17,069
Interest received		1,073,641	59,112
Net Cash From Investing Activities		<u>(4,222,930)</u>	<u>(578,807)</u>
Cash Flow From Financing Activities			
Current asset investment		(6,000,000)	(5,000,000)
Dividend paid		(1,000)	(2,000)
Share issue		-	(10)
Introduced by directors		1,000	2,000
Withdrawn by directors		(206,215)	(147,037)
Net Cash From Financing Activities		<u>(6,206,215)</u>	<u>(5,147,047)</u>
Change in cash and cash equivalents		(5,100,528)	2,849,272
Net cash on acquisition		-	32,130,253
Total Increase/(Decrease) in Cash Balance		<u>(5,100,528)</u>	<u>34,979,525</u>
Cash brought forward		<u>35,115,858</u>	<u>136,333</u>
Cash at Year End		<u>30,015,330</u>	<u>35,115,858</u>

The Lofthouse Foundation
Notes to the Consolidated Cash Flow Statement
For the Year Ended 31 December 2023

	2023	2022
	£	£
Net Income From Lofthouse of Fleetwood Ltd	4,676,882	2,308,999
Net Income from The Lofthouse Foundation	210,915	44,268,472
Adjustments for:		
Depreciation	3,073,304	3,193,586
Loss on sale of fixed assets	260,649	14,443
Investment income	(1,073,641)	(59,112)
Non cash legacy	-	(37,200,000)
(Increase)/decrease in stock	(115,280)	(2,017,181)
(Increase)/decrease in debtors	(387,827)	(3,473,130)
Increase/(decrease) in creditors	(1,316,385)	548,827
Cash Generated from Operations	<u>5,328,617</u>	<u>7,584,904</u>

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertaking made up to 31 December 2023. A subsidiary is an entity that is controlled by the Charity. The results of subsidiary undertakings are included in the consolidated statement of financial activities from the date that control commences until the date that control ceases. Control is established when the Charity has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. From 12 May 2022 the Charity was considered to control Lofthouse of Fleetwood Limited and consequently the gross income and expenditure from operations are presented on the Statement of Financial Activities from this date.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Turnover in the company represents sales of medicated confectionery, net of VAT and trade discounts which are recognised when the goods are physically despatched to the customer.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible Assets

Trademarks are amortised on a straight line basis over the period from their acquisition to the date of their expiry. They are stated at cost less accumulated amortisation and accumulated impairment losses.

Goodwill is recognised under the purchase method on consolidation. Goodwill is the difference between the fair value of the consideration given at acquisition and the fair value of the parent's interest in the net assets of Lofthouse of Fleetwood Ltd at 12 May 2022.

Goodwill is being amortised over a period of 10 years in line with the FRS 102 recommended limit where a reasonable estimate cannot be made.

The Lofthouse Foundation Notes to the Accounts

1. Accounting Policies Continued...

Tangible Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes cost directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Freehold property	15 to 50 years
- Assets under construction	Nil
- Plant and machinery	5% on cost
- Fixtures and fittings	2 to 5 years
- Motor vehicles	5 to 10 years

Land is not depreciated, nor is the freehold property owned by the charity itself because the trustees believe the value is in excess of its historic cost.

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is shown in the Statement of Financial Activities.

Stocks

Stock is valued at the lower of cost or net realisable value. Finished goods are valued using the standard costing method which incorporates an element of overheads and labour into the final cost of the finished goods.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

Taxation

The charity is exempt from tax on its charitable activities.

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies Continued...

Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the period end. Exchange differences are taken into account in arriving at the operating result.

Pension Costs and Other Post-Retirement Benefits

The company operates defined contribution schemes in respect of its directors and employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the directors' fund and payments to individual pension plans of employees.

Provisions for Liabilities

Provisions are recognised where there is a legal or constructive obligation to transfer economic benefits as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is only recognised as a separate asset if recovery is virtually certain.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees, there are currently no restricted funds.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Lofthouse Foundation
Notes to the Accounts

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty Continued...

Critical judgements in applying the Company's accounting policies and key source of estimation uncertainty

The following are the key sources of estimation uncertainty that the directors have assessed as being applicable to the entity and that have the most significant effect on the amounts recognised in the financial statements. It is deemed that there are no critical accounting judgements.

Fixed Assets

Accounting for fixed assets involves the use of estimates for (a) the useful life of the assets over which they are to be depreciated, and (b) the existence and any amount of impairment.

Fixed assets are depreciated over their estimated useful lives. When the company estimates useful lives, various factors are considered including expected technology obsolescence and the expected usage of the asset. The company regularly reviews these assets useful lives, their future economic utilization and the physical condition of the assets concerned.

The carrying value of the assets is assessed periodically to determine whether there are any indications of any impairment of the value beyond the depreciation charge. If this is the case, an impairment charge is taken against the carrying value of the assets and charged to profit and loss account. The impairment of fixed assets requires management judgement in determining the amounts to be impaired, in particular, judgement is used when assessing the future cash flows.

Investment Property

The fair value, £609,550 (2022: £609,550), of the investment property has been arrived at on the basis of the directors valuation carried out on 31st December 2023. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Stock

Stock provisions are provided where it is considered that the amount realisable is considered to be less than its carrying amount. The provisions are made using management's best estimate for recoverable amounts.

