

**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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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"

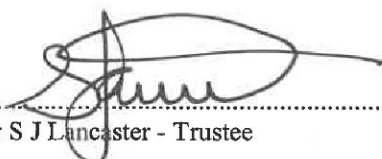
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 on27/1/2022..... 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.

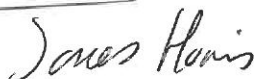
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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
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FY7 6EB

Date: 27/1/2022

LANCASTER FOUNDATION

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

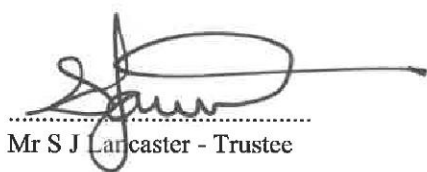
		2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	115,750	74,024
Investment income	3	2,844,700	2,926,006
Total		2,960,450	3,000,030
 EXPENDITURE ON			
Charitable activities	4		
Making Grants to Institutions		2,519,578	3,031,801
Net gains/(losses) 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
		<u>63,576,581</u>	<u>54,219,270</u>
CURRENT ASSETS			
Debtors	13	2,633,656	2,701,359
Cash at bank and in hand		<u>2,506,465</u>	<u>5,708,916</u>
		5,140,121	8,410,275
CREDITORS			
Amounts falling due within one year	14	(7,395,247)	(3,982,898)
NET CURRENT ASSETS		<u>(2,255,126)</u>	<u>4,427,377</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		61,321,455	58,646,647
ACCRUALS AND DEFERRED INCOME	15	-	(10,000)
NET ASSETS		<u>61,321,455</u>	<u>58,636,647</u>
FUNDS	16		
Unrestricted funds		<u>61,321,455</u>	<u>58,636,647</u>
TOTAL FUNDS		<u>61,321,455</u>	<u>58,636,647</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27/1/2022 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		<u>3,167,269</u>	<u>3,500,000</u>
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		<u>(3,202,451)</u>	<u>(545,552)</u>
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><u>2,506,465</u></u>	<u><u>5,708,916</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 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>

The notes form part of these financial statements

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
	<u>115,750</u>	<u>74,024</u>

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
	<u>2,844,700</u>	<u>2,926,006</u>

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 - Cloudspotting	-	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
Vinelifa 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)
	<u>2,171,936</u>	<u>2,670,933</u>

6. SUPPORT COSTS

	Governance costs
	£
Making Grants to Institutions	<u>132,670</u>

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
	<u>88,204</u>	<u>108,577</u>

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

	2021	2020
Administrative	1	1
Management	1	1
Grounds	1	1
	<u>3</u>	<u>3</u>

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
Marshall's 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)
	<u>36,365,322</u>
At 31 March 2021	<u>36,365,322</u>
NET BOOK VALUE	
At 31 March 2021	<u>36,365,322</u>
At 31 March 2020	<u>29,243,821</u>

Investment properties were valued on an open market basis on 31 March 2021 by the Trustees and not by a 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
	<u>1,254,527</u>	<u>471,627</u>
Amounts falling due after more than one year:		
Other debtors	<u>1,379,129</u>	<u>2,229,732</u>
Aggregate amounts	<u>2,633,656</u>	<u>2,701,359</u>

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
	<u>7,395,247</u>	<u>3,982,898</u>

15. ACCRUALS AND DEFERRED INCOME

	2021	2020
	£	£
Accruals and deferred income	-	10,000
	<u>-</u>	<u>10,000</u>

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
TOTAL FUNDS	<u>58,636,647</u>	<u>2,684,808</u>	<u>61,321,455</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	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>

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
TOTAL FUNDS	<u>59,960,314</u>	<u>(1,323,667)</u>	<u>58,636,647</u>

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).

