

LANCASTER FOUNDATION

England & Wales · Charity number 1066850

Details

Other names	THE JOHN AND ROSEMARY LANCASTER CHARITABLE FOUNDATION
Status	Registered
Legal form	Trust
Registered	1997-12-15
Register	View on the Charity Commission register

Contact

Address
Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LN

Phone 01200444404

Website www.lancasterfoundation.co.uk

Activities

Objects: TO OR FOR SUCH CHARITABLE INSTITUTION OR INSTITUTIONS OR OTHER CHARITABLE OBJECT OR OBJECTS IN ANY PART OF THE WORLD AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION THINK FIT TO SUPPORT OR ESTABLISH

Activities: The Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalized people throughout the UK and Africa. Additionally the Foundation is committed to numerous ongoing local and national youth and community projects.

Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Overseas Aid/famine Relief, Religious Activities
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** WORLDWIDE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,236,306	£2,815,959	£68,909,554	5
2024-03-31	£3,665,887	£2,582,989	£67,863,472	4
2023-03-31	£3,394,920	£2,745,111	£64,985,878	4
2022-03-31	£3,414,408	£3,041,969	£67,922,929	3
2021-03-31	£2,960,450	£2,519,578	£61,321,455	3

Trustees

Name	Role	Appointed
DR JOHN EDWARD LANCASTER		
JULIE ROSE BROADHURST		
Rosemary LANCASTER MBE		1997-07-02
STEVEN JOHN LANCASTER		

LANCASTER FOUNDATION

England & Wales - Charity number 1066850

Accounts

REGISTERED CHARITY NUMBER: 1066850

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
FOR
LANCASTER FOUNDATION**

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

LANCASTER FOUNDATION

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for the year ended 31 March 2025**

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LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2025

The trustees present their report with the financial statements of the charity for the year ended 31 March 2025. 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 Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalised people throughout the UK and Africa. Additionally the foundation is committed to numerous ongoing local and national youth and community projects.

Grants are awarded at the absolute discretion of the board of trustees. Although many applications are received, the administrative structure of the charity does not allow for the consideration of unsolicited requests for grant funding.

Due to the nature of the projects that are awarded grants, the trustees endeavour to monitor their progress and become actively involved in them wherever this is practical. The ongoing success of projects is assessed when subsequent applications for funding are made.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

During the year the Foundation continued to support charities promoting a Christian ethos undertaking practical projects addressing poverty and social issues both in the UK and Africa. Details of grants made in the year can be seen at note 8 to the financial statements.

Investment performance

Investment income has risen from £3,260,735 last year to £3,490,384.

The aim of the investment portfolio is to generate sufficient income on an ongoing basis to cover grant funding and ongoing operating costs whilst preserving capital value.

FINANCIAL REVIEW

Financial position

Management of the various investment portfolios has generated income during the year enabling all grants and expenditure for the year to be met.

Principal funding sources

The charity generates income through its investments and in accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. The Trustees retain and take advice from an independent financial advisor. The policy is to adopt a low risk investment strategy based on maximising income within this strategy in order to cover annual expenditure and donations.

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2025

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain sufficient free reserves at a level to generate income adequate to cover annual donations and management and administration costs. Unrestricted funds were maintained at this level throughout the year.

At the year end, the total value of unrestricted reserves held by the charity was £68,909,554 (2024 - £67,863,472). Within the total unrestricted reserves there are tangible fixed assets totalling £637,539 which the charity uses itself and £66,257,090 of fixed asset investments which could only be distributed if disposed of.

The balance of the charity's general funds at 31 March 2025 was £2,014,925 (2024 - £551,667). Under Charity Commission definitions these represent the charity's free reserves.

FUTURE PLANS

The trustees continuously evolve the Foundation's strategic giving plans; however the trustees remain committed to its Christian principles by supporting charities undertaking practical projects in the community and addressing poverty and social issues.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 2 July 1997 and constitutes a registered charity. Charity number 1066850.

Recruitment and appointment of new trustees

The trustees currently foresee no requirement to recruit/appoint new trustees. However, should the need arise, the trustees will seek advice from suitably qualified advisors to help establish the specific skills required and identify prospective candidates.

Should new trustees be taken on, suitable induction procedures will be undertaken and relevant training provided where a need is identified.

Organisational structure

The trustees who have served during the year and since the year end are set out on page 3.

A board of trustees of four members are involved day to day in the activities of the charity but they also meet more formally when significant decisions are taken such as the investment of funds.

The organisational structure includes a Development Director who was appointed by the trustees to ensure that Trust monies are invested carefully and to gain a sustainable income wherever possible. The Development Director also works with other staff to evaluate charitable projects and future commitments.

Remuneration packages for key management are reviewed annually, taking account of the general market for such roles.

Related parties

Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are also trustees of The Grand at Clitheroe, a charitable company limited by guarantee. The Lancaster Foundation is currently providing funding to the Grand to assist the development and day to day running costs of the Grand and also the Skate Park.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066850

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2025

Principal address

Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LA

Trustees

Dr J E Lancaster MBE
Mrs R Lancaster MBE
Mr S J Lancaster
Mrs J R Broadhurst

Auditors

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

Bankers

Handelsbanken
1st Floor, Wallander House
Capricorn Business Park
Blakewater Road
Blackburn
Lancashire
BB1 5QR

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".

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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 Charities 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.

LANCASTER FOUNDATION

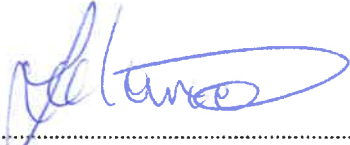
**REPORT OF THE TRUSTEES
for the year ended 31 March 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 and The Charity (Accounts and Reports) Regulations 2008. 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.

The trustees have had due regard to guidance published by the Charities Commission on public benefit.

Approved by order of the board of trustees on 22/01/2026 and signed on its behalf by:



.....
Dr J E Lancaster MBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LANCASTER FOUNDATION

Opinion

We have audited the financial statements of Lancaster Foundation (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 March 2025 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 LANCASTER 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 and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. This includes legislation that affects the running of the Foundation such as the Charities Act 2011 and current payroll and employment legislation.
- 2) Challenging assumptions and judgements made by the trustees and management in their significant accounting estimates, most significantly the valuation of investment property.
- 3) Identifying and testing journal entries, in particular those posted with unusual account combinations. This includes reviewing significant entries around the year end and any journals posted throughout the year that are outside the normal pattern of monthly journals.

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 Auditor
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date: 22/01/2026

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2025

	Notes	2025 Unrestricted fund £	2024 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	745,922	405,152
Investment income	3	3,490,384	3,260,735
Total		4,236,306	3,665,887
 EXPENDITURE ON			
Charitable activities	4		
Making Grants to Institutions		2,815,959	2,582,989
Net gains/(losses) on investments		(374,265)	1,794,696
NET INCOME		1,046,082	2,877,594
 RECONCILIATION OF FUNDS			
Total funds brought forward		67,863,472	64,985,878
TOTAL FUNDS CARRIED FORWARD		68,909,554	67,863,472

The notes form part of these financial statements

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL POSITION
31 March 2025

	Notes	2025 Unrestricted fund £	2024 Total funds £
FIXED ASSETS			
Tangible assets	10	637,539	678,380
Investments			
Investments	11	24,069,016	25,526,578
Investment property	12	42,188,074	41,106,847
		66,894,629	67,311,805
CURRENT ASSETS			
Debtors	13	1,197,690	1,107,013
Cash at bank and in hand		1,449,305	3,884,758
		2,646,995	4,991,771
CREDITORS			
Amounts falling due within one year	14	(632,070)	(4,440,104)
		2,014,925	551,667
NET CURRENT ASSETS			
		68,909,554	67,863,472
TOTAL ASSETS LESS CURRENT LIABILITIES			
		68,909,554	67,863,472
NET ASSETS			
		68,909,554	67,863,472
FUNDS			
Unrestricted funds	15	68,909,554	67,863,472
		68,909,554	67,863,472
TOTAL FUNDS			

The financial statements were approved by the Board of Trustees and authorised for issue on 22/01/2026
and were signed on its behalf by:

.....
Dr J E Lancaster MBE - Trustee

The notes form part of these financial statements

LANCASTER FOUNDATION

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2025**

Notes	2025 £	2024 £
Cash flows from operating activities		
Cash generated from operations	1 (521,267)	9,302
Interest paid	(165,619)	(192,694)
Finance costs paid	(573)	(1,043)
Net cash used in operating activities	(687,459)	(184,435)
 Cash flows from investing activities		
Purchase of tangible fixed assets	(450)	(3,736)
Purchase of investment property	-	(2,884,018)
Sale of fixed asset investments	(233,491)	-
Sale of investment property	1,081,227	-
Interest received	93,479	58,359
Dividends received	1,117,535	985,688
Net cash provided by/(used in) investing activities	2,058,300	(1,843,707)
 Cash flows from financing activities		
Loan repayments in year	(3,806,294)	-
Net cash (used in)/provided by financing activities	(3,806,294)	-
 Change in cash and cash equivalents in the reporting period		
Cash and cash equivalents at the beginning of the reporting period	(2,435,453)	(2,028,142)
Cash and cash equivalents at the end of the reporting period	3,884,758	5,912,900
Cash and cash equivalents at the end of the reporting period	1,449,305	3,884,758

The notes form part of these financial statements

LANCASTER FOUNDATION

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2025**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,046,082	2,877,594
Adjustments for:		
Depreciation charges	41,291	41,479
Gain on investments	(471,401)	(1,761,851)
Interest received	(93,479)	(58,359)
Interest paid	165,619	192,694
Finance costs	573	1,043
Dividends received	(1,117,535)	(985,688)
Increase in debtors	(90,677)	(360,003)
(Decrease)/increase in creditors	(1,740)	62,393
Net cash (used in)/provided by operations	<u>(521,267)</u>	<u>9,302</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/24	Cash flow	At 31/3/25
	£	£	£
Net cash			
Cash at bank and in hand	3,884,758	(2,435,453)	1,449,305
	<u>3,884,758</u>	<u>(2,435,453)</u>	<u>1,449,305</u>
Total	<u>3,884,758</u>	<u>(2,435,453)</u>	<u>1,449,305</u>

The notes form part of these financial statements

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2025

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.

Going concern

The charity's trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the charity's ability to continue as a going concern. Therefore, the accounts have been prepared on a going concern basis.

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.

Services donated to the charity are recognised as a donation where a fair value can be measured reliably as required by the SORP.

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

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

Long leasehold	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 5 to 10 years

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, 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 fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are stated at fair value being their market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

Taxation

The charity is exempt from tax on its charitable activities.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Listed investments are shown at their market values. Unlisted investments are valued following an assessment of the company's financial performance. Any aggregate surplus or deficit arising from changes in the market value is transferred to gains and losses on investment assets on the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Gift Aided donations	487,639	246,301
Donations	106,179	97,276
Refund of Gift Aid tax	152,104	61,575
	745,922	405,152

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	2,225,008	2,147,821
Insurance re-charges	44,129	38,147
Other fixed asset invest - FII	1,117,535	985,688
Deposit account interest	93,765	79,375
Other interest receivable	9,947	9,704
	3,490,384	3,260,735

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Making Grants to Institutions	436,469	2,179,604	199,886	2,815,959

5. GRANTS PAYABLE

	2025	2024
	£	£
Making Grants to Institutions	2,179,604	2,030,509

Grants were paid to institutions during the year in order to further the charitable aims of the Foundation - see also the Report of the Trustees. They were paid to the following institutions:

	2025	2024
	£	£
Adullam Program	5,000	-
Altitude Mission	5,000	-
Aruka	5,000	-
Awareness Foundation	2,000	-
B&A Church Bristol	3,000	-
Barnabus Manchester	3,830	-
Betel of Britain	-	30,000
Big Give Trust	25,500	25,500
Bishop Radford Trust	3,000	-
Bradford Central Foodbank	2,000	-
Brave Church	14,500	-

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

5. GRANTS PAYABLE - continued

Breakout Trust	7,000	7,000
Bridge Tha Gap Football	11,500	-
CF180 Christian Fellowship	-	27,750
Charis Ministries	1,000	7,235
Charnwood 20:20	2,000	-
Cheer Trust	16,000	13,000
Cherished	5,000	-
Christchurch Harpurhey	-	1,000
Christchurch Pennington	3,000	-
Christians Against Poverty	-	6,000
Church Mission Society	-	3,000
Churches Together Lancashire	1,000	-
Cinnamon Network	20,000	-
Colne Parish Church	5,000	-
Community Resources	-	5,000
CROPS	5,000	-
Cry in the Dark	2,500	3,000
CSW	35,000	-
Dignity	-	10,000
E:merge	1,500	-
Every Life International	132,000	131,000
Flame Trust	5,000	5,000
4Front Theatre	5,000	5,000
Fusion UK Student Link-up	15,000	24,000
Gateway Trust	5,000	5,000
Grand Lancashire Environmental	2,366	-
Growing Hope	5,000	-
Handelsbanken charity	1,000	-
Hidden Treasure	1,000	1,000
Homeless Pastors	4,480	-
Homes of Hope	2,000	-
Home Start	-	12,000
Hope Community Church	1,230	-
Ising Pop	4,000	-
Joanna Guardian Angel	7,200	7,200
Just-Ice Poynton	5,000	-
Justice and Care	25,500	-
Kairos Housing	1,000	13,995
Kidz Club Leeds	2,000	-
Kings Cross Church	5,000	-
Kyria Network	9,000	5,000
Life Church	2,000	-
Light	-	30,000
Linden Church	40,563	27,764
Love and Joy Ministries	72,000	72,000
Magdalene Project	32,500	23,500
Mary's Meals	52,980	70,636
Medair UK	70,000	-
Message Trust	212,052	212,052
Message Trust - Prison Ministry and Lighthouse School	95,820	95,820
Mission Aviation Fellowship	50,000	50,000
Mosaic Middle East	5,000	-

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

5. GRANTS PAYABLE - continued

New Generation Music and Mission	115,378	120,504
Nightsafe	11,000	11,000
Nxt Move Europe	10,000	-
Oasis Centre	97,528	83,879
Open Arms International	5,000	58,640
Open Arms for Rachel	1,044	1,044
Orchards	10,000	-
Others (less than £1,000)	1,203	1,332
PAIS	-	20,000
Partner Organisations	-	40,000
Pillar Organisations	-	16,863
Preston Minster Spear	5,000	-
Proclaim Trust	5,000	5,000
Prodigal Arts	3,000	-
Project Organisations	-	53,000
Rainbow Hub NW	2,500	-
Restore York	5,000	-
Rock Community	3,000	-
Safe Families for Children	5,000	-
Saltmine Trust	96,000	96,000
Salvation Army	1,000	1,000
Sophie Hayes Foundation	20,000	15,375
Sorted Church	5,000	-
Sporting Marvels	10,000	20,000
St Bartholomews CAP	-	2,500
St Lukes	27,780	-
Stonyhurst Charity Day	1,000	1,000
St James Parish Church for CAP	-	2,500
SW Youth Ministries	15,000	-
The Bridge Project	5,000	-
The Grand at Clitheroe	201,180	201,754
The Keys Project	7,000	-
The Wayfayer Trust	26,500	26,500
The 180 Project	87,500	72,416
TLG the Education Charity	50,000	-
Urban Devotion	5,000	-
24-7 Prayer	165,120	175,000
Visible Ministries	76,750	34,750
Wren Bakery	1,000	1,000
Ykids	2,000	-
You Can Flourish	2,100	-
Youthscape	40,000	40,000
	2,179,604	2,030,509
	2,179,604	2,030,509

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

6. SUPPORT COSTS

	Governance costs
	£
Making Grants to Institutions	199,886
	199,886

7. AUDITORS' REMUNERATION

Included within expenditure are amounts payable to the charity's auditors in respect of statutory audit and other financial services. These were £7,200 and £5,400 respectively.