3. Donations, Legacies and Turnover and Other Income

	2023	2022
	£	£
Income from Legacies	34,715	44,274,893
Income from Donations	-	-
Sales of Goods	66,489,863	33,641,384
Interest Received	1,073,641	37,734
Foreign Exchange Gains	(269,454)	460,600
Sundry Income	103,185	26,228
	67,431,950	78,440,839

The Lofthouse Foundation
Notes to the Accounts

4. Expenditure on Commercial Trading Activities

	2023	2022
	£	£
Cost of Sales	36,216,851	17,365,395
Direct Staff Costs	8,651,250	5,465,877
Direct Utilities	2,268,187	1,317,146
Direct Depreciation	2,940,867	1,962,437
Commission	5,374,869	2,764,366
Distribution Costs	327,696	271,899
Distribution Depreciation	27,185	18,912
Administration Staff Costs	4,240,038	2,491,885
Administration Costs	706,493	404,577
Administration Utilities	192,181	117,274
Administration Amortisation	26,181	15,232
Administration Depreciation	79,071	42,065
Legal & Professional	1,063,966	372,945
Taxation	1,047,218	150,364
Dividends	1,000	2,000
Profit/(Loss) on Sale of Tangible Fixed Assets	260,649	(9,220)
Bank Charges	5,683	3,229
Auditors Remuneration	88,000	51,925
Auditors Remuneration Non Audit Work	55,800	36,040
	63,573,185	32,844,348

5. Expenditure on Charitable Activities

	2023	2022
	£	£
Sundries	36	-
	36	-

6. Governance Costs

	2023	2022
	£	£
Auditors Remuneration	12,720	6,000
Auditors Remuneration Non Audit Work	-	420
	12,720	6,420

The Lofthouse Foundation
Notes to the Accounts

7. Trustees Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

8. Employees and Directors

The average number of employees during the year was as follows:

	2023	2022
Production Staff	275	272
Office and Management	59	58
	334	330
Directors remuneration:		
	2023	2022
	£	£
Directors remuneration	100,000	109,541
	100,000	109,541

9. Intangible Fixed Assets
Consolidated Balance Sheet

	Goodwill	Trademarks	Total
Cost			
At 1 January 2023	9,826,867	140,503	9,967,370
Additions	-	37,289	37,289
Disposals	-	(34,310)	(34,310)
Reclassification	-	2,780	2,780
At 31 December 2023	9,826,867	146,262	9,973,129
Amortisation			
At 1 January 2023	-	15,232	15,232
Charge for Year	982,687	26,183	1,008,870
Elimination on Disposal	-	(34,190)	(34,190)
At 31 December 2023	982,687	7,225	989,912
Net Book Value			
At 31 December 2023	8,844,180	139,037	8,983,217
At 31 December 2022	9,826,867	125,271	9,952,138

The Lofthouse Foundation
Notes to the Accounts

10. Tangible Fixed Assets
Consolidated Balance Sheet

	Freehold Property	Assets Under Construction	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Total
Cost						
At 1 January 2023	15,484,185	4,747,293	29,331,385	256,347	40,895	49,860,105
Additions	-	5,108,090	24,240	136,422	-	5,268,752
Disposals	-	-	(2,446,435)	(88,928)	-	(2,535,363)
Reclassifications	-	(201,159)	198,378	-	-	(2,781)
At 31 December 2023	15,484,185	9,654,224	27,107,568	303,841	40,895	52,590,713
Depreciation						
At 1 January 2023	271,685	-	1,653,508	97,851	370	2,023,414
Charge for Year	361,169	-	2,581,212	102,524	2,220	3,047,125
Elimination on Disposal	-	-	(2,176,433)	(88,928)	-	(2,265,361)
At 31 December 2023	632,854	-	2,058,287	111,447	2,590	2,805,178
Net Book Value						
At 31 December 2023	14,851,331	9,654,224	25,049,281	192,394	38,305	49,785,535
At 31 December 2022	15,212,500	4,747,293	27,677,877	158,496	40,525	47,836,691

Charity Balance Sheet

	Freehold Property	Total
Cost		
At 1 January 2023	163,410	163,410
Additions	-	-
Reclassifications	-	-
At 31 December 2023	163,410	163,410
Depreciation		
Charge for Year	-	-
Net Book Value		
At 31 December 2023	163,410	163,410
At 31 December 2022	163,410	163,410

11. Investments

Prior to the 12 May 2022, the investment represented the fair value of the Foundation's investment in shares of Lofthouse of Fleetwood Limited, the amount being £39,574,468. In the Charity individual balance sheet to 31 December 2022 this became £76,774,468 as the Charity received additional shares. In the Consolidated Balance Sheet the fair value of the investment is removed on consolidation.

The Lofthouse Foundation
Notes to the Accounts

12. Investment Property
Consolidated Balance Sheet

	£
Fair Value	
Brought forward	<u>609,550</u>
At 31 December 2023	<u>609,550</u>
Net Book Value	
At 31 December 2023	<u><u>609,550</u></u>
At 31 December 2022	<u><u>609,550</u></u>

13. Stock
Consolidated Balance Sheet

	2023	2022
	£	£
Raw Materials	7,900,388	8,738,229
Finished Goods	2,661,660	1,708,539
	<u>10,562,048</u>	<u>10,446,768</u>

14. Debtors
Consolidated Balance Sheet

	2023	2022
	£	£
Trade Debtors	6,571,482	6,108,555
Other Debtors	495,866	808,954
Prepayments	673,409	435,421
	<u>7,740,757</u>	<u>7,352,930</u>

The charity balance sheet contains £188,956 of interest which is accrued as at 31 December 2023.

15. Current Investments

Current investments of £11,000,000 (2022 - £5,000,000) in the Consolidated Balance Sheet represent short time deposits held with the Bank.

The Lofthouse Foundation
Notes to the Accounts

16. Creditors

Consolidated Balance Sheet

	2023	2022
	£	£
Trade Creditors	3,978,661	5,618,185
Taxation and Social Security	1,085,738	266,591
Other Creditors	1,613,599	1,513,449
	<u>6,677,998</u>	<u>7,398,225</u>

17. Provision for Liabilities

Consolidated Balance Sheet

	2023	2022
	£	£
Deferred Tax	<u>4,033,666</u>	<u>3,794,259</u>

18. Movement in Funds

Consolidated Balance Sheet

	At 1/1/23	Net Movement	At 31/12/23
	£	£	£
Unrestricted Funds			
General Fund	105,121,451	2,863,322	107,984,773
Total Funds	<u>105,121,451</u>	<u>2,863,322</u>	<u>107,984,773</u>

Net Movement in funds is as follows:

