

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

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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 on 11-07-2022 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.

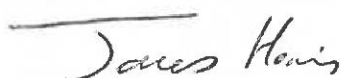
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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
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	<hr/> 114,000
NET INCOME/(EXPENDITURE)	<hr/> (5,000)
RECONCILIATION OF FUNDS	
Total funds brought forward	31,178,031
TOTAL FUNDS CARRIED FORWARD	<hr/> <u>31,173,031</u>

4. TANGIBLE FIXED ASSETS

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

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	
Revaluations	30,998,000
	<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><u>124,712</u></u>	<u><u>(5,000)</u></u>

This page does not form part of the statutory financial statements