8. TRUSTEES' REMUNERATION AND BENEFITS

During the period the entity purchased a corporate membership at Clitheroe Golf Club the primary purpose was to enable the unlimited use of the board rooms for remote meeting spaces. There is an incidental benefit of a number of rounds of golf which are available for use by senior management and the trustees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	154,890	150,577
Social security costs	9,814	10,947
	164,704	161,524

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

	2025	2024
Administrative	1	1
Management	2	2
Operations	1	-
Grounds	1	1
	5	4

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2025	2024
£60,000 - £69,999	-	-

Total key management personnel remuneration was £56,750 (2024 £109,114)

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2024	1,090,464	364,096	289,049	119,180	1,862,789
Additions	-	-	450	-	450
At 31 March 2025	<u>1,090,464</u>	<u>364,096</u>	<u>289,499</u>	<u>119,180</u>	<u>1,863,239</u>
DEPRECIATION					
At 1 April 2024	491,293	308,452	265,484	119,180	1,184,409
Charge for year	21,809	11,129	8,353	-	41,291
At 31 March 2025	<u>513,102</u>	<u>319,581</u>	<u>273,837</u>	<u>119,180</u>	<u>1,225,700</u>
NET BOOK VALUE					
At 31 March 2025	<u>577,362</u>	<u>44,515</u>	<u>15,662</u>	<u>-</u>	<u>637,539</u>
At 31 March 2024	<u>599,171</u>	<u>55,644</u>	<u>23,565</u>	<u>-</u>	<u>678,380</u>

Improvements to property relate to long leasehold property.

11. FIXED ASSET INVESTMENTS

	Investments £
MARKET VALUE	
At 1 April 2024	25,526,578
Revaluations	(1,457,562)
At 31 March 2025	<u>24,069,016</u>
NET BOOK VALUE	
At 31 March 2025	<u>24,069,016</u>
At 31 March 2024	<u>25,526,578</u>

There were no investment assets outside the UK.

On 7th November 2023 following the King's Speech the Leasehold and Freehold Reform Act was announced. The act has subsequently received Royal Assent, introducing significant changes to the residential leasehold and freehold markets. This Act, along with the proposed Leasehold and Commonhold Reform Bill announced on 17th July 2024, has created material uncertainty in the residential ground rent market. The charity has invested in a residential property fund that is affected by these legislative changes. The Fund's independent valuer has applied a Material Uncertainty Clause to the valuation of the Fund's residential property assets. As a result, the Fund remains suspended in accordance with FCA rules. The Charities investment is included at a year end market value of £2,305,726 (2024 £3,026,485) within these financial statements.

The following investments had material valuations at the balance sheet date:

£

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

11. FIXED ASSET INVESTMENTS - continued

Listed investments	3,732,209
Unlisted investments	20,336,806

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2024	41,106,847
Revaluation	1,081,227
	42,188,074
At 31 March 2025	42,188,074
NET BOOK VALUE	
At 31 March 2025	42,188,074
	41,106,847
At 31 March 2024	41,106,847

Investment properties were valued on an open market basis on 31 March 2025 by the Trustees and not by an independent qualified valuer.

Fair value at 31 March 2025 is represented by:

	£
Valuation in 2019	1,728,221
Valuation in 2022	173,612
Valuation in 2024	1,290,275
Valuation in 2025	1,081,227
Cost	37,914,739
	42,188,074

13. DEBTORS

	2025	2024
	£	£
Amounts falling due within one year:		
Rental income debtors	153,280	144,331
Other debtors	118,342	122,831
Tax	24,842	19,621
Prepayments and accrued income	451,754	293,295
	748,218	580,078

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

13. DEBTORS - continued

	2025	2024
	£	£
Amounts falling due after more than one year:		
Other debtors	449,472	526,935
	<u>449,472</u>	<u>526,935</u>
Aggregate amounts	1,197,690	1,107,013
	<u>1,197,690</u>	<u>1,107,013</u>

Other debtors includes a loan made to Good News Family Care, in 2015, of £407,831. The loan was to be repaid over 10 years together with interest accrued at 2.5% per annum. The loan has not been repaid within the original timeframe.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	19,441	3,144
Social security and other taxes	4,266	3,653
VAT	101,396	92,847
Other creditors	-	3,806,294
Accruals and deferred income	506,967	534,166
	<u>632,070</u>	<u>4,440,104</u>
	<u>632,070</u>	<u>4,440,104</u>

15. MOVEMENT IN FUNDS

	At 1/4/24	Net movement in funds	At 31/3/25
	£	£	£
Unrestricted funds			
General fund	67,863,472	1,046,082	68,909,554
	<u>67,863,472</u>	<u>1,046,082</u>	<u>68,909,554</u>
TOTAL FUNDS	<u>67,863,472</u>	<u>1,046,082</u>	<u>68,909,554</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	4,236,306	(2,815,959)	(374,265)	1,046,082
	<u>4,236,306</u>	<u>(2,815,959)</u>	<u>(374,265)</u>	<u>1,046,082</u>
TOTAL FUNDS	<u>4,236,306</u>	<u>(2,815,959)</u>	<u>(374,265)</u>	<u>1,046,082</u>

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	64,985,878	2,877,594	67,863,472
TOTAL FUNDS	<u>64,985,878</u>	<u>2,877,594</u>	<u>67,863,472</u>

Comparative 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	3,665,887	(2,582,989)	1,794,696	2,877,594
TOTAL FUNDS	<u>3,665,887</u>	<u>(2,582,989)</u>	<u>1,794,696</u>	<u>2,877,594</u>

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

	At 1/4/23 £	Net movement in funds £	At 31/3/25 £
Unrestricted funds			
General fund	64,985,878	3,923,676	68,909,554
TOTAL FUNDS	<u>64,985,878</u>	<u>3,923,676</u>	<u>68,909,554</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	7,902,193	(5,398,948)	1,420,431	3,923,676
TOTAL FUNDS	<u>7,902,193</u>	<u>(5,398,948)</u>	<u>1,420,431</u>	<u>3,923,676</u>

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

16. OTHER FINANCIAL COMMITMENTS

In addition to the grants paid during the year, the Trustees have also authorised the payment of further grants, payable during the next year, which are subject to the fulfilment of certain conditions. The total amounts authorised but not accrued as expenditure as at 31 March 2025 are as follows:

	2025	2024
	£	£
Adopt a child	216	432
Altitude Mission	-	5,000
Bartholomews CAP	-	2,500
Big Church Festival	-	40,000
Breakout Trust	7,000	7,000
CAP Centre - Padiham	-	500
Changing Lives Charity	-	500
Charis Ministries	31,000	31,000
Cheer Trust	9,000	1,200
Church Mission Society	-	500
Cinnamon Network	-	55,000
Create Bolton	-	3,000
CSW	35,000	-
Everylife	160,000	130,000
Flame Trust	5,000	5,000
Friends of Serenity	-	5,000
4FrontTheatre	5,000	5,000
Fusion UK Student Link Up	15,000	30,000
Gateway Trust	5,000	-
Hope Together - Amplify	-	10,000
Joanna Guardian Angel	7,200	5,400
Kyria Network	7,000	22,000
Linden Church - Presence Project	39,102	46,295
Love & Joy	72,000	72,000
Magdalene Project	-	25,000
Mary's Meals	17,660	35,320
Message Trust	307,872	221,208
Mission Aviation Fellowship	-	50,000
NGM	95,000	120,000
Nightsafe	-	10,000
Nxt Move Europe - The Youth Gathering	-	3,000
Nxt Move - Europe	-	10,000
Oasis Centre	96,528	-
Open Arms International	11,500	-
Open Arms - Danson	-	1,044
Open Arms - Projects	-	3,750
Preston Minster - SPEAR	-	5,000
Rise CIO - Love Blackburn	-	1,000
Salvation Army	300	300
Saltmine Trust	-	96,000
Sophie Hayes Foundation	20,000	-
South West Youth Ministries	-	15,000
Sporting Marvels	5,000	-
St James CAP	5,000	2,500
St Lukes Church	12,150	-
The 180 Project	37,500	100,000
The Bridge Project (Tadcaster)	-	5,000

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2025**

16. OTHER FINANCIAL COMMITMENTS - continued

Visible Ministries	45,000	45,000
Wayfarer Trust	-	1,500
Youthscape - Satellites Festival	40,000	40,000
24-7 Prayer (2024 includes A & H Taylor)	175,000	212,000
	1,266,028	1,479,949

17. RELATED PARTY DISCLOSURES

Loan interest of £59,441 (2024 - £95,418) has been paid to the trustees, Mr J E and Mrs R Lancaster during the year, a total figure of £nil (2024 - £3,854,003) is due to the trustees at the year end. This loan was provided to the Charity at below market value, a separate donation has been recognised at the difference between interest charged and Bank of England base rate during the period.

During the year the Charity made grants of £201,180 (2024 - £201,754) to The Grand at Clitheroe, a charitable company limited by guarantee, of which Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are trustees. The grants were to assist in the development and running of the Grand and also the Skate Park.

During the year to 31 March 2024 the Charity bought investment properties from the J E & R Lancaster Discretionary Trust, a trust of which Mr J E and Mrs R Lancaster are trustees, at an open market value of £2,880,000. At 31 March 2025 the trust owed the Charity £68,981 (2024 - £68,981), this is included within debtors.

Mrs A Lancaster, wife of Mr S Lancaster (trustee) received remuneration of £46,800 (2024 - £42,367).

LANCASTER FOUNDATION

England & Wales - Charity number 1066850

Accounts

REGISTERED CHARITY NUMBER: 1066850

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
LANCASTER FOUNDATION**

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

LANCASTER FOUNDATION

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LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalised people throughout the UK and Africa. Additionally the foundation is committed to numerous ongoing local and national youth and community projects.

Grants are awarded at the absolute discretion of the board of trustees. Although many applications are received, the administrative structure of the charity does not allow for the consideration of unsolicited requests for grant funding.

Due to the nature of the projects that are awarded grants, the trustees endeavour to monitor their progress and become actively involved in them wherever this is practical. The ongoing success of projects is assessed when subsequent applications for funding are made.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year the Foundation continued to support charities promoting a Christian ethos undertaking practical projects addressing poverty and social issues both in the UK and Africa. Details of grants made in the year can be seen at note 8 to the financial statements.

Investment performance

Investment income has fallen slightly from £3,394,770 last year to £3,260,735. The fall in investment income in part relates to lower returns on listed investments.

The aim of the investment portfolio is to generate sufficient income on an ongoing basis to cover grant funding and ongoing operating costs whilst preserving capital value. During 2024 one particular investment fund has increased in market value resulting in an overall gain on investment values.

FINANCIAL REVIEW

Financial position

Management of the various investment portfolios has generated income during the year enabling all grants and expenditure for the year to be met.

Principal funding sources

The charity generates income through its investments and in accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. The Trustees retain and take advice from an independent financial advisor. The policy is to adopt a low risk investment strategy based on maximising income within this strategy in order to cover annual expenditure and donations.

Reserves policy

It is the policy of the charity to maintain sufficient free reserves at a level to generate income adequate to cover annual donations and management and administration costs. Unrestricted funds were maintained at this level throughout the year.

At the year end, the total value of unrestricted reserves held by the charity was £67,863,472 (2023 - £64,985,878). Within the total unrestricted reserves there are tangible fixed assets totalling £678,380 which the charity uses itself and £66,633,425 of fixed asset investments which could only be distributed if disposed of.

The balance of the charity's general funds at 31 March 2024 was £551,667 (2023 - £2,282,199). Under Charity Commission definitions these represent the charity's free reserves.

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2024

FUTURE PLANS

The trustees continuously evolve the Foundation's strategic giving plans; however the trustees remain committed to its Christian principles by supporting charities undertaking practical projects in the community and addressing poverty and social issues.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 2 July 1997 and constitutes a registered charity. Charity number 1066850.