	Incoming Resources	Resources Expended	Investment Revaluation	Total Movement
Unrestricted Funds				
General Fund	67,431,950	(64,568,628)	-	2,863,322
Total Funds	<u>67,431,950</u>	<u>(64,568,628)</u>	<u>-</u>	<u>2,863,322</u>

Total Funds are attributed as follows:

Controlling party	78,139,715
Non-controlling interest	29,845,058
Total funds carried forward	<u>107,984,773</u>

The Lofthouse Foundation
Notes to the Accounts

18. Movement in Funds Continued...

Charity Balance Sheet

	At 1/1/23	Net	At 31/12/23
	£	Movement	£
		£	
Unrestricted Funds			
General Fund	84,142,683	210,915	84,353,598
Total Funds	<u>84,142,683</u>	<u>210,915</u>	<u>84,353,598</u>

Net Movement in funds is as follows:

	Incoming	Resources	Total
	Resources	Expended	Movement
Unrestricted Funds			
General Fund	223,671	(12,756)	210,915
Total Funds	<u>223,671</u>	<u>(12,756)</u>	<u>210,915</u>

19. Related Party Disclosures

On 12 May 2022, the Foundation became the majority parent of Lofthouse of Fleetwood Limited with a 67.4% shareholding. The Directors of the company are both Trustees of the Foundation. During the year there were no transactions between the two entities.

THE LOFTHOUSE FOUNDATION

England & Wales - Charity number 1038728

Accounts

Charity registration number: 1038728

The Lofthouse Foundation
Report of the Trustees and Financial Statements
for the Year Ended 31 December 2022

Jones Harris Limited
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

The Lofthouse Foundation
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Charity Balance Sheet	9
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The Lofthouse Foundation
Reference and Administrative Details

Charity name	The Lofthouse Foundation
Charity registration number	1038728
Principal office	c/o Lofthouse of Fleetwood, Maritime Street, Fleetwood, Lancashire, FY7 7LP
Trustees	Mr DC Lofthouse Mrs LM Lofthouse Mr KM Ryan
Auditors	Jones Harris Limited, Statutory Auditors, 17 St Peters Place, Fleetwood, Lancashire, FY7 6EB

The Lofthouse Foundation Report of the Trustees

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

Objectives and Activities

Objectives and Aims

The object of The Lofthouse Foundation is the furtherance of charitable purposes for the benefit of the inhabitants of the town of Fleetwood. As the Trustees think fit the charity aims to provide amenities and facilities for the benefit of the public as are not provided from public funds.

There have been no material changes to the objects of the charity since the date of the last report.

Significant Activities

The charity does not solicit applications for funding of projects. Where applications are made by individuals or organisations, they are assessed by the trustees and, where appropriate, grants are made. Projects that are supported by the charity are actively monitored to ensure that any criteria set by the trustees are met.

Achievement and Performance

Fundraising Activities

During the current financial year, the Foundation received donations and legacies amounting to £44,274,893 (2021 - £174,712). This included a donation of shares in a trading company.

Trading Subsidiary

On 12th May 2022 the charity became the majority shareholder in the trading company Lofthouse of Fleetwood Limited. It is hoped that the charity can benefit from future profits of the company in order to meet its charitable objectives and widen its reach. The company's primary activity is the manufacture of Fishermans Friend Lozenges. The company is operated as a separate entity but the directors are both trustees of the charity.

Financial Review

Reserves Policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with an overall policy that is low risk. It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient investment income from which to cover unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

Future Plans

The charity plans to continue to provide charitable donations for the benefit of the inhabitants of Fleetwood (and its environs) in the future. However, because of the significant recent legacy and the dating of the original trust deed, which has not been updated since inception, it is the trustees' intention to review the objects of the charity and other major clauses in the trust document over the coming year. Whilst this review is in progress the Trustees do not intend to make any new grants and will only honour existing commitments.

**The Lofthouse Foundation
Report of the Trustees Continued..**

Structure, Governance and Management

Governing Document

The Lofthouse Foundation ("the charity") was established under the terms of a declaration of trust dated 15 June 1994. It is a charity regulated by the Charity Commissioners for England and Wales under number 1038728.

Organisational Structure

The trustees were appointed by the trust deed as the "First Trustees". The First Trustees shall hold office for life. The trustees meet throughout the year to discuss and approve grants. The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. Newly appointed trustees are made fully aware of their responsibilities and are given all the information required in respect of the charity's past and future activities in order to enable them to fulfil these responsibilities.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on20-04-23..... and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation Report of The Independent Auditors

Opinion

We have audited the financial statements of The Lofthouse Foundation (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

The Lofthouse Foundation Report of The Independent Auditors

In connection with our audit of the financial statements, 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 this gives rise to 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.

Matters on Which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

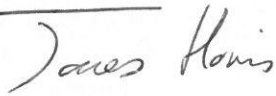
- 1) Discussions with trustees, including consideration of known or suspected instances of non-compliance with laws and regulation. This includes legislation that affects the running of the Foundation, such as the Charities Act 2011.
- 2) Testing all transactions in the year to supporting documentation, including any journal entries made.

The Lofthouse Foundation
Report of The Independent Auditors

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 Report of the Independent Auditors.

Use of our Report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jones Harris Limited
Chartered Accountants
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date.....20/4/2023.....

