

REGISTERED CHARITY NUMBER: 1117054

**REPORT OF THE TRUSTEES AND AUDITED
GROUP CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022
FOR
LOWTHER GARDENS LYTHAM**

Rushtons
Chartered Accountants
Avroe House
Avroe Crescent
Blackpool Business Park
Blackpool
Lancashire
FY4 2DP

LOWTHER GARDENS LYTHAM

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FOR THE YEAR ENDED 31 MARCH 2022**

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LOWTHER GARDENS LYTHAM

LEGAL AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2022

REGISTERED CHARITY NAME	Lowther Gardens Lytham
CHARITY NUMBER	1117054
PRINCIPAL OFFICE	Lowther Gardens Lowther Terrace Lytham St Annes FY8 5QQ
TRUSTEES	C R Greaney R T Withers T A Mallabone S M Wood M E Redfearn D F Rowe M E Lowe W Swift Fylde Borough Council
AUDITORS	Rushtons Chartered Accountants Avroe House Avroe Crescent Blackpool Business Park Blackpool FY4 2DP

LOWTHER GARDENS LYTHAM
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, which include the subsidiary company Lowther Gardens (Lytham) Management Limited. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The relevant powers granted to the Charity by the Constitution to achieve its aims are:

- power to lease part of the pavilion for purposes ancillary to the enjoyment of the gardens.
- power to charge such reasonable sums as the Trustees shall determine for use of the pavilion and for car parking.
- power to make rules and regulations consistent with this scheme for the management of the charity.

ACHIEVEMENT AND PERFORMANCE

Results

This is the 10th year since the Trust separated from Fylde Borough Council as an independent organisation. Fylde Borough Council maintain a single seat on the Trust and the rest of the Trustees are appointed independently coming from the Arts industry, Charity and business backgrounds. The Trust (Lowther Gardens, Lytham) are now in their second five-year Service Level Agreement with Fylde Borough Council where they receive some funding towards community involvement and provision of the arts and leisure space within the Fylde Borough. Despite trading conditions in the arts and leisure sector being difficult nationally, I am pleased to report that the Trust has maintained a strong fiscal position whilst further developing the Artistic offering and the community use of the facilities and grounds.

Lowther Pavilion Theatre was closed in April 2021 due to COVID shut down and only being able to launch Drive in Movies at the end of April. Over the following months, Lowther gradually introduced internal events running alongside the Drive-in cinema. Additionally, support was given to community activities by facilitating rehearsals at a reduced costs as well as community meetings in a ventilated space which had COVID secure measures in place. This continued through to December with first amateur performance in July 2021 since COVID restrictions commenced.

Throughout July, August and September Lowther strived to operate in as near normal conditions as possible despite losing a number of performances due to artists having COVID or not wishing to tour due to a rise in cases. In October, there was a degree of normality but as the new variant hit in late October/ November managing the theatre was challenging. Nonetheless, the staff group worked tirelessly and flexibly to keep the theatre open despite the increase of the Omicron strand of COVID. Our preparations for pantomime made sure that it would happen either in the theatre or a repeat of the previous year outside. Despite a few problems along the way staff managed to see December through with only the loss of a few shows and schools' audiences.

Outside in the park we held a number of successful events, including an Ice Cream Festival, the Food and Drink Festival and the new Pumpkins in the park, bringing an unprecedented number of visitors to the park and the theatre. On average the festivals are now bringing 10,000 people a day whilst running and attracting just above 60% of visitors from outside the FY8 and PR4 areas. Running these events saw Lowther nominated for Tourist Venue of the Year.

Over the year we have extended our marketing to venues and sites across the North West region, bringing visitors from far and wide; increasing the tourism footprint to the Fylde area.

LOWTHER GARDENS LYTHAM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

September saw the launching of Lowther's Youth Theatre which started with two groups and is now facilitating 5 separate groups a week. We also advertised and engaged an Education Officer for the theatre and her role has expanded over the last 9 months to take in work with refugees, HAF funded workshops and provision with Lowther being set up as an Arts Award centre and specific education work both in and out of schools.