Recruitment and appointment of new trustees

The trustees currently foresee no requirement to recruit/appoint new trustees. However, should the need arise, the trustees will seek advice from suitably qualified advisors to help establish the specific skills required and identify prospective candidates.

Should new trustees be taken on, suitable induction procedures will be undertaken and relevant training provided where a need is identified.

Organisational structure

The trustees who have served during the year and since the year end are set out on page 3.

A board of trustees of four members are involved day to day in the activities of the charity but they also meet more formally when significant decisions are taken such as the investment of funds.

The organisational structure includes a Development Director who was appointed by the trustees to ensure that Trust monies are invested carefully and to gain a sustainable income wherever possible. The Development Director also works with other staff to evaluate charitable projects and future commitments.

Remuneration packages for key management are reviewed annually, taking account of the general market for such roles.

Related parties

Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are also trustees of The Grand at Clitheroe, a charitable company limited by guarantee. The Lancaster Foundation is currently providing funding to the Grand to assist the development and day to day running costs of the Grand and also the Skate Park.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066850

Principal address

Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LA

Trustees

Dr J E Lancaster MBE
Mrs R Lancaster MBE
Mr S J Lancaster
Mrs J R Broadhurst

Auditors

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

LANCASTER FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Handelsbanken
1st Floor, Wallander House
Capricorn Business Park
Blakewater Road
Blackburn
Lancashire
BB1 5QR

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".

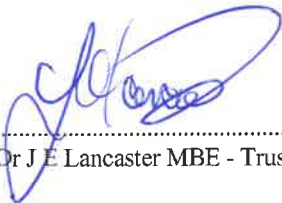
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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.

The trustees have had due regard to guidance published by the Charities Commission on public benefit.

Approved by order of the board of trustees on29/01/2025..... and signed on its behalf by:



.....
Dr J E Lancaster MBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LANCASTER FOUNDATION

Opinion

We have audited the financial statements of Lancaster Foundation (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 March 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.

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
LANCASTER 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 and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. This includes legislation that affects the running of the Foundation such as the Charities Act 2011 and current payroll and employment legislation.
- 2) Challenging assumptions and judgements made by the trustees and management in their significant accounting estimates, most significantly the valuation of investment property.
- 3) Identifying and testing journal entries, in particular those posted with unusual account combinations. This includes reviewing significant entries around the year end and any journals posted throughout the year that are outside the normal pattern of monthly journals.

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

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

Date: 29/1/25

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2024


	Notes	2024 Unrestricted fund £	2023 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	405,152	150
Investment income	3	3,260,735	3,394,770
Total		<u>3,665,887</u>	<u>3,394,920</u>
EXPENDITURE ON			
Charitable activities	4		
Making Grants to Institutions		<u>2,582,989</u>	<u>2,745,111</u>
Net gains/(losses) on investments		<u>1,794,696</u>	<u>(3,586,860)</u>
NET INCOME/(EXPENDITURE)		2,877,594	(2,937,051)
RECONCILIATION OF FUNDS			
Total funds brought forward		64,985,878	67,922,929
TOTAL FUNDS CARRIED FORWARD		<u><u>67,863,472</u></u>	<u><u>64,985,878</u></u>

The notes form part of these financial statements

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 Unrestricted fund £	2023 Total funds £
FIXED ASSETS			
Tangible assets	10	678,380	716,123
Investments			
Investments	11	25,526,578	25,055,002
Investment property	12	41,106,847	36,932,554
		67,311,805	62,703,679
CURRENT ASSETS			
Debtors	13	1,107,013	747,010
Cash at bank and in hand		3,884,758	5,912,900
		4,991,771	6,659,910
CREDITORS			
Amounts falling due within one year	14	(4,440,104)	(4,377,711)
		551,667	2,282,199
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		67,863,472	64,985,878
NET ASSETS		67,863,472	64,985,878
FUNDS			
Unrestricted funds	15	67,863,472	64,985,878
TOTAL FUNDS		67,863,472	64,985,878

The financial statements were approved by the Board of Trustees and authorised for issue on 29/01/2025 and were signed on its behalf by:


.....
Dr J E Lancaster MBE - Trustee

LANCASTER FOUNDATION

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	9,302	(71,593)
Interest paid		(192,694)	(167,486)
Finance costs paid		(1,043)	-
		<u> </u>	<u> </u>
Net cash used in operating activities		<u>(184,435)</u>	<u>(239,079)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(3,736)	(27,741)
Purchase of fixed asset investments		-	(200,000)
Purchase of investment property		(2,884,018)	-
Sale of fixed asset investments		-	200,000
Sale of investment property		-	7,311,865
Interest received		58,359	49,610
Dividends received		985,688	1,106,380
		<u> </u>	<u> </u>
Net cash (used in)/provided by investing activities		<u>(1,843,707)</u>	<u>8,440,114</u>
 Cash flows from financing activities			
Loan repayments in year		-	(4,000,000)
		<u> </u>	<u> </u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(4,000,000)</u>
 Change in cash and cash equivalents in the reporting period			
		<u>(2,028,142)</u>	<u>4,201,035</u>
Cash and cash equivalents at the beginning of the reporting period		<u>5,912,900</u>	<u>1,711,865</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,884,758</u></u>	<u><u>5,912,900</u></u>

The notes form part of these financial statements

LANCASTER FOUNDATION

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2024**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,877,594	(2,937,051)
Adjustments for:		
Depreciation charges	41,479	41,185
(Gain)/losses on investments	(1,761,851)	3,593,795
Interest received	(58,359)	(49,610)
Interest paid	192,694	167,486
Finance costs	1,043	-
Dividends received	(985,688)	(1,106,380)
(Increase)/decrease in debtors	(360,003)	199,023
Increase in creditors	62,393	19,959
	<u>9,302</u>	<u>(71,593)</u>
Net cash provided by/(used in) operations	<u>9,302</u>	<u>(71,593)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23	Cash flow	At 31/3/24
	£	£	£
Net cash			
Cash at bank and in hand	5,912,900	(2,028,142)	3,884,758
	<u>5,912,900</u>	<u>(2,028,142)</u>	<u>3,884,758</u>
Total	<u>5,912,900</u>	<u>(2,028,142)</u>	<u>3,884,758</u>

The notes form part of these financial statements

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

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.

Going concern

The charity's trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the charity's ability to continue as a going concern. Therefore, the accounts have been prepared on a going concern basis.

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.

Services donated to the charity are recognised as a donation where a fair value can be measured reliably as required by the SORP.

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

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

Long leasehold	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 5 to 10 years

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, 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 fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are stated at fair value being their market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

Taxation

The charity is exempt from tax on its charitable activities.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Listed investments are shown at their market values. Unlisted investments are valued following an assessment of the company's financial performance. Any aggregate surplus or deficit arising from changes in the market value is transferred to gains and losses on investment assets on the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Gift Aided donations	246,301	-
Donations	97,276	150
Refund of Gift Aid tax	61,575	-
	<u>405,152</u>	<u>150</u>

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	2,147,821	2,193,253
Insurance re-charges	38,147	47,862
Other fixed asset invest - FII	985,688	1,106,380
Deposit account interest	79,375	37,807
Other interest receivable	9,704	9,468
	3,260,735	3,394,770

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Making Grants to Institutions	330,667	2,030,509	221,813	2,582,989

5. GRANTS PAYABLE

	2024	2023
	£	£
Making Grants to Institutions	2,030,509	2,141,068

Grants were paid to institutions during the year in order to further the charitable aims of the Foundation - see also the Report of the Trustees. They were paid to the following institutions:

	2024	2023
	£	£
A J Hunter - Presence	-	5,292
Betel of Britain	30,000	60,000
Big Church Day Out	-	50,000
Big Give Trust	25,500	-
Breakout Trust	7,000	-
CF180 Christian Fellowship	27,750	-
Charis Ministries	7,235	11,000
Cheer Trust	13,000	13,000
Christchurch Harpurhey	1,000	8,000
Christchurch Clevedon	-	5,000
Christians Against Poverty	6,000	12,000
Church Mission Society	3,000	3,000
Cinnamon Network	-	27,500
Community Resources	5,000	15,000
Cry in the Dark	3,000	1,500
CSW	-	15,000
CUSP	-	1,000
Dignity	10,000	-
Evangelical Alliance	-	10,000
Every Life International	131,000	131,000
Flame Trust	5,000	-
4Front Theatre	5,000	-
Fusion UK Student Link-up	24,000	-
Gateway Trust	5,000	5,000
Hidden Treasure	1,000	1,000
Home Start	12,000	10,000

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

5. GRANTS PAYABLE - continued

Hope Together	-	10,000
Image and Pregnancy Helpline	-	8,000
International Needs	-	1,000
Joanna Guardian Angel	7,200	7,200
Just-Ice Poynton	-	2,000
Kairos Housing	13,995	29,489
Kyria Network	5,000	5,000
Light	30,000	-
Linden Church	27,764	26,587
Love and Joy Ministries	72,000	72,000
Magdalene Project	23,500	27,000
Marriage Foundation	-	8,000
Mary's Meals	70,636	158,928
Medair UK	-	10,000
Message Trust	212,052	212,052
Message Trust - Prison Ministry and Lighthouse School	95,820	95,820
Message Trust - extra gift	-	75,000
Mission Aviation Fellowship	50,000	50,000
NewDay	-	10,000
New Generation Music and Mission	120,504	125,504
Nightsafe	11,000	11,000
Oasis Centre	83,879	46,261
Open Arms International	58,640	77,286
Open Arms for Rachel	1,044	1,044
Oriel Ministries	-	1,000
Others (less than £1,000)	1,332	805
PAIS	20,000	25,000
Partner Organisations	40,000	-
Pillar Organisations	16,863	-
Proclaim Trust	5,000	10,000
Project Organisations	53,000	-
Ribblesdale Wanderers	-	3,000
Saltmine Trust	96,000	96,000
Salvation Army	1,000	1,300
Sophie Hayes Foundation	15,375	15,000
Sporting Marvels	20,000	20,000
St Bartholomews CAP	2,500	-
Stonyhurst Charity Day	1,000	1,000
St James Parish Church	-	10,000
St James Parish Church for CAP	2,500	2,500
SW Youth Ministries	-	10,000
The Grand at Clitheroe	201,754	15,000
The Wayfayer Trust	26,500	26,500
TLG the Education Charity	-	50,000
The 180 Project	72,416	92,250
The Big Give	-	20,000
24-7 Prayer	175,000	175,000
Urban Saints	-	25,000
Visible Ministries	34,750	57,250
Wren Bakery	1,000	31,000
Youthscape	40,000	-
	2,030,509	2,141,068
	2,030,509	2,141,068

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

6. SUPPORT COSTS

	Governance costs £ <u>221,813</u>
Making Grants to Institutions	

7. AUDITORS' REMUNERATION

Included within expenditure are amounts payable to the charity's auditors in respect of statutory audit and other financial services. These were £6,570 and £4,830 respectively.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2024 £	2023 £
Wages and salaries	150,577	139,681
Social security costs	<u>10,947</u>	<u>10,197</u>
	<u>161,524</u>	<u>149,878</u>

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

	2024	2023
Administrative	1	1
Management	2	2
Grounds	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2024	2023
£60,000 - £69,999	-	1

Total key management personnel remuneration was £109,114 (2023 £118,680)

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2023	1,090,464	364,096	285,313	119,180	1,859,053
Additions	-	-	3,736	-	3,736
At 31 March 2024	<u>1,090,464</u>	<u>364,096</u>	<u>289,049</u>	<u>119,180</u>	<u>1,862,789</u>
DEPRECIATION					
At 1 April 2023	469,484	297,323	256,943	119,180	1,142,930
Charge for year	21,809	11,129	8,541	-	41,479
At 31 March 2024	<u>491,293</u>	<u>308,452</u>	<u>265,484</u>	<u>119,180</u>	<u>1,184,409</u>
NET BOOK VALUE					
At 31 March 2024	<u>599,171</u>	<u>55,644</u>	<u>23,565</u>	<u>-</u>	<u>678,380</u>
At 31 March 2023	<u>620,980</u>	<u>66,773</u>	<u>28,370</u>	<u>-</u>	<u>716,123</u>

Improvements to property relate to long leasehold property.

11. FIXED ASSET INVESTMENTS

	Investments £
MARKET VALUE	
At 1 April 2023	25,055,002
Revaluations	471,576
At 31 March 2024	<u>25,526,578</u>
NET BOOK VALUE	
At 31 March 2024	<u>25,526,578</u>
At 31 March 2023	<u>25,055,002</u>

There were no investment assets outside the UK.

On 7th November 2023 following the King's Speech the Leasehold and Freehold Reform Act was announced. The act has subsequently received Royal Assent, introducing significant changes to the residential leasehold and freehold markets. This Act, along with the proposed Leasehold and Commonhold Reform Bill announced on 17th July 2024, has created material uncertainty in the residential ground rent market. The charity has invested in a residential property fund that is affected by these legislative changes. The Fund's independent valuer has applied a Material Uncertainty Clause to the valuation of the Fund's residential property assets. As a result, the Fund remains suspended in accordance with FCA rules. The Charities investment remains at a market value of £3,026,485 within these financial statements no adjustment has been made in relation to this uncertainty.

The following investments had material valuations at the balance sheet date:

	£
Listed investments	3,819,821
Unlisted investments	21,706,757

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	36,932,554
Additions	2,884,018
Revaluation	1,290,275
	41,106,847
NET BOOK VALUE	
At 31 March 2024	41,106,847
At 31 March 2023	36,932,554

Investment properties were valued on an open market basis on 31 March 2024 by the Trustees and not by an independent qualified valuer.