The Lofthouse Foundation
Consolidated Statement of Financial Activities
For the Year Ended 31 December 2022

	2022	2021
	Total Funds	Total Funds
Note	£	£
Incoming and Endowments From		
Donations and legacies	3 44,274,893	174,712
Commercial trading activities	3 33,641,384	-
Investments	3 37,734	-
Other items	3 486,828	-
Total	<u>78,440,839</u>	<u>174,712</u>
Resources expended		
Commercial trading activities	4 32,844,348	-
Charitable activities	5 -	50,000
Governance costs	6 6,420	-
Total	<u>32,850,768</u>	<u>50,000</u>
Other recognised gains/loses		
(Losses)/gains on investments	<u>(8,576,468)</u>	<u>8,576,468</u>
Net movements in funds	37,013,603	8,701,180
Reconciliation of funds		
Total funds brought forward	<u>39,874,211</u>	<u>31,173,031</u>
Total funds carried forward	<u>76,887,814</u>	<u>39,874,211</u>
Plus Non-Controlling Interest at Acquisition	<u>- 28,233,637</u>	
Total Consolidated Funds	<u>105,121,451</u>	
Movement attributed to		
Controlling party	36,588,677	
Non-controlling interest	- 424,926	
Total Movement in Funds	<u>37,013,603</u>	

The Lofthouse Foundation
Consolidated Balance Sheet
For the Year Ended 31 December 2022

	Note	2022 Total Funds £	2021 Total Funds £
Fixed Assets			
Intangible assets	9	9,952,138	-
Tangible assets	10	47,836,691	163,410
Investments	11	-	39,574,468
Investment property	12	609,550	-
Total		<u>58,398,379</u>	<u>39,737,878</u>
Current Assets			
Stock	13	10,446,768	-
Debtors	14	7,352,930	-
Current investments	15	5,000,000	-
Cash at bank		35,115,858	136,333
Total		<u>57,915,556</u>	<u>136,333</u>
Creditors			
Amounts falling due within one year	16	(7,398,225)	-
Net Current Assets		<u>50,517,331</u>	<u>136,333</u>
Total Assets Less Current Liabilities		108,915,710	39,874,211
Provision for Liabilities	17	(3,794,259)	-
Net Assets		<u>105,121,451</u>	<u>39,874,211</u>
Total Unrestricted Funds	18	<u>105,121,451</u>	<u>39,874,211</u>
Attributed to			
Controlling party		76,462,888	
Non-controlling interest		28,658,563	
Total funds carried forward		<u>105,121,451</u>	

Approved by order of the board of trustees on 20-04-23 and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation
Charity Balance Sheet
For the Year Ended 31 December 2022

	Note	2022 Total Funds £	2021 Total Funds £
Fixed Assets			
Tangible assets	10	163,410	163,410
Investments	11	<u>76,774,468</u>	<u>39,574,468</u>
Total		<u><u>76,937,878</u></u>	<u><u>39,737,878</u></u>
Current Assets			
Debtors		250	-
Cash at bank		<u>7,210,555</u>	<u>136,333</u>
Total		<u><u>7,210,805</u></u>	<u><u>136,333</u></u>
Creditors			
Amounts falling due within one year		(6,000)	-
Net Current Assets		<u>7,204,805</u>	<u>136,333</u>
Total Assets Less Current Liabilities		84,142,683	39,874,211
Net Assets		<u><u>84,142,683</u></u>	<u><u>39,874,211</u></u>
Total Unrestricted Funds	18	<u><u>84,142,683</u></u>	<u><u>39,874,211</u></u>

Approved by order of the board of trustees on 20-04-23 and signed on its behalf by

D C Lofthouse - Trustee



The Lofthouse Foundation
Consolidated Cash Flow Statement
For the Year Ended 31 December 2022

		2022
	Note	£
Cash Flow From Operating Activities		
Cash generated from operations	1	7,584,904
Tax paid		990,222
Net Cash From Operating Activities		<u>8,575,126</u>
Cash Flow From Investing Activities		
Purchase of intangible assets		(25,747)
Purchase of fixed assets		(629,241)
Sale of fixed assets		17,069
Interest received		59,112
Net Cash From Investing Activities		<u>(578,807)</u>
Cash Flow From Financing Activities		
Current asset investment		(5,000,000)
Dividend paid		(2,000)
Share issue		(10)
Introduced by directors		2,000
Withdrawn by directors		(147,037)
Net Cash From Financing Activities		<u>(5,147,047)</u>
Change in cash and cash equivalents		2,849,272
Net cash on acquisition		32,130,253
Total increase in cash balance		<u>34,979,525</u>
Cash at 1 January 2022		<u>136,333</u>
Cash at 31 December 2022		<u>35,115,858</u>

The Lofthouse Foundation
Notes to the Consolidated Cash Flow Statement
For the Year Ended 31 December 2022

	2022
	£
Net Income From Lofthouse of Fleetwood Ltd	2,308,999
Net Income from The Lofthouse Foundation	44,268,472
Adjustments for:	
Depreciation	3,193,586
Loss on sale of fixed assets	14,443
Investment Income	(59,112)
Non cash legacy	(37,200,000)
(Increase)/decrease in stock	(2,017,181)
(Increase)/decrease in debtors	(3,473,130)
increase/(decrease) in creditors	548,827
Cash Generated from operations	<u>7,584,904</u>

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertaking made up to 31 December 2022. A subsidiary is an entity that is controlled by the Charity. The results of subsidiary undertakings are included in the consolidated statement of financial activities from the date that control commences until the date that control ceases. Control is established when the Charity has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. From 12 May 2022 the Charity was considered to control Lofthouse of Fleetwood Limited and consequently the gross income and expenditure from operations are presented on the Statement of Financial Activities from this date.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Turnover in the company represents sales of medicated confectionery net of VAT and trade discounts which are recognised when the goods are physically despatched to the customer.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible Assets

Trademarks are amortised on a straight line basis over the period from their acquisition to the date of their expiry. They are stated at cost less accumulated amortisation and accumulated impairment losses.

Goodwill is recognised under the purchase method on consolidation. Goodwill is the difference between the fair value of the consideration given at acquisition and the fair value of the parents interest in the net assets of Lofthouse of Fleetwood Ltd at 12 May 2022.

The Lofthouse Foundation Notes to the Accounts

1. Accounting Policies Continued...

Tangible Fixed Assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes cost directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Freehold property	15 to 50 years
- Assets under construction	Nil
- Plant and machinery	5% on cost
- Fixtures and fittings	2 to 5 years
- Motor vehicles	5 to 10 years

Land is not depreciated, nor is the freehold property owned by the charity itself because the trustees believe the value is in excess of its historic cost.