Whilst Lowther had a strong Pantomime season with increased ticket sales for events over Christmas, Unfortunately, it followed the National Arts trend of events being cancelled by promoters who realised there was not going to be a bounce back in ticket sales more generally. Around about 40% of audiences had not returned during this period and were not booking for future events. It has proved very difficult to pre-empt ticket sales as many people hold off purchasing until a few days before a show, which leads to the promoter cancelling a performance where ticket sales are low.

Overall, Lowther has seen daily booking rates fall in these unprecedented times but we are pleased to report that renegotiation with management, agents and promoters and changing deals has managed to keep the theatre functioning at a working level. By being open at all times we are pushing back against the crisis. We are thrilled to be leading the fight back and the whole team through positivity have delivered excellent results. Sadly, this is not the case in other theatres across the country.

In October, Lowther stepped up fundraising for the refurbishment and in November 2021 the spade was put in the soil to complete the foundations for the new Education Centre and Studio Theatre which were completed in March this year. This is a major step forward for Lowther as it cements its commitment to provide a first class cultural hub for residents and visitors alike going into the future.

In the park, we have delivered investment into the tennis courts and have opened Lowther Padel and Tennis Centre which continues to attract visitors to the area to use its facilities. The park through the Gardeners and Parks Team are continuing to reinvigorate the gardens with new designs, ecologically sound paths and walkways, bluebell areas, a reimagined rose garden, a new mini golf course and general maintenance and upkeep.

Financially, Lowther has honoured all its commitments without taking on debt and will finish the year at a break-even position, having raised significant funds for the new build, coped with the shutdown at the beginning of the financial year and continued its development path engaging new staff to deliver its cultural policy.

The Trust continued its operation of the Pavilion theatre through an operating Company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Constitution

The Trust and its predecessors have operated the Gardens since 1905, when the land was donated to the Lytham Urban District Council by John Talbot Clifton, a local landowner. The principal object of Lowther Gardens Lytham is to promote for the benefit of the inhabitants of Lytham and the public at large recreational and other leisure time activities.

Governance and Internal Control

The body responsible for the management of the Charity is the Trustees.

LOWTHER GARDENS LYTHAM
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1117054

Principal address

Lowther Gardens
Lowther Terrace
Lytham St Annes
FY8 5QQ

Trustees

C R Greaney
R T Withers
T A Mallabone
S M Wood
M E Redfearn
D F Rowe
M E Lowe (appointed 18.03.2022, resigned 23.09.2022)
W Swift (appointed 15.12.2021)
Fylde Borough Council

Auditors

Rushtons
Chartered Accountants
Statutory Auditors
Avroe House
Avroe Crescent
Blackpool Business Park
Blackpool
Lancashire
FY4 2DP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

LOWTHER GARDENS LYTHAM

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees who held office at the date of approval of this Trustees Report confirm that, so far as they are each aware, there is no relevant audit information of which the charitable group's auditors are unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

19/12/2022

Approved by order of the board of trustees on and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R Withers', written over a dotted line.

R Withers - Trustee

LOWTHER GARDENS LYTHAM
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
LOWTHER GARDENS LYTHAM
FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Lowther Gardens Lytham (the group and the charity) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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; 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.

LOWTHER GARDENS LYTHAM
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
LOWTHER GARDENS LYTHAM
FOR THE YEAR ENDED 31 MARCH 2022

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

LOWTHER GARDENS LYTHAM

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF LOWTHER GARDENS LYTHAM FOR THE YEAR ENDED 31 MARCH 2022

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance;
- Enquiring of trustees, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud, and;
- Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the Charities Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company, including the General Data Protection requirements, Anti-bribery and corruption policies.

Audit response to risks identified

As a result of performing the above procedures, we did not identify any key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of trustees, in-house legal counsel concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance.