Fair value at 31 March 2024 is represented by:

	£
Valuation in 2019	1,728,221
Valuation in 2022	173,612
Valuation in 2024	1,290,275
Cost	37,914,739
	41,106,847

13. DEBTORS

	2024	2023
	£	£
Amounts falling due within one year:		
Rental income debtors	144,331	94,403
Other debtors	122,831	37,087
Tax	19,621	11,850
Prepayments and accrued income	293,295	239,604
	580,078	382,944
Amounts falling due after more than one year:		
Other debtors	526,935	364,066
	1,107,013	747,010

Other debtors includes a loan made to Good News Family Care, in 2015, of £397,884. The loan is to be repaid over 10 years together with interest accrued at 2.5% per annum.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	3,144	6,621
Social security and other taxes	3,653	4,176
VAT	92,847	73,896
Other creditors	3,806,294	3,821,294
Accruals and deferred income	534,166	471,724
	4,440,104	4,377,711

15. MOVEMENT IN FUNDS

	At 1/4/23	Net movement in funds	At 31/3/24
	£	£	£
Unrestricted funds			
General fund	64,985,878	2,877,594	67,863,472
	64,985,878	2,877,594	67,863,472
TOTAL FUNDS			

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	3,665,887	(2,582,989)	1,794,696	2,877,594
	3,665,887	(2,582,989)	1,794,696	2,877,594
TOTAL FUNDS				

Comparatives for movement in funds

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	67,922,929	(2,937,051)	64,985,878
	67,922,929	(2,937,051)	64,985,878
TOTAL FUNDS			

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

15. MOVEMENT IN FUNDS - continued

Comparative 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	3,394,920	(2,745,111)	(3,586,860)	(2,937,051)
TOTAL FUNDS	<u>3,394,920</u>	<u>(2,745,111)</u>	<u>(3,586,860)</u>	<u>(2,937,051)</u>

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

	At 1/4/22 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	67,922,929	(59,457)	67,863,472
TOTAL FUNDS	<u>67,922,929</u>	<u>(59,457)</u>	<u>67,863,472</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	7,060,807	(5,328,100)	(1,792,164)	(59,457)
TOTAL FUNDS	<u>7,060,807</u>	<u>(5,328,100)</u>	<u>(1,792,164)</u>	<u>(59,457)</u>

16. OTHER FINANCIAL COMMITMENTS

In addition to the grants paid during the year, the Trustees have also authorised the payment of further grants, payable during the next year, which are subject to the fulfilment of certain conditions. The total amount authorised but not accrued as expenditure as at 31 March 2024 was £1,479,949 (2023 - £1,485,556) and are as follows:

	2024 £	2023 £
Adopt a child	432	-
Altitude Mission	5,000	-
Bartholomews CAP	2,500	-
Betel of Britain	-	60,000
Big Church Festival	40,000	30,000
Breakout Trust	7,000	7,000
CAP Centre - Padiham	500	-
Changing Lives Charity	500	-
Charis Ministries	31,000	6,000
Cheer Trust	1,200	12,000

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024

16. OTHER FINANCIAL COMMITMENTS - continued

Christians Against Poverty	-	12,000
Church Mission Society	500	3,000
Cinnamon Network	55,000	27,500
Create Bolton	3,000	-
Everylife	130,000	130,000
Flame Trust	5,000	-
Friends of Serenity	5,000	-
4FrontTheatre	5,000	5,000
Fusion UK Student Link Up	30,000	15,000
Joanna Guardian Angel	5,400	7,200
Kyria Network	22,000	-
Linden Church - Presence Project	46,295	-
Love & Joy	72,000	-
Magdalene Project	25,000	20,000
Mary's Meals	35,320	52,980
Message Trust	221,208	307,872
Mission Aviation Fellowship	50,000	50,000
NGM	120,00	120,504
Nightsafe	10,000	10,000
Nxt Move Europe - The Youth Gathering	3,000	-
Nxt Move - Europe	10,000	-
Oasis Centre	-	-
Open Arms International	-	70,000
Open Arms - Danson	1,044	-
Open Arms - Projects	3,750	-
Pais Project	-	20,000
Preston Minster - SPEAR	5,000	-
Proclaim Trust	-	5,000
Rise CIO - Love Blackburn	1,000	-
Salvation Army	300	-
Saltmine Trust	96,000	96,000
Sophie Hayes Foundation	-	15,000
South West Youth Ministries	15,000	-
St James CAP	2,500	2,500
The 180 Project	100,000	111,000
TLG Education charity	-	50,000
Urban Saints	-	25,000
Visible Ministries	45,000	45,000
Wayfarer Trust	1,500	25,000
Youthscape - Satellites Festival	40,000	-
24-7 Prayer	145,000	145,000
24-7 Prayer - Andy & Helen Taylor	12,000	-
	1,479,949	1,485,556
	1,479,949	1,485,556

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

17. RELATED PARTY DISCLOSURES

Loan interest of £95,418 (2023 - £167,486) has been paid to the trustees, Mr J E and Mrs R Lancaster during the year, a total figure of £3,854,003 (2023 - £3,829,757) is due to the trustees at the year end. This loan has been provided to the Charity at below market value, a separate donation has been recognised at the difference between interest charged and Bank of England base rate during the period.

During the year the Charity made grants of £201,754 (2023 - £15,000) to The Grand at Clitheroe, a charitable company limited by guarantee, of which Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are trustees. The grants were to assist in the development and running of the Grand and also the Skate Park.

The Charity bought investment properties from the J E & R Lancaster Discretionary Trust, a trust of which Mr J E and Mrs R Lancaster are trustees, at an open market value of £2,880,000. At 31 March 2024 the trust owed the Charity £68,981, this is included within debtors.

Mrs A.Lancaster, wife of Mr S Lancaster (trustee) received remuneration of £42,367 (2023 - £25,375).

LANCASTER FOUNDATION

England & Wales - Charity number 1066850

Accounts

REGISTERED CHARITY NUMBER: 1066850

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
LANCASTER FOUNDATION**

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

LANCASTER FOUNDATION

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for the year ended 31 March 2023**

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LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalised people throughout the UK and Africa. Additionally the foundation is committed to numerous ongoing local and national youth and community projects.

Grants are awarded at the absolute discretion of the board of trustees. Although many applications are received, the administrative structure of the charity does not allow for the consideration of unsolicited requests for grant funding.

Due to the nature of the projects that are awarded grants, the trustees endeavour to monitor their progress and become actively involved in them wherever this is practical. The ongoing success of projects is assessed when subsequent applications for funding are made.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year the Foundation continued to support charities promoting a Christian ethos undertaking practical projects addressing poverty and social issues both in the UK and Africa. Details of grants made in the year can be seen at note 8 to the financial statements.

Investment performance

Investment income has fallen slightly from £3,414,408 last year to £3,394,770. The fall in investment income in part relates to loans being repaid on which the Foundation had been receiving interest.

The aim of the investment portfolio is to generate sufficient income on an ongoing basis to cover grant funding and ongoing operating costs whilst preserving capital value. However, during 2023 markets have fallen which have adversely affected capital values of most of the investments.

FINANCIAL REVIEW

Financial position

Management of the various investment portfolios has generated income during the year enabling all grants and expenditure for the year to be met.

Principal funding sources

The charity generates income through its investments and in accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. The Trustees retain and take advice from an independent financial advisor. The policy is to adopt a low risk investment strategy based on maximising income within this strategy in order to cover annual expenditure and donations.

Reserves policy

It is the policy of the charity to maintain sufficient free reserves at a level to generate income adequate to cover annual donations and management and administration costs. Unrestricted funds were maintained at this level throughout the year.

As at the year end, the value of reserves held by the Foundation was £64,985,878 (2022 - £67,922,929).

FUTURE PLANS

The trustees continuously evolve the Foundation's strategic giving plans; however the trustees remain committed to its Christian principles by supporting charities undertaking practical projects in the community and addressing poverty and social issues.

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 2 July 1997 and constitutes a registered charity. Charity number 1066850.

Recruitment and appointment of new trustees

The trustees currently foresee no requirement to recruit/appoint new trustees. However, should the need arise, the trustees will seek advice from suitably qualified advisors to help establish the specific skills required and identify prospective candidates.

Should new trustees be taken on, suitable induction procedures will be undertaken and relevant training provided where a need is identified.

Organisational structure

The trustees who have served during the year and since the year end are set out on page 3.

A board of trustees of four members are involved day to day in the activities of the charity but they also meet more formally when significant decisions are taken such as the investment of funds.

The organisational structure includes a Development Director who was appointed by the trustees to ensure that Trust monies are invested carefully and to gain a sustainable income wherever possible. The Development Director also works with other staff to evaluate charitable projects and future commitments.

Remuneration packages for key management are reviewed annually, taking account of the general market for such roles.

Related parties

Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are also trustees of The Grand at Clitheroe, a charitable company limited by guarantee. The Lancaster Foundation is currently providing funding to the Grand to assist the development and day to day running costs of the Grand and also the Skate Park.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066850

Principal address

Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LA

Trustees

Dr J E Lancaster MBE
Mrs R Lancaster MBE
Mr S J Lancaster
Mrs J R Broadhurst

Auditors

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

LANCASTER FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 31 March 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Handelsbanken
1st Floor, Wallander House
Capricorn Business Park
Blakewater Road
Blackburn
Lancashire
BB1 5QR

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.

The trustees have had due regard to guidance published by the Charities Commission on public benefit.

Approved by order of the board of trustees on20/12/2023..... and signed on its behalf by:


.....
Dr J E Lancaster MBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LANCASTER FOUNDATION

Opinion

We have audited the financial statements of Lancaster Foundation (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 March 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.

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
LANCASTER 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 and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. This includes legislation that affects the running of the Foundation such as the Charities Act 2011 and current payroll and employment legislation.
- 2) Challenging assumptions and judgements made by the trustees and management in their significant accounting estimates, most significantly the valuation of investment property.
- 3) Identifying and testing journal entries, in particular those posted with unusual account combinations. This includes reviewing significant entries around the year end and any journals posted throughout the year that are outside the normal pattern of monthly journals.

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
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date: 20/12/2023

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	150	-
Investment income	3	3,394,770	3,414,408
Total		3,394,920	3,414,408
 EXPENDITURE ON			
Charitable activities	4		
Making Grants to Institutions		2,745,111	3,041,969
Net gains/(losses) on investments		(3,586,860)	6,229,035
NET INCOME/(EXPENDITURE)		(2,937,051)	6,601,474
 RECONCILIATION OF FUNDS			
Total funds brought forward		67,922,929	61,321,455
TOTAL FUNDS CARRIED FORWARD		64,985,878	67,922,929

The notes form part of these financial statements

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS			
Tangible assets	10	716,123	729,567
Investments			
Investments	11	25,055,002	28,460,662
Investment property	12	36,932,554	44,432,554
		62,703,679	73,622,783
 CURRENT ASSETS			
Debtors	13	747,010	946,033
Cash at bank and in hand		5,912,900	1,711,865
		6,659,910	2,657,898
 CREDITORS			
Amounts falling due within one year	14	(4,377,711)	(8,357,752)
 NET CURRENT ASSETS		2,282,199	(5,699,854)
 TOTAL ASSETS LESS CURRENT LIABILITIES		64,985,878	67,922,929
 NET ASSETS		64,985,878	67,922,929
 FUNDS			
Unrestricted funds	15	64,985,878	67,922,929
 TOTAL FUNDS		64,985,878	67,922,929

The financial statements were approved by the Board of Trustees and authorised for issue on 20/12/2023 and were signed on its behalf by:


.....
Dr J E Lancaster MBE - Trustee

LANCASTER FOUNDATION

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(71,593)	918,274
Interest paid		(167,486)	(175,419)
Finance costs paid		-	76
Tax paid		-	(4,296)
Net cash (used in)/provided by operating activities		(239,079)	738,635
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,741)	(9,836)
Purchase of fixed asset investments		(200,000)	(50,001)
Purchase of investment property		-	(3,843,644)
Sale of fixed asset investments		200,000	50,427
Sale of investment property		7,311,865	-
Interest received		49,610	177,000
Dividends received		1,106,380	1,003,794
Net cash provided by/(used in) investing activities		8,440,114	(2,672,260)
Cash flows from financing activities			
New loans in year		-	1,139,025
Loan repayments in year		(4,000,000)	-
Net cash (used in)/provided by financing activities		(4,000,000)	1,139,025
Change in cash and cash equivalents in the reporting period			
		4,201,035	(794,600)
Cash and cash equivalents at the beginning of the reporting period			
		1,711,865	2,506,465
Cash and cash equivalents at the end of the reporting period			
		5,912,900	1,711,865

The notes form part of these financial statements

LANCASTER FOUNDATION

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2023**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(2,937,051)	6,601,474
Adjustments for:		
Depreciation charges	41,185	35,887
Losses/(gain) on investments	3,593,795	(6,229,035)
Interest received	(49,610)	(177,000)
Interest paid	167,486	175,419
Finance costs	-	(76)
Dividends received	(1,106,380)	(1,003,794)
Decrease in debtors	199,023	1,691,919
Increase/(decrease) in creditors	19,959	(176,520)
Net cash (used in)/provided by operations	<u>(71,593)</u>	<u>918,274</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22	Cash flow	At 31/3/23
	£	£	£
Net cash			
Cash at bank and in hand	1,711,865	4,201,035	5,912,900
	<u>1,711,865</u>	<u>4,201,035</u>	<u>5,912,900</u>
Total	<u>1,711,865</u>	<u>4,201,035</u>	<u>5,912,900</u>

The notes form part of these financial statements

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

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.

Going concern

The charity's trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the charity's ability to continue as a going concern. Therefore, the accounts have been prepared on a going concern basis.