Investment Property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is shown in the Statement of Financial Activities.

Stocks

Stock is valued at the lower of cost or net realisable value. Finished goods are valued using the standard costing method which incorporates an element of overheads and labour into the final cost of the finished goods.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

Taxation

The charity is exempt from tax on its charitable activities.

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The Lofthouse Foundation

Notes to the Accounts

1. Accounting Policies Continued...

Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the period end. Exchange differences are taken into account in arriving at the operating result.

Pension Costs and Other Post-Retirement Benefits

The company operates defined contribution schemes in respect of its directors and employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the directors' fund and payments to individual pension plans of employees.

Provisions for Liabilities

Provisions are recognised where there is a legal or constructive obligation to transfer economic benefits as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is only recognised as a separate asset if recovery is virtually certain.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees, there are currently no restricted funds.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Lofthouse Foundation
Notes to the Accounts

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty Continued...

Critical judgements in applying the Company's accounting policies and key source of estimation uncertainty

The following are the key sources of estimation uncertainty that the directors have assessed as being applicable to the entity and that have the most significant effect on the amounts recognised in the financial statements. It is deemed that there are no critical accounting judgements.

Fixed Assets

Accounting for fixed assets involves the use of estimates for (a) the useful life of the assets over which they are to be depreciated, and (b) the existence and any amount of impairment.

Fixed assets are depreciated over their estimated useful lives. When the company estimates useful lives, various factors are considered including expected technology obsolescence and the expected usage of the asset. The company regularly reviews these assets useful lives and future economic utilization and the physical condition of the assets concerned.

The carrying value of the assets is assessed periodically to determine whether there are any indications of any impairment of the value beyond the depreciation charge. If this is the case, an impairment charge is taken against the carrying value of the assets and charged to profit and loss account. The impairment of fixed assets requires management judgement in determining the amounts to be impaired, in particular, judgement is used when assessing the future cash flows.

Investment Property

The fair value, £609,550 (2021: £609,550) of the investment property has been arrived at on the basis of the directors valuation carried out on 31st December 2022. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Stock

Stock provisions are provided where it is considered that the amount realisable is considered to be less than its carrying amount. The provisions are made using management's best estimate for recoverable amounts.

3. Donations, Legacies and Turnover and Other Income

	2022	2021
	£	£
Income from Legacies	44,274,893	124,712
Income from Donations	-	50,000
Sales of Goods	33,641,384	-
Interest Received	37,734	-
Foreign Exchange Gains	460,600	-
Sundry Income	26,228	-
	78,440,839	174,712

The Lofthouse Foundation
Notes to the Accounts

4. Expenditure on Commercial Trading Activities

	2022	2021
	£	£
Cost of Sales	17,365,395	-
Direct Staff Costs	5,465,877	-
Direct Utilities	1,317,146	-
Direct Depreciation	1,962,437	-
Commission	2,764,366	-
Distribution Costs	271,899	-
Distribution Depreciation	18,912	-
Administration Staff Costs	2,491,885	-
Administration Costs	404,577	-
Administration Utilities	117,274	-
Administration Amortisation	15,232	-
Administration Depreciation	42,065	-
Legal & Professional	372,945	-
Deferred Tax	150,364	-
Dividends	2,000	-
Loss on Sale of Tangible Fixed Assets	(9,220)	-
Bank Charges	3,229	-
Auditors Remuneration	51,925	-
Auditors Remuneration non Audit Work	36,040	-
	32,844,348	-

5. Expenditure on Charitable Activities

	2022	2021
	£	£
Grant to Fylde Coast YMCA	-	50,000
	-	50,000

6. Governance Costs

	2022	2021
	£	£
Auditors Remuneration	6,000	-
Auditors Remuneration non Audit Work	420	-
	6,420	-

The Lofthouse Foundation
Notes to the Accounts

7. Trustees Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

8. Employees and Directors

The average number of employees during the year was as follows:

	2022	2021
Production Staff	272	265
Office and Management	58	69
	<u>58</u>	<u>69</u>

Directors remuneration:

	2022	2021
	£	£
Directors remuneration	109,541	-
	<u>109,541</u>	<u>-</u>

9. Intangible Fixed Assets

Group Balance Sheet

	Goodwill	Trademarks	Total
Cost			
Additions	<u>9,826,867</u>	<u>140,503</u>	<u>9,967,370</u>
Amortisation			
Charge for Year	<u>-</u>	<u>15,232</u>	<u>15,232</u>
Net Book Value			
At 31 December 2022	<u>9,826,867</u>	<u>125,271</u>	<u>9,952,138</u>
At 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>

The Lofthouse Foundation
Notes to the Accounts

10. Tangible Fixed Assets

Group Balance Sheet

	Freehold Property	Assets Under Construction	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Total
Cost						
At 1 January 2022	163,410	-	-	-	-	163,410
Additions	15,320,775	4,993,229	29,089,483	252,313	40,895	49,696,695
Reclassifications	-	(245,936)	241,902	4,034	-	-
At 31 December 2022	15,484,185	4,747,293	29,331,385	256,347	40,895	49,860,105
Depreciation						
Charge for Year	271,685	-	1,653,508	97,851	370	2,023,414
Net Book Value						
At 31 December 2022	15,212,500	4,747,293	27,677,877	158,496	40,525	47,836,691
At 31 December 2021	163,410	-	-	-	-	163,410

Charity Balance Sheet

	Freehold Property	Total
Cost		
At 1 January 2022	163,410	163,410
Additions	-	-
Reclassifications	-	-
At 31 December 2022	163,410	163,410
Depreciation		
Charge for Year	-	-
Net Book Value		
At 31 December 2022	163,410	163,410
At 31 December 2021	163,410	163,410

11. Investments

Prior to the 12 May 2022 the investment represented the fair value of the Foundations investment in shares of Lofthouse Limited, the amount being £39,574,468. In the Charity individual balance sheet to 31 December 2022 this became £76,774,468 as the Charity received additional shares. In the Group Balance Sheet the fair value of the investment is removed on consolidation.