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

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

Long leasehold	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 5 to 10 years

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, 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 fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are stated at fair value being their market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

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.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Listed investments are shown at their market values. Unlisted investments are valued following an assessment of the company's financial performance. Any aggregate surplus or deficit arising from changes in the market value is transferred to gains and losses on investment assets on the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	150	-
	<u> </u>	<u> </u>

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	2,193,253	2,169,918
Insurance re-charges	47,862	70,169
Other fixed asset invest - FII	1,106,380	1,003,794
Deposit account interest	37,807	3
Other interest receivable	9,468	170,524
	3,394,770	3,414,408

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Making Grants to Institutions	348,408	2,141,068	255,635	2,745,111

5. GRANTS PAYABLE

	2023	2022
	£	£
Making Grants to Institutions	2,141,068	2,558,228

Grants were paid to institutions during the year in order to further the charitable aims of the Foundation - see also the Report of the Trustees. They were paid to the following institutions:

	2023	2022
	£	£
Achievement through collaboration - 3G Pitch	-	175,000
A J Hunter - Presence	5,292	8,100
Alpha International	-	10,000
Betel of Britain	60,000	60,000
Big Church Day Out	50,000	30,000
Breakout Trust	-	7,000
Charis Ministries	11,000	7,000
Changing Tunes	-	1,000
Cheer Trust	13,000	8,000
Christchurch Harpurhey	8,000	20,500
Christchurch Clevedon	5,000	5,000
Christians Against Poverty	12,000	12,000
Christian Solidarity	-	15,000
Church Mission Society	3,000	3,000
Cinnamon Network	27,500	55,000
Community Resources	15,000	15,000
Community Solutions	-	1,000
Cry in the Dark	1,500	-
CSW	15,000	-
CUSP	1,000	-
Dignity	-	17,000
Evangelical Alliance	10,000	10,000
Every Life International	131,000	130,500
4Front Theatre	-	5,000
Gateway Trust	5,000	5,000
Hidden Treasure	1,000	18,000

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023

5. GRANTS PAYABLE - continued

Home Start	10,000	10,500
Hope Metro	-	105,526
Hope Together	10,000	10,000
Image and Pregnancy Helpline	8,000	2,000
International Aid Trust	-	10,000
International Aid Trust - Ukraine	-	25,000
International Needs	1,000	-
Joanna Guardian Angel	7,200	7,200
Just-Ice Poynton	2,000	10,000
Kairos Housing	29,489	-
Kyria Network	5,000	5,000
Light	-	20,000
Linden Church	26,587	37,968
Love and Joy Ministries	72,000	72,000
Magdalene Project	27,000	27,000
Make Jesus Known	-	20,000
Marriage Foundation	8,000	-
Mary's Meals	158,928	158,928
Medair UK	10,000	-
Message Trust	212,052	212,052
Message Trust - Prison Ministry and Lighthouse School	95,820	95,820
Message Trust - extra gift	75,000	-
Message Trust - Community grocery project	-	38,000
Mission Aviation Fellowship	50,000	50,000
NewDay	10,000	-
New Generation Music and Mission	125,504	130,504
Nightsafe	11,000	25,000
Noah Initiative	-	5,000
Oasis Centre	46,261	46,261
Open Arms International	77,286	69,337
Open Arms for Rachel	1,044	1,044
Oriel Ministries	1,000	-
Others (less than £1,000)	805	2,278
PAIS	25,000	-
Philo Trust	-	15,000
Proclaim Trust	10,000	10,000
Ribblesdale Wanderers	3,000	-
Saltmine Trust	96,000	96,000
Salvation Army	1,300	1,300
Sophie Hayes Foundation	15,000	20,500
Sporting Marvels	20,000	20,000
Stonyhurst Charity Day	1,000	1,000
St James Parish Church	10,000	-
St James Parish Church for CAP	2,500	12,500
SW Youth Ministries	10,000	5,000
Tear Fund	-	10,000
The Grand at Clitheroe	15,000	122,160
The Wayfayer Trust	26,500	26,500
TLG the Education Charity	50,000	50,000
The 180 Project	92,250	70,250
The Big Give	20,000	15,000
24-7 Prayer	175,000	145,000
Urban Saints	25,000	25,000
Visible Ministries	57,250	42,500
Wren Bakery	31,000	16,000
Youthscape	-	40,000

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

5. GRANTS PAYABLE - continued

	2,141,068	2,558,228
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6. SUPPORT COSTS

	Governance costs £ 255,635
Making Grants to Institutions	255,635

7. AUDITORS' REMUNERATION

Included within expenditure are amounts payable to the charity's auditors in respect of statutory audit and other financial services. These were £7,090 and £5,768 respectively.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	139,681	112,471
Social security costs	10,197	7,409
	149,878	119,880

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

	2023	2022
Administrative	1	1
Management	2	2
Grounds	1	1
	4	4

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

	2023	2022
£60,000 - £69,999	1	0

Total key management personnel remuneration was £118,680 (2022 £83,750)

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2022	1,090,464	364,096	257,572	119,180	1,831,312
Additions	-	-	27,741	-	27,741
At 31 March 2023	<u>1,090,464</u>	<u>364,096</u>	<u>285,313</u>	<u>119,180</u>	<u>1,859,053</u>
DEPRECIATION					
At 1 April 2022	447,675	286,194	248,696	119,180	1,101,745
Charge for year	21,809	11,129	8,247	-	41,185
At 31 March 2023	<u>469,484</u>	<u>297,323</u>	<u>256,943</u>	<u>119,180</u>	<u>1,142,930</u>
NET BOOK VALUE					
At 31 March 2023	<u>620,980</u>	<u>66,773</u>	<u>28,370</u>	-	<u>716,123</u>
At 31 March 2022	<u>642,789</u>	<u>77,902</u>	<u>8,876</u>	-	<u>729,567</u>

Improvements to property relate to long leasehold property.

11. FIXED ASSET INVESTMENTS

	Investments £
MARKET VALUE	
At 1 April 2022	28,460,662
Additions	200,000
Disposals	(221,000)
Revaluations	(3,384,660)
At 31 March 2023	<u>25,055,002</u>
NET BOOK VALUE	
At 31 March 2023	<u>25,055,002</u>
At 31 March 2022	<u>28,460,662</u>

There were no investment assets outside the UK.

The following investments had material valuations at the balance sheet date:

	£
Listed investments	4,165,587
Unlisted investments	20,889,415

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022	44,432,554
Disposals	(7,500,000)
	36,932,554
At 31 March 2023	36,932,554
NET BOOK VALUE	
At 31 March 2023	36,932,554
At 31 March 2022	44,432,554

Investment properties were valued on an open market basis on 31 March 2023 by the Trustees and not by an independent qualified valuer.

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2019	1,728,221
Valuation in 2022	173,612
Cost	35,030,721
	36,932,554
	36,932,554

13. DEBTORS

	2023	2022
	£	£
Amounts falling due within one year:		
Rental income debtors	94,403	140,073
Other debtors	37,087	108,790
Tax	11,850	11,850
Prepayments and accrued income	239,604	288,762
	382,944	549,475
Amounts falling due after more than one year:		
Other debtors	364,066	396,558
Aggregate amounts	747,010	946,033

Other debtors includes a loan made to Good News Family Care, in 2015, of £388,180. The loan is to be repaid over 10 years together with interest accrued at 2.5% per annum.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,621	7,276
Social security and other taxes	4,176	3,965
VAT	73,896	87,203
Other creditors	3,821,294	7,821,294
Accruals and deferred income	471,724	438,014
	<u>4,377,711</u>	<u>8,357,752</u>

15. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General fund	67,922,929	(2,937,051)	64,985,878
TOTAL FUNDS	<u>67,922,929</u>	<u>(2,937,051)</u>	<u>64,985,878</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	3,394,920	(2,745,111)	(3,586,860)	(2,937,051)
TOTAL FUNDS	<u>3,394,920</u>	<u>(2,745,111)</u>	<u>(3,586,860)</u>	<u>(2,937,051)</u>

Comparatives for movement in funds

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	61,321,455	6,601,474	67,922,929
TOTAL FUNDS	<u>61,321,455</u>	<u>6,601,474</u>	<u>67,922,929</u>

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023

15. MOVEMENT IN FUNDS - continued

Comparative 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	3,414,408	(3,041,969)	6,229,035	6,601,474
TOTAL FUNDS	<u>3,414,408</u>	<u>(3,041,969)</u>	<u>6,229,035</u>	<u>6,601,474</u>

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

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	61,321,455	3,664,423	64,985,878
TOTAL FUNDS	<u>61,321,455</u>	<u>3,664,423</u>	<u>64,985,878</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	6,809,328	(5,787,080)	2,642,175	3,664,423
TOTAL FUNDS	<u>6,809,328</u>	<u>(5,787,080)</u>	<u>2,642,175</u>	<u>3,664,423</u>

16. OTHER FINANCIAL COMMITMENTS

In addition to the grants paid during the year, the Trustees have also authorised the payment of further grants, payable during the next year, which are subject to the fulfilment of certain conditions. The total amount authorised but not accrued as expenditure as at 31 March 2023 was £1,485,556 (2022 - £1,471,015) and are as follows:

	2023 £	2022 £
Betel of Britain	60,000	60,000
Big Church Festival	30,000	-
Breakout Trust	7,000	-
Charis Ministries	6,000	6,000
Cheer Trust	12,000	12,000
Christchurch Clevedon	-	5,000
Christians Against Poverty	12,000	12,000
Church Mission Society	3,000	3,000
Cinnamon Network	27,500	-

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

16. OTHER FINANCIAL COMMITMENTS - continued

Evangelical Alliance	-	10,000
Everylife	130,000	130,000
4FrontTheatre	5,000	-
Fusion UK Student Link Up	15,000	-
Joanna Guardian Angel	7,200	7,200
Kyria Network	-	5,000
Magdalene Project	20,000	23,500
Mary's Meals	52,980	158,928
Message Trust	307,872	307,872
Mission Aviation Fellowship	50,000	50,000
NGM	120,504	120,504
Nightsafe	10,000	-
Oasis Centre	-	45,261
Open Arms International	70,000	70,000
Pais Project	20,000	20,000
Proclaim Trust	5,000	-
Saltmine Trust	96,000	96,000
Sophie Hayes Foundation	15,000	15,000
Sporting Marvels	-	20,000
St James Youth worker	-	10,000
St James CAP	2,500	-
The 180 Project	111,000	39,750
TLG Education charity	50,000	50,000
Urban Saints	25,000	25,000
Visible Ministries	45,000	22,500
Wayfarer Trust	25,000	1,500
24-7 Prayer	145,000	145,000
	1,485,556	1,471,015

17. RELATED PARTY DISCLOSURES

During the year the Charity has made a loan repayment of £4,000,000 to the trustees, Mr J E and Mrs R Lancaster. Interest of £167,486 (2022 - £175,419) has been paid to the trustees during the year, a total figure of £3,829,757 is due to the trustees at the year end.

During the year the Charity made grants of £15,000 (2022 - £122,160) to The Grand at Clitheroe, a charitable company limited by guarantee, of which Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are Trustees. The grants were to assist in the development and running of the Grand and also the Skate Park. The Charity issued two loans totalling £75,000 to the Grand at Clitheroe during the year the balance was fully repaid within the period.

During the previous year the Charity made a grant of £175,000 to Achievement Through Collaboration Trust, a charitable company limited by guarantee, of which Mr S J Lancaster is a member.

Mrs A Lancaster, wife of Mr S Lancaster (trustee) received remuneration of £25,375 (2022 - £25,000).

LANCASTER FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	150	-
Investment income		
Rents received	2,193,253	2,169,918
Insurance re-charges	47,862	70,169
Other fixed asset invest - FII	1,106,380	1,003,794
Deposit account interest	37,807	3
Other interest receivable	9,468	170,524
	3,394,770	3,414,408
Total incoming resources	3,394,920	3,414,408
 EXPENDITURE		
Charitable activities		
Wages	139,681	112,471
Social security	10,197	7,409
Pensions	5,189	3,182
Staff relocation costs	-	8,000
Rent	5,250	5,250
Rates and water	2,900	2,382
Insurance	63,609	72,019
Light and heat	13,771	6,448
Telephone	867	842
Postage and stationery	2,868	1,621
Advertising	1	-
Travelling	4,042	3,991
Repairs and maintenance	47,187	11,411
Events hospitality	1,274	237
Sundry expenses	718	496
Consultancy fees	3,970	1,825
Website development	5,699	-
Depreciation of long leasehold	21,809	21,809
Depreciation of property improvements	11,129	11,129
Depreciation of fixtures & fittings	8,247	2,949
Grants to institutions	2,141,068	2,558,228
	2,489,476	2,831,699
Support costs		
Governance costs		
Auditors' remuneration	7,090	5,730
Auditors' remuneration for non audit work	5,768	5,142
Bookkeeping	7,098	6,171
Carried forward	19,956	17,043

This page does not form part of the statutory financial statements

LANCASTER FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023	2022
	£	£
Governance costs		
Brought forward	19,956	17,043
Legal and professional fees	68,103	17,884
Bank charges	90	-
Loan	167,486	175,419
Foreign exchange differences	-	(76)
	255,635	210,270
Total resources expended	2,745,111	3,041,969
Net income before gains and losses	649,809	372,439
Realised recognised gains and losses		
Realised and unrealised gains/ (losses) on fixed asset investments	(3,398,725)	2,005,447
Realised and unrealised gains /(losses) on investment property	(188,135)	4,223,588
Net (expenditure)/income	(2,937,051)	6,601,474

This page does not form part of the statutory financial statements

LANCASTER FOUNDATION

England & Wales - Charity number 1066850

Accounts

REGISTERED CHARITY NUMBER: 1066850

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
LANCASTER FOUNDATION**

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

LANCASTER FOUNDATION

CONTENTS OF THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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Report of the Independent Auditors	4 to 5
Statement of Financial Activities	6
Statement of Financial Position	7
Statement of Cash Flows	8
Notes to the Statement of Cash Flows	9
Notes to the Financial Statements	10 to 19

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalised people throughout the UK and Africa. Additionally the foundation is committed to numerous ongoing local and national youth and community projects.

Grants are awarded at the absolute discretion of the board of trustees. Although many applications are received, the administrative structure of the charity does not allow for the consideration of unsolicited requests for grant funding.

Due to the nature of the projects that are awarded grants, the trustees endeavour to monitor their progress and become actively involved in them wherever this is practical. The ongoing success of projects is assessed when subsequent applications for funding are made.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year the Foundation continued to support charities promoting a Christian ethos undertaking practical projects addressing poverty and social issues both in the UK and Africa. Details of grants made in the year can be seen at note 8 to the financial statements.

Investment performance

Investment income has risen from £2,844,700 last year to £3,414,408. During 2022 there was an increase in the market value of most of the investments.

The increase in investment income in part relates to a transfer of capital from general investments to commercial property. The aim of the investment portfolio is to generate sufficient income on an ongoing basis to cover grant funding and ongoing operating costs whilst preserving capital value.

FINANCIAL REVIEW

Financial position

Management of the various investment portfolios has generated income during the year has enabled all grants and expenditure for the year to be met leaving a significant surplus of funds for the year and increasing the overall funds available for future use.

The financial markets have continued to recover after the falls brought about by the COVID pandemic and the Foundation has seen significant gains in the market value of its investments during the year.

Principal funding sources

The charity generates income through its investments and in accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. The Trustees retain and take advice from an independent financial advisor. The policy is to adopt a low risk investment strategy based on maximising income within this strategy in order to cover annual expenditure and donations.

Reserves policy

It is the policy of the charity to maintain sufficient free reserves at a level to generate income adequate to cover annual donations and management and administration costs. Unrestricted funds were maintained at this level throughout the year.

As at the year end, the value of reserves held by the Foundation was £67,922,929 (2021 - £61,321,455).

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2022

FUTURE PLANS

The trustees continuously evolve the Foundation's strategic giving plans; however the trustees remain committed to its Christian principles by supporting charities undertaking practical projects in the community and addressing poverty and social issues.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 2 July 1997 and constitutes a registered charity. Charity number 1066850.

Recruitment and appointment of new trustees

The trustees currently foresee no requirement to recruit/appoint new trustees. However, should the need arise, the trustees will seek advice from suitably qualified advisors to help establish the specific skills required and identify prospective candidates.

Should new trustees be taken on, suitable induction procedures will be undertaken and relevant training provided where a need is identified.

Organisational structure

The trustees who have served during the year and since the year end are set out on page 3.

A board of trustees of four members are involved day to day in the activities of the charity but they also meet more formally when significant decisions are taken such as the investment of funds.

The organisational structure includes a Development Director who was appointed by the trustees to ensure that Trust monies are invested carefully and to gain a sustainable income wherever possible. The Development Director also works with other staff to evaluate charitable projects and future commitments.

Remuneration packages for key management are reviewed annually, taking account of the general market for such roles.

Related parties

Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are also trustees of The Grand at Clitheroe, a charitable company limited by guarantee. The Lancaster Foundation is currently providing funding to the Grand to assist the development and day to day running costs of the Grand and also the Skate Park.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066850

Principal address

Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LA

Trustees

Dr J E Lancaster MBE
Mrs R Lancaster MBE
Mr S J Lancaster
Mrs J R Broadhurst

Auditors

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

LANCASTER FOUNDATION

**REPORT OF THE TRUSTEES
for the year ended 31 March 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Handelsbanken
1st Floor, Wallander House
Capricorn Business Park
Blakewater Road
Blackburn
Lancashire
BB1 5QR

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

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"

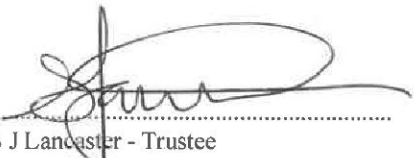
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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.

The trustees have had due regard to guidance published by the Charities Commission on public benefit.

Approved by order of the board of trustees on25/01/2023..... and signed on its behalf by:


.....
Mr S J Lancaster - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LANCASTER FOUNDATION

Opinion

We have audited the financial statements of Lancaster Foundation (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 March 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.

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
LANCASTER 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 and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. This includes legislation that affects the running of the Foundation such as the Charities Act 2011 and current payroll and employment legislation.
- 2) Challenging assumptions and judgements made by the trustees and management in their significant accounting estimates, most significantly the valuation of investment property.
- 3) Identifying and testing journal entries, in particular those posted with unusual account combinations. This includes reviewing significant entries around the year end and any journals posted throughout the year that are outside the normal pattern of monthly journals.

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
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date:25/01/2023.....

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2022

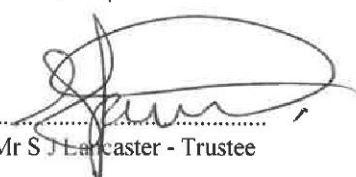
	Notes	2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	-	115,750
Investment income	3	3,414,408	2,844,700
Total		<u>3,414,408</u>	<u>2,960,450</u>
EXPENDITURE ON			
Charitable activities	4		
Making Grants to Institutions		<u>3,041,969</u>	<u>2,519,578</u>
Net gains on investments		<u>6,229,035</u>	<u>2,243,936</u>
NET INCOME		6,601,474	2,684,808
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>61,321,455</u>	<u>58,636,647</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>67,922,929</u></u>	<u><u>61,321,455</u></u>

The notes form part of these financial statements

LANCASTER FOUNDATION
STATEMENT OF FINANCIAL POSITION
31 March 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Tangible assets	10	729,567	755,618
Investments			
Investments	11	28,460,662	26,455,641
Investment property	12	44,432,555	36,365,322
		73,622,784	63,576,581
 CURRENT ASSETS			
Debtors	13	946,033	2,633,656
Cash at bank and in hand		1,711,865	2,506,465
		2,657,898	5,140,121
 CREDITORS			
Amounts falling due within one year	14	(8,357,753)	(7,395,247)
 NET CURRENT ASSETS		(5,699,855)	(2,255,126)
 TOTAL ASSETS LESS CURRENT LIABILITIES		67,922,929	61,321,455
 NET ASSETS		67,922,929	61,321,455
 FUNDS	15		
Unrestricted funds		67,922,929	61,321,455
 TOTAL FUNDS		67,922,929	61,321,455

The financial statements were approved by the Board of Trustees and authorised for issue on 25/01/2023 and were signed on its behalf by:



 Mr S J Lancaster - Trustee

LANCASTER FOUNDATION

STATEMENT OF CASH FLOWS
for the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	918,275	(68,223)
Interest paid		(175,419)	(136,257)
Finance costs paid		76	-
Tax paid		(4,296)	(4,713)
Net cash provided by/(used in) operating activities		<u>738,636</u>	<u>(209,193)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,836)	-
Purchase of fixed asset investments		(50,001)	(3,500,000)
Purchase of investment property		(3,843,645)	(8,196,501)
Sale of fixed asset investments		50,427	3,499,999
Sale of investment property		-	1,049,150
Interest received		177,000	122,975
Dividends received		1,003,794	863,850
Net cash used in investing activities		<u>(2,672,261)</u>	<u>(6,160,527)</u>
Cash flows from financing activities			
New loans in year		1,139,025	3,167,269
Net cash provided by financing activities		<u>1,139,025</u>	<u>3,167,269</u>
Change in cash and cash equivalents in the reporting period			
		(794,600)	(3,202,451)
Cash and cash equivalents at the beginning of the reporting period			
		<u>2,506,465</u>	<u>5,708,916</u>
Cash and cash equivalents at the end of the reporting period			
		<u>1,711,865</u>	<u>2,506,465</u>

The notes form part of these financial statements

LANCASTER FOUNDATION

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	6,601,474	2,684,808
Adjustments for:		
Depreciation charges	35,887	33,975
Gain on investments	(6,229,035)	(2,243,936)
Interest received	(177,000)	(122,975)
Interest paid	175,419	136,257
Finance costs	(76)	-
Dividends received	(1,003,794)	(863,850)
Decrease in debtors	1,691,919	72,416
(Decrease)/increase in creditors	(176,519)	235,082
Net cash provided by/(used in) operations	<u>918,275</u>	<u>(68,223)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank and in hand	2,506,465	(794,600)	1,711,865
	<u>2,506,465</u>	<u>(794,600)</u>	<u>1,711,865</u>
Total	<u>2,506,465</u>	<u>(794,600)</u>	<u>1,711,865</u>

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2022

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

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

Long leasehold	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 5 to 10 years

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, 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 fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are stated at fair value being their market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

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.

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

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

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Listed investments are shown at their market values. Unlisted investments are valued following an assessment of the company's financial performance. Any aggregate surplus or deficit arising from changes in the market value is transferred to gains and losses on investment assets on the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Gift Aided donations	-	92,600
Refund of Gift Aid tax	-	23,150
	-	115,750
	-	115,750

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	2,169,918	1,828,002
Insurance re-charges	70,169	51,702
Other fixed asset invest - FII	1,003,794	863,850
Deposit account interest	3	2,823
Other interest receivable	170,524	98,323
	3,414,408	2,844,700
	3,414,408	2,844,700

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Making Grants to Institutions	273,471	2,558,228	210,270	3,041,969

5. GRANTS PAYABLE

	2022 £	2021 £
Making Grants to Institutions	2,558,228	2,171,936

Grants were paid to institutions during the year in order to further the charitable aims of the Foundation - see also the Report of the Trustees. They were paid to the following institutions:

	2022 £	2021 £
Achievement through collaboration - 3G Pitch	175,000	-
A J Hunter - Presence	8,100	37,555
Alpha International	10,000	10,000
Betel of Britain	60,000	60,000
Bethany Project	-	8,000
Big Church Day Out	30,000	50,000
Blackburn Cathedral Appeal	-	2,000
Breakout Trust	7,000	14,000
CF180	-	28,650
Charis Ministries	7,000	1,000
Changing Tunes	1,000	-
Cheer Trust	8,000	11,000
Christchurch Harpurhey	20,500	21,000
Christchurch Clevedon	5,000	5,000
Christians Against Poverty	12,000	12,000
Christian Solidarity	15,000	-
Church Mission Society	3,000	3,000
Cinnamon Network	55,000	74,000
Clitheroe Wolves	-	3,570
Community Resources	15,000	15,000
Community Solutions	1,000	25,000
Crossgate Church	-	50,500
CSW	-	5,000
Dignity	17,000	34,000
Everylife Emergency	-	10,000
Evangelical Alliance	10,000	10,000
Every Life International	130,500	101,000
4Front Theatre	5,000	-
Gateway Trust	5,000	11,000
Hidden Treasure	18,000	6,000
Home for Good	-	5,000
Home Start	10,500	7,500
Hope Metro	105,526	-
Hope Together	10,000	10,000
Image and Pregnancy Helpline	2,000	-
International Aid Trust	10,000	-
International Aid Trust - Ukraine	25,000	-
Joanna Guardian Angel	7,200	7,200

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

5. GRANTS PAYABLE - continued

Just-Ice Poynton	10,000	-
Kyria Network	5,000	-
L'Arche	-	1,000
Life Association	-	3,000
Light	20,000	-
Linden Church	37,968	1,000
Love and Joy Ministries	72,000	72,000
Magdalene Project	27,000	27,000
Make Jesus Known	20,000	20,000
Mary's Meals	158,928	158,928
Message Trust	212,052	212,052
Message Trust - Prison Ministry and Lighthouse School	95,820	95,820
Message Trust - Community grocery project	38,000	50,000
Mission Aviation Fellowship	50,000	50,000
New Generation Music and Mission	130,504	125,504
Nightsafe	25,000	25,000
Noah Initiative	5,000	7,500
Northpoint Fostering	-	20,000
Oasis Centre	46,261	25,311
Open Arms International	69,337	98,000
Open Arms for Rachel	1,044	1,044
Others (less than £1,000)	2,278	1,432
PAIS	-	5,000
Philo Trust	15,000	15,000
Proclaim Trust	10,000	10,000
RVCST - 3G pitch	-	3,570
Saltmine Trust	96,000	96,000
Salvation Army	1,300	1,300
Sophie Hayes Foundation	20,500	29,500
Source of Hope	-	23,500
Sporting Marvels	20,000	20,000
St Bartholomews CAP	-	1,000
Stonyhurst Charity Day	1,000	1,000
St James Parish Church	-	15,000
St James Parish Church for CAP	12,500	17,500
St James Over Darwen	-	2,500
SW Youth Ministries	5,000	2,000
Tear Fund	10,000	25,000
The Grand at Clitheroe	122,160	-
The Wayfayer Trust	26,500	1,500
TLG the Education Charity	50,000	50,000
Turi Micah Project	-	5,000
The 180 Project	70,250	-
The Big Give	15,000	-
24-7 Prayer	145,000	105,000
Urban Life	-	10,000
Urban Saints	25,000	25,000
Vineliflife Church Manchester	-	30,000
Visible Ministries	42,500	40,000
Wren Bakery	16,000	15,000
Youthscape	40,000	-
	2,558,228	2,171,936
	2,558,228	2,171,936

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

6. SUPPORT COSTS

	Governance costs £ <u>210,270</u>
Making Grants to Institutions	

7. AUDITORS' REMUNERATION

Included within expenditure are amounts payable to the charity's auditors in respect of statutory audit and other financial services. These were £5,730 and £5,142 respectively.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	112,471	83,166
Social security costs	<u>7,409</u>	<u>5,038</u>
	<u>119,880</u>	<u>88,204</u>

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

	2022	2021
Administrative	1	1
Management	2	1
Grounds	<u>1</u>	<u>1</u>
	<u>4</u>	<u>3</u>

No member of staff was paid over £60,000 in 2021 nor 2022.

Total key management personnel remuneration was £83,750 (2021 £58,000)

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2021	1,090,464	364,096	247,736	119,180	1,821,476
Additions	-	-	9,836	-	9,836
At 31 March 2022	<u>1,090,464</u>	<u>364,096</u>	<u>257,572</u>	<u>119,180</u>	<u>1,831,312</u>
DEPRECIATION					
At 1 April 2021	425,866	275,065	245,747	119,180	1,065,858
Charge for year	21,809	11,129	2,949	-	35,887
At 31 March 2022	<u>447,675</u>	<u>286,194</u>	<u>248,696</u>	<u>119,180</u>	<u>1,101,745</u>
NET BOOK VALUE					
At 31 March 2022	<u>642,789</u>	<u>77,902</u>	<u>8,876</u>	<u>-</u>	<u>729,567</u>
At 31 March 2021	<u>664,598</u>	<u>89,031</u>	<u>1,989</u>	<u>-</u>	<u>755,618</u>

Improvements to property relate to long leasehold property.