The Lofthouse Foundation
Notes to the Accounts

12. Investment Property
Group Balance Sheet

	£
Fair Value	
Additions	<u>609,550</u>
At 31 December 2022	<u>609,550</u>
Net Book Value	
At 31 December 2022	<u><u>609,550</u></u>
At 31 December 2021	<u><u>-</u></u>

13. Stock
Group Balance Sheet

	2022	2021
	£	£
Raw Materials	8,738,229	-
Finished Goods	<u>1,708,539</u>	-
	<u><u>10,446,768</u></u>	-

14. Debtors
Group Balance Sheet

	2022	2021
	£	£
Trade Debtors	6,108,555	-
Other Debtors	808,954	-
Prepayments	<u>435,421</u>	-
	<u><u>7,352,930</u></u>	-

15. Current Investments

Current investments of £5,000,000 in the Group Balance Sheet represent Short Time Deposits held with the Bank.

The Lofthouse Foundation
Notes to the Accounts

16. Creditors

Group Balance Sheet

	2022	2021
	£	£
Trade Creditors	5,618,185	-
Taxation and Social Security	266,591	
Other Creditors	1,513,449	-
	<u><u>7,398,225</u></u>	<u><u>-</u></u>

17. Provision for Liabilities

Group Balance Sheet

	2022	2021
	£	£
Deferred Tax	<u><u>3,794,259</u></u>	<u><u>-</u></u>

18. Movement in Funds

Group Balance Sheet

	At 1/1/22	Net Movement	At 31/12/22
	£	£	£
Unrestricted Funds			
General Fund	39,874,211	65,247,240	105,121,451
Total Funds	<u><u>39,874,211</u></u>	<u><u>65,247,240</u></u>	<u><u>105,121,451</u></u>

Net Movement in funds is as follows:

	Incoming Resources	Resources Expended	Investment Revaluation	Acquisition of NCI	Total Movement
Unrestricted Funds					
General Fund	78,440,839	(32,850,768)	(8,576,468)	28,233,637	65,247,240
Total Funds	<u><u>78,440,839</u></u>	<u><u>(32,850,768)</u></u>	<u><u>(8,576,468)</u></u>	<u><u>28,233,637</u></u>	<u><u>65,247,240</u></u>

Total Funds are attributed as follows:

Controlling party	76,462,888
Non-controlling interest	28,658,563
Total funds carried forward	<u><u>105,121,451</u></u>

The Lofthouse Foundation
Notes to the Accounts

18. Movement in Funds Continued...
Charity Balance Sheet

	At 1/1/22	Net Movement	At 31/12/22
	£	£	£
Unrestricted Funds			
General Fund	39,874,211	44,268,472	84,142,683
Total Funds	<u>39,874,211</u>	<u>44,268,472</u>	<u>84,142,683</u>

Net Movement in funds is as follows:

	Incoming Resources	Resources Expended	Total Movement
Unrestricted Funds			
General Fund	44,274,892	(6,420)	44,268,472
Total Funds	<u>44,274,892</u>	<u>(6,420)</u>	<u>44,268,472</u>

19. Related Party Disclosures

On 12 May 2022 the foundation became the majority parent of Lofthouse of Fleetwood Limited with a 67.4% shareholding. The Directors of the company are both Trustees of the Foundation. During the year there were no transactions between the two entities.

THE LOFTHOUSE FOUNDATION

England & Wales - Charity number 1038728

Accounts

REGISTERED CHARITY NUMBER: 1038728

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
THE LOFTHOUSE FOUNDATION**

Jones Harris Limited
Chartered Accountants
Statutory Auditor
17 St Peter's Place
Fleetwood
FY7 6EB

THE LOFTHOUSE FOUNDATION

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 December 2021**

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THE LOFTHOUSE FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 December 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of The Lofthouse Foundation is the furtherance of such charitable purposes for the benefit of the inhabitants of the town of Fleetwood (in the county of Lancashire) and its environs as the Trustees think fit including in particular but not so as to limit the generality of the foregoing by the provision of such amenities and facilities for the benefit of the public as are not provided from public funds.

There have been no material changes in the objects of the charity since the date of the last report.

Significant activities

The charity does not solicit applications for funding of projects. Where applications are made by individuals or organisations, they are assessed by the trustees and, where appropriate, grants are made.

Projects that are supported by the charity are actively monitored to ensure that any criteria set by the trustees are met.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the current financial year the Foundation made grants amounting to £50,000 (2020 - £114,000).

Fundraising activities

During the current financial year, the Foundation received donations amounting to £174,712 (2020 - £109,000).

FINANCIAL REVIEW

Reserves policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with an overall policy that is low risk.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient investment income from which to cover unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

FUTURE PLANS

The charity plans to continue to provide charitable donations for the benefit of the inhabitants of Fleetwood (and its environs) in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Lofthouse Foundation ("the charity") was established under the terms of a declaration of trust dated 15 June 1994. It is a charity regulated by the Charity Commissioners for England and Wales under number 1038728.

Recruitment and appointment of new trustees

Newly appointed trustees are made fully aware of their responsibilities and are given all the information required in respect of the charity's past and future activities in order to enable them to fulfill these responsibilities.

THE LOFTHOUSE FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The trustees were appointed by the trust deed as the "First Trustees". The First Trustees shall hold office for life.

The trustees meet throughout the year to discuss and approve grants.