11. FIXED ASSET INVESTMENTS

	Investments £
MARKET VALUE	
At 1 April 2021	26,455,641
Additions	50,001
Disposals	(52,000)
Revaluations	2,007,020
At 31 March 2022	<u>28,460,662</u>
NET BOOK VALUE	
At 31 March 2022	<u>28,460,662</u>
At 31 March 2021	<u>26,455,641</u>

There were no investment assets outside the UK.

The following investments had material valuations at the balance sheet date:

	£
Listed investments	6,234,074
Unlisted investments	22,226,588

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2022

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021	36,365,322
Additions	3,843,645
Revaluation	4,223,588
	44,432,555
NET BOOK VALUE	
At 31 March 2022	44,432,555
At 31 March 2021	36,365,322

Investment properties were valued on an open market basis on 31 March 2022 by the Trustees and not by an independent qualified valuer.

Fair value at 31 March 2022 is represented by:

	£
Valuation in 2019	1,728,221
Valuation in 2022	4,223,588
Cost	38,480,746
	44,432,555

13. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Rental income debtors	140,073	444,663
Other debtors	108,790	532,247
Tax	11,850	7,554
Prepayments and accrued income	288,762	270,063
	549,475	1,254,527
Amounts falling due after more than one year:		
Other debtors	396,558	1,379,129
Aggregate amounts	946,033	2,633,656

Other debtors include a loan made to the Trustees of Hope Metro, in 2014, of £180,526. The loan was to be repaid over 10 years together with interest accrued at 7% per annum. During the year, £105,526 of the outstanding balance was gifted to Hope Metro. The remaining balance of £75,000 is to be repaid within twelve months.

Other debtors also includes a loan made to Good News Family Care, in 2015, of £428,712. The loan is to be repaid over 10 years together with interest accrued at 2.5% per annum.

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	7,277	70,322
Social security and other taxes	3,965	2,560
VAT	87,203	283,830
Other creditors	7,821,294	6,667,269
Accruals and deferred income	438,014	371,266
	8,357,753	7,395,247

15. MOVEMENT IN FUNDS

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	61,321,455	6,601,474	67,922,929
	61,321,455	6,601,474	67,922,929

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	3,414,408	(3,041,969)	6,229,035	6,601,474
	3,414,408	(3,041,969)	6,229,035	6,601,474

Comparatives for movement in funds

	At 1/4/20	Net movement in funds	At 31/3/21
	£	£	£
Unrestricted funds			
General fund	58,636,647	2,684,808	61,321,455
	58,636,647	2,684,808	61,321,455

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

15. MOVEMENT IN FUNDS - continued

Comparative 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	2,960,450	(2,519,578)	2,243,936	2,684,808
TOTAL FUNDS	<u>2,960,450</u>	<u>(2,519,578)</u>	<u>2,243,936</u>	<u>2,684,808</u>

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

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	58,636,647	9,286,282	67,922,929
TOTAL FUNDS	<u>58,636,647</u>	<u>9,286,282</u>	<u>67,922,929</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	6,374,858	(5,561,547)	8,472,971	9,286,282
TOTAL FUNDS	<u>6,374,858</u>	<u>(5,561,547)</u>	<u>8,472,971</u>	<u>9,286,282</u>

16. OTHER FINANCIAL COMMITMENTS

In addition to the grants paid during the year, the Trustees have also authorised the payment of further grants, payable during the next year, which are subject to the fulfilment of certain conditions. The total amount authorised but not accrued as expenditure as at 31 March 2022 was £1,471,015 (2021 - £1,062,000) and are as follows:

	2022 £	2021 £
Betel of Britain	60,000	60,000
Charis Ministries	6,000	-
Cheer Trust	12,000	-
Christchurch Clevedon	5,000	-
Christians Against Poverty	12,000	-
Church Mission Society	3,000	-
Cinnamon Network	-	55,000
Dignity	-	17,000
Evangelical Alliance	10,000	-

LANCASTER FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

16. OTHER FINANCIAL COMMITMENTS - continued

Everylife	130,000	-
Joanna Guardian Angel	7,200	7,200
Kyria Network	5,000	-
Magdalene Project	23,500	-
Mary's Meals	158,928	158,928
Message Trust	307,872	307,872
Mission Aviation Fellowship	50,000	50,000
NGM	120,504	-
Nightsafe	-	25,000
Oasis Centre	45,261	-
Open Arms International	70,000	70,000
Philo Trust	-	15,000
Pais Project	20,000	-
Saltmine Trust	96,000	96,000
Sophie Hayes Foundation	15,000	-
Sporting Marvels	20,000	20,000
St James Youth worker	10,000	-
The 180 Project	39,750	-
TLG Education charity	50,000	-
Urban Saints	25,000	-
Visible Ministries	22,500	20,000
Wayfarer Trust	1,500	-
Wren Bakery	-	15,000
24-7 Prayer	145,000	145,000
	<u>1,471,015</u>	<u>1,062,000</u>

17. RELATED PARTY DISCLOSURES

During the previous year the Charity received donations (including Gift Aid) from Mr J E and Mrs R Lancaster, trustees of the charity, of £115,750. During the year the trustees, Mr J E and Mrs R Lancaster have made an additional loan of £1,139,025 to the Foundation. Interest of £175,419 (2021 - £91,839) has been paid to the trustees during the year, a total figure of £7,806,294 is due to the trustees at the year end.

During the year the Charity made grants of £122,160 (2021 - nil) to The Grand at Clitheroe, a charitable company limited by guarantee, of which Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are Trustees. The grants were to assist in the development and running of the Grand and also the Skate Park.

Mrs A Lancaster, wife of Mr S Lancaster (trustee) received remuneration of £25,000 (2021 - £25,000).

18. POST BALANCE SHEET EVENTS

In December 2022, the Midland Hotel in Morecambe was sold for an undisclosed sum.

LANCASTER FOUNDATION

England & Wales - Charity number 1066850

Accounts

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
LANCASTER FOUNDATION**

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

LANCASTER FOUNDATION

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for the year ended 31 March 2021**

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LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 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 Lancaster Foundation has been founded on Christian principles offering medical and practical support to the suffering, disadvantaged and marginalised people throughout the UK and Africa. Additionally the foundation is committed to numerous ongoing local and national youth and community projects.

Grants are awarded at the absolute discretion of the board of trustees. Although many applications are received, the administrative structure of the charity does not allow for the consideration of unsolicited requests for grant funding.

Due to the nature of the projects that are awarded grants, the trustees endeavour to monitor their progress and become actively involved in them wherever this is practical. The ongoing success of projects is assessed when subsequent applications for funding are made.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year the Foundation continued to support charities promoting a Christian ethos undertaking practical projects addressing poverty and social issues both in the UK and Africa. Details of grants made in the year can be seen at note 8 to the financial statements.

Investment performance

Investment income has fallen from £2,926,006 last year to £2,844,700. During 2021 there was an increase in the market value of most of the investments.

The reduction in investment income in part relates to a transfer of capital from general investments to commercial property which is yet to generate a full years income. The aim of the investment portfolio is to generate sufficient income on an ongoing basis to cover grant funding and ongoing operating costs whilst preserving capital value.

FINANCIAL REVIEW

Financial position

Management of the various investment portfolios has generated income during the year has enabled all grants and expenditure for the year to be met leaving a significant surplus of funds for the year and increasing the overall funds available for future use.

Principal funding sources

The charity generates income through its investments and in accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the UK as they see fit. The Trustees retain and take advice from an independent financial advisor. The policy is to adopt a low risk investment strategy based on maximising income within this strategy in order to cover annual expenditure and donations.

Reserves policy

It is the policy of the charity to maintain sufficient free reserves at a level to generate income adequate to cover annual donations and management and administration costs. Unrestricted funds were maintained at this level throughout the year.

As at the year end, the value of reserves held by the Foundation was £61,321,455 (2020 - £58,636,647).

LANCASTER FOUNDATION

REPORT OF THE TRUSTEES for the year ended 31 March 2021

FINANCIAL REVIEW

During the year, the UK and the rest of the world, suffered under the COVID 19 pandemic. The nature of the Foundation's investment policy, the relatively fixed nature of its operating costs and the fact that investment income more than covers such costs and grants meant the pandemic fortunately had little impact on the performance in the year. Given the level of reserves carried by the Foundation, the Trustees are of the opinion that they have more than adequate resources to meet any future needs.

FUTURE PLANS

The trustees continuously evolve the Foundation's strategic giving plans; however the trustees remain committed to its Christian principles by supporting charities undertaking practical projects in the community and addressing poverty and social issues.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust dated 2 July 1997 and constitutes a registered charity. Charity number 1066850.

Recruitment and appointment of new trustees

The trustees currently foresee no requirement to recruit/appoint new trustees. However, should the need arise, the trustees will seek advice from suitably qualified advisors to help establish the specific skills required and identify prospective candidates.

Should new trustees be taken on, suitable induction procedures will be undertaken and relevant training provided where a need is identified.

Organisational structure

The trustees who have served during the year and since the year end are set out on page 2.

A board of trustees of four members are involved day to day in the activities of the charity but they also meet more formally when significant decisions are taken such as the investment of funds.

The organisational structure includes a Development Director who was appointed by the trustees to ensure that Trust monies are invested carefully and to gain a sustainable income wherever possible. The Development Director also works with other staff to evaluate charitable projects and future commitments.

Remuneration packages for key management are reviewed annually, taking account of the general market for such roles.

Related parties

Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are also trustees of The Grand at Clitheroe, a charitable company limited by guarantee. The Lancaster Foundation is currently providing funding to the Grand to assist the development and day to day running costs of the Grand and also the Skate Park.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066850

Principal address

Turret House
Edisford Road
Clitheroe
Lancashire
BB7 2LA

Trustees

Dr J E Lancaster MBE
Mrs R Lancaster MBE
Mr S J Lancaster
Mrs J R Broadhurst

LANCASTER FOUNDATION

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

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

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

Bankers

Handelsbanken
1st Floor, Wallander House
Capricorn Business Park
Blakewater Road
Blackburn
Lancashire
BB1 5QR

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"

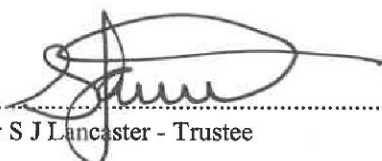
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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.

The trustees have had due regard to guidance published by the Charities Commission on public benefit.

Approved by order of the board of trustees on 27/1/2022 and signed on its behalf by:


.....
Mr S J Lancaster - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LANCASTER FOUNDATION

Opinion

We have audited the financial statements of Lancaster Foundation (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 March 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
LANCASTER 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.

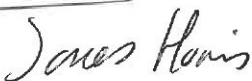
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Discussions with trustees and management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. This includes legislation that affects the running of the Foundation such as the Charities Act 2011 and current payroll and employment legislation.
- 2) Challenging assumptions and judgements made by the trustees and management in their significant accounting estimates, most significantly the valuation of investment property.
- 3) Identifying and testing journal entries, in particular those posted with unusual account combinations. This includes reviewing significant entries around the year end and any journals posted throughout the year that are outside the normal pattern of monthly journals.

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
Statutory Auditors
17 St Peters Place
Fleetwood
Lancashire
FY7 6EB

Date: 27/4/2022

LANCASTER FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	115,750	74,024
Investment income	3	2,844,700	2,926,006
Total		2,960,450	3,000,030
 EXPENDITURE ON			
Charitable activities			
Making Grants to Institutions	4	2,519,578	3,031,801
Net gains/(losses) on investments		2,243,936	(1,291,896)
NET INCOME/(EXPENDITURE)		2,684,808	(1,323,667)
 RECONCILIATION OF FUNDS			
Total funds brought forward		58,636,647	59,960,314
 TOTAL FUNDS CARRIED FORWARD		61,321,455	58,636,647

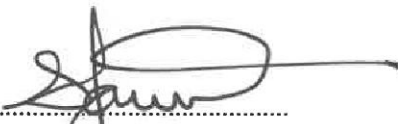
The notes form part of these financial statements

LANCASTER FOUNDATION

**STATEMENT OF FINANCIAL POSITION
31 March 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Tangible assets	10	755,618	789,594
Investments			
Investments	11	26,455,641	24,185,855
Investment property	12	36,365,322	29,243,821
		63,576,581	54,219,270
CURRENT ASSETS			
Debtors	13	2,633,656	2,701,359
Cash at bank and in hand		2,506,465	5,708,916
		5,140,121	8,410,275
CREDITORS			
Amounts falling due within one year	14	(7,395,247)	(3,982,898)
		(2,255,126)	4,427,377
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		61,321,455	58,646,647
ACCRUALS AND DEFERRED INCOME	15	-	(10,000)
NET ASSETS		61,321,455	58,636,647
FUNDS			
Unrestricted funds	16	61,321,455	58,636,647
TOTAL FUNDS		61,321,455	58,636,647

The financial statements were approved by the Board of Trustees and authorised for issue on 27/4/2022 and were signed on its behalf by:



 Mr S J Lancaster - Trustee

LANCASTER FOUNDATION

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(68,223)	(1,011,260)
Interest paid		(136,257)	(28,219)
Tax paid		(4,713)	(2,841)
Net cash used in operating activities		<u>(209,193)</u>	<u>(1,042,320)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(112,679)
Purchase of fixed asset investments		(3,500,000)	-
Purchase of investment property		(8,196,501)	(9,272,293)
Sale of fixed asset investments		3,499,999	5,084,950
Sale of investment property		1,049,150	(95,671)
Interest received		122,975	217,645
Dividends received		863,850	1,174,816
Net cash used in investing activities		<u>(6,160,527)</u>	<u>(3,003,232)</u>
Cash flows from financing activities			
New loans in year		3,167,269	3,500,000
Net cash provided by financing activities		<u>3,167,269</u>	<u>3,500,000</u>
Change in cash and cash equivalents in the reporting period			
		(3,202,451)	(545,552)
Cash and cash equivalents at the beginning of the reporting period			
		<u>5,708,916</u>	<u>6,254,468</u>
Cash and cash equivalents at the end of the reporting period			
		<u>2,506,465</u>	<u>5,708,916</u>

The notes form part of these financial statements

LANCASTER FOUNDATION

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,684,808	(1,323,667)
Adjustments for:		
Depreciation charges	33,975	33,975
(Gain)/losses on investments	(2,243,936)	994,758
Interest received	(122,975)	(217,645)
Interest paid	136,257	28,219
Dividends received	(863,850)	(1,174,816)
Investment property revaluation in year	-	206,046
Decrease in debtors	72,416	237,513
Increase in creditors	235,082	204,357
Net cash used in operations	<u>(68,223)</u>	<u>(1,011,260)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	5,708,916	(3,202,451)	2,506,465
	<u>5,708,916</u>	<u>(3,202,451)</u>	<u>2,506,465</u>
Total	<u>5,708,916</u>	<u>(3,202,451)</u>	<u>2,506,465</u>

LANCASTER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 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

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

Long leasehold	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 5 to 10 years

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, 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 fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investment property

Investment properties are stated at fair value being their market value at the balance sheet date in accordance with the Charities SORP (FRS 102).