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1038728

Principal address

c/o Lofthouse of Fleetwood
Maritime Street
Fleetwood
Lancashire
FY7 7LP

Trustees

Mrs D W Lofthouse OBE (deceased 30.3.21)
D C Lofthouse
Mrs L M Lofthouse (appointed 29.9.21)
K M Ryan (appointed 29.9.21)

Auditors

Jones Harris Limited
Chartered Accountants
Statutory Auditor
17 St Peter's Place
Fleetwood
FY7 6EB

Bankers

National Westminster Bank Plc
Victoria Square
Cleveleys
Lancashire
FY5 3LZ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

THE LOFTHOUSE FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 31 December 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on11-07-2022..... and signed on its behalf by:

.....
D C Lofthouse - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE LOFTHOUSE FOUNDATION

Opinion

We have audited the financial statements of The Lofthouse Foundation (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 this gives rise to 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE LOFTHOUSE FOUNDATION**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Discussions with trustees, including consideration of known or suspected instances of non-compliance with laws and regulation. This includes legislation that affects the running of the Foundation, such as the Charities Act 2011.
- 2) Testing all transactions in the year to supporting documentation, including any journal entries made.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jones Harris Limited
Chartered Accountants
Statutory Auditor
17 St Peter's Place
Fleetwood
FY7 6EB

Date: 11/7/2022

THE LOFTHOUSE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		174,712	109,000
 EXPENDITURE ON			
Charitable activities			
Fylde Coast YMCA		50,000	109,000
Keep Britain Tidy		-	5,000
 Total		50,000	114,000
Net gains on investments		8,576,468	-
NET INCOME/(EXPENDITURE)		8,701,180	(5,000)
 RECONCILIATION OF FUNDS			
Total funds brought forward		31,173,031	31,178,031
 TOTAL FUNDS CARRIED FORWARD		39,874,211	31,173,031


The notes form part of these financial statements

THE LOFTHOUSE FOUNDATION

**BALANCE SHEET
31 December 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Tangible assets	4	163,410	163,410
Investments	5	<u>39,574,468</u>	<u>30,998,000</u>
		39,737,878	31,161,410
CURRENT ASSETS			
Cash at bank		136,333	11,621
		<u>136,333</u>	<u>11,621</u>
NET CURRENT ASSETS		<u>136,333</u>	<u>11,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,874,211</u>	<u>31,173,031</u>
NET ASSETS		<u>39,874,211</u>	<u>31,173,031</u>
FUNDS			
Unrestricted funds	6	<u>39,874,211</u>	<u>31,173,031</u>
TOTAL FUNDS		<u>39,874,211</u>	<u>31,173,031</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11-07-2022 and were signed on its behalf by:

.....

 D C Lofthouse - Trustee

The notes form part of these financial statements

THE LOFTHOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Tangible fixed assets, comprising solely freehold land and buildings, are stated at their historic cost and no provision is made for depreciation. In the opinion of the trustees the value of the freehold land and buildings is considerably in excess of their historic cost and it is, therefore, not considered appropriate to provide for depreciation.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Fixed asset investments

Investments are included at the fair value based on the latest valuation of the company.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021**

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	109,000
EXPENDITURE ON	
Charitable activities	
Fylde Coast YMCA	109,000
Keep Britain Tidy	5,000
Total	114,000
NET INCOME/(EXPENDITURE)	(5,000)
RECONCILIATION OF FUNDS	
Total funds brought forward	31,178,031
TOTAL FUNDS CARRIED FORWARD	31,173,031

4. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2021 and 31 December 2021	163,410
NET BOOK VALUE	
At 31 December 2021	163,410
At 31 December 2020	163,410

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021**

5. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 January 2021	30,998,000
Revaluations	<u>8,576,468</u>
At 31 December 2021	<u>39,574,468</u>
NET BOOK VALUE	
At 31 December 2021	<u>39,574,468</u>
At 31 December 2020	<u>30,998,000</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2021 is represented by:

	Unlisted investments £
Valuation in 2021	8,576,468
Cost	<u>30,998,000</u>
	<u>39,574,468</u>

This represents 500,000 Ordinary shares of £1 each in Lofthouse of Fleetwood Limited, revalued at fair value based on the latest company valuation.

6. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	31,173,031	8,701,180	39,874,211
TOTAL FUNDS	<u>31,173,031</u>	<u>8,701,180</u>	<u>39,874,211</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	174,712	(50,000)	8,576,468	8,701,180
TOTAL FUNDS	<u>174,712</u>	<u>(50,000)</u>	<u>8,576,468</u>	<u>8,701,180</u>

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021**

6. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	31,178,031	(5,000)	31,173,031
TOTAL FUNDS	<u>31,178,031</u>	<u>(5,000)</u>	<u>31,173,031</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	109,000	(114,000)	(5,000)
TOTAL FUNDS	<u>109,000</u>	<u>(114,000)</u>	<u>(5,000)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/20 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	31,178,031	8,696,180	39,874,211
TOTAL FUNDS	<u>31,178,031</u>	<u>8,696,180</u>	<u>39,874,211</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	283,712	(164,000)	8,576,468	8,696,180
TOTAL FUNDS	<u>283,712</u>	<u>(164,000)</u>	<u>8,576,468</u>	<u>8,696,180</u>

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2021**

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

THE LOFTHOUSE FOUNDATION
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	50,000	109,000
Legacies	<u>124,712</u>	<u>-</u>
	<u>174,712</u>	<u>109,000</u>
Total incoming resources	174,712	109,000
EXPENDITURE		
Charitable activities		
Grants to institutions	<u>50,000</u>	<u>114,000</u>
Total resources expended	<u>50,000</u>	<u>114,000</u>
Net income/(expenditure)	<u>124,712</u>	<u>(5,000)</u>

This page does not form part of the statutory financial statements

THE LOFTHOUSE FOUNDATION

England & Wales - Charity number 1038728

Accounts

REGISTERED CHARITY NUMBER: 1038728

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
THE LOFTHOUSE FOUNDATION**

Jones Harris Limited
Chartered Accountants
17 St Peter's Place
Fleetwood
FY7 6EB

THE LOFTHOUSE FOUNDATION

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for the year ended 31 December 2020**

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THE LOFTHOUSE FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 December 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of The Lofthouse Foundation is the furtherance of such charitable purposes for the benefit of the inhabitants of the town of Fleetwood (in the county of Lancashire) and its environs as the Trustees think fit including in particular but not so as to limit the generality of the foregoing by the provision of such amenities and facilities for the benefit of the public as are not provided from public funds.