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.

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

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

LANCASTER FOUNDATION

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

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Listed investments are shown at their market values. Unlisted investments are valued following an assessment of the company's financial performance. Any aggregate surplus or deficit arising from changes in the market value is transferred to gains and losses on investment assets on the statement of financial activities.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Gift Aided donations	92,600	64,024
Refund of Gift Aid tax	23,150	10,000
	115,750	74,024
	115,750	74,024

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	1,828,002	1,568,888
Insurance re-charges	51,702	42,121
Other fixed asset invest - FII	863,850	1,174,816
Deposit account interest	2,823	21,395
Other interest receivable	98,323	118,786
	2,844,700	2,926,006
	2,844,700	2,926,006

LANCASTER FOUNDATION

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

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Making Grants to Institutions	214,972	2,171,936	132,670	2,519,578

5. GRANTS PAYABLE

	2021 £	2020 £
Making Grants to Institutions	2,171,936	2,670,933

Grants were paid to institutions during the year in order to further the charitable aims of the Foundation - see also the Report of the Trustees. They were paid to the following institutions:

	2021 £	2020 £
A J Hunter - Presence	37,555	43,579
Ali Campbell Youth Work	-	1,600
Alpha International	10,000	-
A Rocha International	-	1,000
Art 4 All	-	1,000
Betel of Britain	60,000	60,000
Bethany Project	8,000	-
Bible Society	-	12,500
Big Church Day Out	50,000	30,000
Blackburn Cathedral Appeal	2,000	2,000
Breakout Trust	14,000	7,000
CF180	28,650	-
Charis Ministries	1,000	1,000
Cheer Trust	11,000	13,000
Christchurch Harpurhey	21,000	21,000
Christchurch Clevedon	5,000	5,000
Christians Against Poverty	12,000	12,000
Church Mission Society	3,000	3,000
Cinnamon Network	74,000	55,000
Clitheroe Wolves	3,570	-
Community Resources	15,000	15,000
Community Solutions	25,000	25,000
Crossgate Church	50,500	-
CSW	5,000	-
Dignity	34,000	-
Everylife Emergency	10,000	-
Evangelical Alliance	10,000	10,000
Every Life International	101,000	120,726
Foundation for Ribble Valley Families	-	5,000
4Front Theatre	-	12,000
Gateway Trust	11,000	20,000
GloGen Church	-	25,000
Hidden Treasure	6,000	25,000
Home for Good	5,000	-
Home Start	7,500	7,000
Hope Together	10,000	10,000
Image - Christians Caring for Life	-	2,000
Joanna Guardian Angel	7,200	7,200

LANCASTER FOUNDATION

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

5. GRANTS PAYABLE - continued

Kijijone Primary School	-	15,000
L'Arche	1,000	-
Life Association	3,000	-
Light	-	20,000
Linden Church	1,000	-
Linking Lives	-	1,000
London City Mission	-	2,000
Love and Joy Ministries	72,000	72,000
L McKeown Let's Dance	-	2,772
Magdalene Project	27,000	27,000
Make Jesus Known	20,000	20,000
Mary's Meals	158,928	158,928
Medair UK	-	10,000
Message Trust	212,052	212,052
Message Trust - Prison Ministry and Lighthouse School	95,820	95,820
Message Trust - Community grocery project	50,000	-
Mission Aviation Fellowship	50,000	50,000
Muck or Nettles - Cloudspoting	-	3,000
New Generation Music and Mission	125,504	125,504
Nightsafe	25,000	25,000
Noah Initiative	7,500	9,000
Northpoint Fostering	20,000	-
Oasis Centre	25,311	22,746
Open Arms International	98,000	75,010
Open Arms for Rachel	1,044	1,044
Others (less than £1,000)	1,432	2,616
PAIS	5,000	1,000
Philo Trust	15,000	15,000
Proclaim Trust	10,000	10,000
Ribble FM on behalf of CAP	-	5,000
Ribblesdale Wanderers	-	15,000
RVSC Trust	-	25,000
RVCST - 3G pitch	3,570	25,000
Saltmine Trust	96,000	96,000
Salvation Army	1,300	66,300
Sophie Hayes Foundation	29,500	31,995
Source of Hope	23,500	23,500
Sporting Marvels	20,000	20,000
St Bartholomews CAP	1,000	-
Stonyhurst Charity Day	1,000	1,000
St James Parish Church	15,000	-
St James Parish Church for CAP	17,500	2,500
St James Over Darwen	2,500	-
SW Youth Ministries	2,000	-
Tear Fund	25,000	-
The Grand at Clitheroe	-	580,517
The Wayfayer Trust	1,500	26,500
Tough Living Preston	-	1,000
Toybox	-	15,000
TLG the Education Charity	50,000	40,000
Turi Micah Project	5,000	5,000
24-7 Prayer	105,000	30,000
Urban Life	10,000	10,000
Urban Saints	25,000	25,000
Vineliflife Church Manchester	20,000	30,000
Visible Ministries	40,000	50,000
Vision Tank on behalf of Fearless	-	2,274

LANCASTER FOUNDATION

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

5. GRANTS PAYABLE - continued

Wren Bakery	15,000	15,000
Youth for Christ	-	10,250
Refunded gift to Clitheroe Wolves from RVBC	-	(10,000)
	2,171,936	2,670,933

6. SUPPORT COSTS

		Governance costs £
Making Grants to Institutions		132,670

7. AUDITORS' REMUNERATION

Included within expenditure are amounts payable to the charity's auditors in respect of statutory audit and other financial services. These were £5,400 and £4,712 respectively.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	83,166	89,598
Social security costs	5,038	6,735
	88,204	108,577

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

	2021	2020
Administrative	1	1
Management	1	1
Grounds	1	1
	3	3

One member of staff was paid between £60,000 and £70,000 in 2020. No member of staff was paid over £60,000 in 2021.

Total key management personnel remuneration was £58,000.

LANCASTER FOUNDATION

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

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2020 and 31 March 2021	1,090,464	364,096	247,736	119,180	1,821,476
DEPRECIATION					
At 1 April 2020	404,056	263,936	244,710	119,180	1,031,882
Charge for year	21,810	11,129	1,037	-	33,976
At 31 March 2021	425,866	275,065	245,747	119,180	1,065,858
NET BOOK VALUE					
At 31 March 2021	664,598	89,031	1,989	-	755,618
At 31 March 2020	686,408	100,160	3,026	-	789,594

Improvements to property relate to long leasehold property.

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020	24,185,855
Additions	3,500,000
Disposals	(3,712,522)
Revaluations	2,482,308
At 31 March 2021	26,455,641
NET BOOK VALUE	
At 31 March 2021	26,455,641
At 31 March 2020	24,185,855

There were no investment assets outside the UK.

The following investments had material valuations at the balance sheet date:

	£
COIF Charities Investment Fund	9,551,839
COIF Charities Property Fund	7,714,884
Time:Freehold	3,271,651
Marshalls plc	2,574,222
Primary Health Properties plc	682,836
Bristol Water plc	630,000
REA Holdings plc	648,000
Ecclesiastical Insurance	347,625

LANCASTER FOUNDATION

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

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2020	29,243,821
Additions	8,196,501
Disposals	(1,075,000)
	36,365,322
NET BOOK VALUE	
At 31 March 2021	36,365,322
At 31 March 2020	29,243,821

Investment properties were valued on an open market basis on 31 March 2021 by the Trustees and not by an independent qualified valuer.

The following properties had material valuations at the balance sheet date:

	£
Midland Hotel, Morecambe	4,450,000
Lloyds TSB, York	2,739,720
Mersey Lights filling station, Manchester	3,300,000
Skoda Garage, Bolton	2,687,768
Co-op, Handbridge service station	4,460,197
Co-op, East Dereham	3,199,951

13. DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Rental income debtors	444,663	147,114
Other debtors	532,247	57,752
Tax	7,554	2,841
Prepayments and accrued income	270,063	263,920
	1,254,527	471,627
Amounts falling due after more than one year:		
Other debtors	1,379,129	2,229,732
Aggregate amounts	2,633,656	2,701,359

Other debtors include a loan made to the Trustees of Hope Metro, in 2014, of £168,716. The loan is to be repaid over 10 years together with interest accrued at 7% per annum. A loan made to Good News Family Care, in 2015, of £468,255. The loan is to be repaid over 10 years together with interest accrued at 2.5% per annum. A secured loan made to James Alpe Developments Ltd, in 2015, 2016, 2017 and 2018, of £791,467 and a secured loan made to DM Safety and Health Services Ltd in 2021 of £367,188.

LANCASTER FOUNDATION

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	70,322	31,109
Social security and other taxes	2,560	2,485
VAT	283,830	66,462
Other creditors	6,667,269	3,500,000
Accruals and deferred income	371,266	382,842
	7,395,247	3,982,898

15. ACCRUALS AND DEFERRED INCOME

	2021	2020
	£	£
Accruals and deferred income	-	10,000
	-	10,000

16. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	58,636,647	2,684,808	61,321,455
	58,636,647	2,684,808	61,321,455
TOTAL FUNDS			

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	2,960,450	(2,519,578)	2,243,936	2,684,808
	2,960,450	(2,519,578)	2,243,936	2,684,808
TOTAL FUNDS				

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	59,960,314	(1,323,667)	58,636,647
	59,960,314	(1,323,667)	58,636,647
TOTAL FUNDS			

LANCASTER FOUNDATION

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

16. MOVEMENT IN FUNDS - continued

Comparative 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	3,000,030	(3,031,801)	(1,291,896)	(1,323,667)
TOTAL FUNDS	<u>3,000,030</u>	<u>(3,031,801)</u>	<u>(1,291,896)</u>	<u>(1,323,667)</u>

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

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	59,960,314	1,361,141	61,321,455
TOTAL FUNDS	<u>59,960,314</u>	<u>1,361,141</u>	<u>61,321,455</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	5,960,480	(5,551,379)	952,040	1,361,141
TOTAL FUNDS	<u>5,960,480</u>	<u>(5,551,379)</u>	<u>952,040</u>	<u>1,361,141</u>

17. OTHER FINANCIAL COMMITMENTS

In addition to the grants paid during the year, the Trustees have also authorised the payment of further grants, payable during the next year, which are subject to the fulfilment of certain conditions. The total amount authorised but not accrued as expenditure as at 31 March 2021 was £1,062,000 (2020 - £1,079,000) and are as follows:

	2021 £	2020 £
Open Arms International	70,000	70,000
Mission Aviation Fellowship	50,000	50,000
Saltmine Trust	96,000	96,000
Message Trust	307,872	307,872
Mary's Meals	158,928	158,928
Betel of Britain	60,000	60,000
Joanna Guardian Angel	7,200	7,200
Turi Micah Project	-	5,000
Ribble FM CIC	-	5,000
Visible Ministries	20,000	40,000

LANCASTER FOUNDATION

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

17. OTHER FINANCIAL COMMITMENTS - continued

24-7 Prayer	145,000	105,000
Noah Initiative	-	5,500
Community Solutions	-	25,000
Gateway Trust	-	10,000
Nightsafe	25,000	25,000
Philo Trust	15,000	15,000
Source of Hope	-	23,500
Urban Life	-	10,000
Christchurch Clevedon	-	5,000
Cinnamon Network	55,000	55,000
Sporting Marvels	20,000	-
Wren Bakery	15,000	-
Dignity	17,000	-
	<u>1,062,000</u>	<u>1,079,000</u>

18. RELATED PARTY DISCLOSURES

During the year the Charity received donations (including Gift Aid) from Mr J E and Mrs R Lancaster, trustees of the charity, of £115,750 (2020 -£45,000). During the year the trustees, Mr J E and Mrs R Lancaster have made an additional loan of £3,167,269 to the Foundation. Interest of £91,839 (2020 - £72,637) has been paid to the trustees during the year, a total figure of £6,667,269 is due to the trustees at the year end.

During the previous year the Charity made grants of £580,517 to The Grand at Clitheroe, a charitable company limited by guarantee, of which Mr J E Lancaster, Mrs R Lancaster and Mr S J Lancaster are Trustees. The grants were to assist in the development and running of the Grand and also the Skate Park.

Mrs A Lancaster, wife of Mr S Lancaster (trustee) received remuneration of £25,000 (2020 - £25,000).