There have been no material changes in the objects of the charity since the date of the last report.

Significant activities

The charity does not solicit applications for funding of projects. Where applications are made by individuals or organisations, they are assessed by the trustees and, where appropriate, grants are made.

Projects that are supported by the charity are actively monitored to ensure that any criteria set by the trustees are met.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the current financial year the Foundation made grants amounting to £114,000 (2019 - £nil).

Fundraising activities

During the current financial year, the Foundation received donations amounting to £109,000 (2019 - £nil).

FINANCIAL REVIEW

Reserves policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with an overall policy that is low risk.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to provide sufficient investment income from which to cover unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

FUTURE PLANS

The charity plans to continue to provide charitable donations for the benefit of the inhabitants of Fleetwood (and its environs) in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Lofthouse Foundation ("the charity") was established under the terms of a declaration of trust dated 15 June 1994. It is a charity regulated by the Charity Commissioners for England and Wales under number 1038728.

Recruitment and appointment of new trustees

No new trustees have been appointed since the charity was created.

Organisational structure

The trustees were appointed by the trust deed as the "First Trustees". The First Trustees shall hold office for life.

The trustees meet throughout the year to discuss and approve grants.

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

THE LOFTHOUSE FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 31 December 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

No new trustees have been appointed since the charity was created.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1038728

Principal address

c/o Lofthouse of Fleetwood
Maritime Street
Fleetwood
Lancashire
FY7 7LP

Trustees

Mrs D W Lofthouse OBE Trustee
D C Lofthouse Trustee


Independent Examiner

Jones Harris Limited
Chartered Accountants
17 St Peter's Place
Fleetwood
FY7 6EB

Bankers

National Westminster Bank Plc
Victoria Square
Cleveleys
Lancashire
FY5 3LZ

Approved by order of the board of trustees on 14-04-21 and signed on its behalf by:


.....
D C Lofthouse - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LOFTHOUSE FOUNDATION**

Independent examiner's report to the trustees of The Lofthouse Foundation

I report to the charity trustees on my examination of the accounts of The Lofthouse Foundation (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Charles Bryning FCA
Jones Harris Limited
Chartered Accountants
17 St Peter's Place
Fleetwood
FY7 6EB

Date: 14/1/21

THE LOFTHOUSE FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020**

	Notes	2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		109,000	-
 EXPENDITURE ON			
Charitable activities			
Fylde Coast YMCA		109,000	-
Keep Britain Tidy		5,000	-
 Total		<hr/> 114,000	<hr/> -
 NET INCOME/(EXPENDITURE)		<hr/> (5,000)	<hr/> -
 RECONCILIATION OF FUNDS			
Total funds brought forward		31,178,031	31,178,031
 TOTAL FUNDS CARRIED FORWARD		<hr/> <hr/> 31,173,031	<hr/> <hr/> 31,178,031


The notes form part of these financial statements

THE LOFTHOUSE FOUNDATION

**BALANCE SHEET
31 December 2020**

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Tangible assets	4	163,410	163,410
Investments	5	30,998,000	30,998,000
		<u>31,161,410</u>	<u>31,161,410</u>
CURRENT ASSETS			
Cash at bank		11,621	16,621
NET CURRENT ASSETS		<u>11,621</u>	<u>16,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>31,173,031</u>	<u>31,178,031</u>
NET ASSETS		<u>31,173,031</u>	<u>31,178,031</u>
FUNDS			
Unrestricted funds	6	31,173,031	31,178,031
TOTAL FUNDS		<u>31,173,031</u>	<u>31,178,031</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14-04-21 and were signed on its behalf by:


.....
D C Lofthouse - Trustee

THE LOFTHOUSE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Tangible fixed assets, comprising solely freehold land and buildings, are stated at their historic cost and no provision is made for depreciation. In the opinion of the trustees the value of the freehold land and buildings is considerably in excess of their historic cost and it is, therefore, not considered appropriate to provide for depreciation.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Fixed asset investments

Investments are included at probate value which was established following the deaths of Mr A F Lofthouse and Mr J W Lofthouse.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020**

3.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted fund £
	NET INCOME	-
	RECONCILIATION OF FUNDS	
	Total funds brought forward	31,178,031
	TOTAL FUNDS CARRIED FORWARD	<u>31,178,031</u>
4.	TANGIBLE FIXED ASSETS	Freehold property £
	COST	
	At 1 January 2020 and 31 December 2020	<u>163,410</u>
	NET BOOK VALUE	
	At 31 December 2020	<u>163,410</u>
	At 31 December 2019	<u>163,410</u>
5.	FIXED ASSET INVESTMENTS	Unlisted investments £
	MARKET VALUE	
	At 1 January 2020 and 31 December 2020	<u>30,998,000</u>
	NET BOOK VALUE	
	At 31 December 2020	<u>30,998,000</u>
	At 31 December 2019	<u>30,998,000</u>

There were no investment assets outside the UK.

This represents 500,000 Ordinary shares of £1 each in Lofthouse of Fleetwood Limited, as valued for probate purposes following the deaths of Mr A F and Mr J W Lofthouse.

THE LOFTHOUSE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2020**

6. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	31,178,031	(5,000)	31,173,031
TOTAL FUNDS	<u>31,178,031</u>	<u>(5,000)</u>	<u>31,173,031</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	109,000	(114,000)	(5,000)
TOTAL FUNDS	<u>109,000</u>	<u>(114,000)</u>	<u>(5,000)</u>

7. OTHER FINANCIAL COMMITMENTS

At the year end, the Lofthouse Foundation had committed £50,000 (2019 - £159,000) to a project in Fleetwood providing transitional housing for young people.

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

THE LOFTHOUSE FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	109,000	-
Total incoming resources	<u>109,000</u>	<u>-</u>
EXPENDITURE		
Charitable activities		
Grants to institutions	114,000	-
Total resources expended	<u>114,000</u>	<u>-</u>
Net (expenditure)/income	<u>(5,000)</u>	<u>-</u>

This page does not form part of the statutory financial statements