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all of the engagement team, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

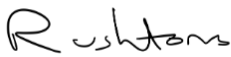
LOWTHER GARDENS LYTHAM

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
LOWTHER GARDENS LYTHAM
FOR THE YEAR ENDED 31 MARCH 2022**

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.



Rushtons Chartered Accountants
Avroe House
Avroe Crescent
Blackpool Business Park
Blackpool
Lancashire
FY4 2DP

Date: 19/12/2022

LOWTHER GARDENS LYTHAM

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

				Year Ended 31.03.22	Year Ended 31.03.21
	Notes	Unrestricted fund £	Restricted fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS					
Charitable activities					
Donations and other income	3	274,073	125,262	399,335	361,516
Investment income		328	-	328	178
Trading activity		985,796	-	985,796	151,509
		<u>1,260,197</u>	<u>125,262</u>	<u>1,385,459</u>	<u>513,203</u>
EXPENDITURE					
Trading activity		(626,673)	-	(626,673)	(79,915)
Charitable activity	4	<u>(482,597)</u>	<u>(17,000)</u>	<u>(499,597)</u>	<u>(368,893)</u>
Total		<u>(1,109,270)</u>	<u>(17,000)</u>	<u>(1,126,270)</u>	<u>(448,808)</u>
NET INCOME		150,927	108,262	259,189	64,395
Transfers between funds		101,250	(101,250)	-	-
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets	4	-	-	-	486,792
NET MOVEMENT IN FUNDS		252,177	7,012	259,189	551,187
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,114,909</u>	<u>27,215</u>	<u>2,142,124</u>	<u>1,590,937</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,367,085</u></u>	<u><u>34,227</u></u>	<u><u>2,401,312</u></u>	<u><u>2,142,124</u></u>


CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

LOWTHER GARDENS LYTHAM
CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2022

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9	2,171,540	-	2,171,540	1,988,502
Investment property	10	<u>145,000</u>	<u>-</u>	<u>145,000</u>	<u>145,000</u>
		2,316,540	-	2,316,540	2,133,502
CURRENT ASSETS					
Stock		12,423	-	12,423	5,007
Debtors	12	51,062	-	51,062	14,146
Cash at bank		<u>454,069</u>	<u>34,227</u>	<u>488,296</u>	<u>460,437</u>
		517,554	34,227	551,781	479,590
CREDITORS					
Amounts falling due within one year	13	<u>(388,958)</u>	<u>-</u>	<u>(388,958)</u>	<u>(367,600)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>128,596</u>	<u>34,227</u>	<u>162,823</u>	<u>111,990</u>
TOTAL ASSETS LESS CURRENT LIBILITIES		2,445,136	34,227	2,479,363	2,245,492
CREDITORS					
Amounts falling due after more than one year	14	<u>(61,073)</u>	<u>-</u>	<u>(61,073)</u>	<u>(86,064)</u>
PROVISIONS		<u>(16,978)</u>	<u>-</u>	<u>(16,978)</u>	<u>(17,304)</u>
NET ASSETS		<u>2,367,085</u>	<u>34,227</u>	<u>2,401,312</u>	<u>2,142,124</u>
FUNDS	15				
Unrestricted funds				2,367,085	2,114,909
Restricted funds				<u>34,227</u>	<u>27,215</u>
TOTAL FUNDS				<u>2,401,312</u>	<u>2,142,124</u>

The financial statements were approved by the Board of Trustees on 19/12/2022 and were signed on its behalf by:



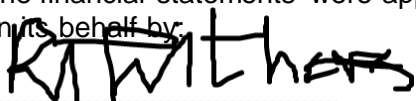
R Withers - Trustee

LOWTHER GARDENS LYTHAM

**CHARITY BALANCE SHEET
AT 31 MARCH 2022**

		Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9	1,855,632	-	1,855,632	1,660,578
Investment property	10	<u>145,000</u>	<u>-</u>	<u>145,000</u>	<u>145,000</u>
		2,000,632	-	2,000,632	1,805,578
CURRENT ASSETS					
Debtors	12	277,246	-	277,246	163,025
Cash at bank		<u>34,219</u>	<u>34,227</u>	<u>68,446</u>	<u>137,315</u>
		311,465	34,227	345,692	300,340
CREDITORS					
Amounts falling due within one year	13	(12,780)	-	(12,780)	(3,930)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>298,685</u>	<u>34,227</u>	<u>332,912</u>	<u>296,410</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,299,317	34,227	2,333,544	2,101,988
CREDITORS					
Amounts falling due after more than one year	14	(37,278)	-	(37,278)	(46,916)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS		<u>2,262,039</u>	<u>34,227</u>	<u>2,296,266</u>	<u>2,055,072</u>
FUNDS	15				
Unrestricted funds				2,262,039	2,027,857
Restricted funds				<u>34,227</u>	<u>27,215</u>
TOTAL FUNDS				<u>2,296,266</u>	<u>2,055,072</u>

The financial statements were approved by the Board of Trustees on 19/12/2022 and were signed on its behalf by:



R Withers - Trustee

LOWTHER GARDENS LYTHAM

**CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2022**

	Notes	Year Ended 31.3.22 £	Year Ended 31.3.21 £
Net cash inflow from operating activities	16	285,909	114,613
Investing activities			
Purchase of fixed assets		<u>(240,087)</u>	<u>(57,008)</u>
Net cash used in investing activities		45,822	57,605
Financing activities			
Repayment of borrowings		(17,963)	(26,258)
Proceeds of borrowings		<u>-</u>	<u>80,000</u>
Net increase/(decrease) in cash and cash equivalents		27,859	111,347
Cash and cash equivalents at beginning of year		<u>460,437</u>	<u>349,090</u>
Cash and cash equivalents at end of year		<u><u>488,296</u></u>	<u><u>460,437</u></u>
Relating to:			
Cash at bank and in hand		<u><u>488,296</u></u>	<u><u>460,437</u></u>

LOWTHER GARDENS LYTHAM

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.

Reduced disclosure exemption

In accordance with FRS 102, the charity has taken advantage of the exemptions from the following disclosure requirements in respect of its individual financial statements. These disclosures are given on a consolidated basis:

- Section 7 'Statement of Cash Flows' – presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instruments Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instruments; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Fund accounting

All funds are retained in a general unrestricted fund which can be used in accordance with the charitable objectives at the discretion of the Trustees.

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.

Going Concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The entity has been significantly impacted by the COVID-19 pandemic and the imposed closures in previous years, however the entity has made a healthy surplus in the current year of £259,189.

The entity has successfully managed to reduce costs in line with any reductions in income and continues to have a healthy cash balance. The trustees have therefore continued to adopt the going concern basis of accounting in the preparation of these financial statements.

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - CONTINUED

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.

Tangible fixed assets

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

Buildings	- 2% on cost
Improvements to property	- Straight line over 30 years
Plant and machinery	- 10% on cost
Computer equipment	- Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

No provision has been made for the corporation tax or deferred tax as this is a registered charity and has not carried out any activities which have given a rise to a tax liability.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

3. OTHER INCOME

	Year Ended 31.3.22 £	Year Ended 31.3.21 £
Fundraising activities, donations and gifts	182,908	84,837
Grants	10,000	3,500
Other incoming resources	206,427	273,179
	<u>399,335</u>	<u>361,516</u>

LOWTHER GARDENS LYTHAM

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022**

4. EXPENDITURE

		Year Ended 31.3.22 £	Year Ended 31.3.21 £
	Notes		
Fundraising expenses		32,580	4,968
Hire of plant and machinery		14,456	8,403
Wages	6	136,228	138,725
Cleaning, laundry and waste		9,679	6,433
Light, heat and water		12,222	6,655
Telephone, fax and internet		1,994	2,088
Postage and stationery		3,515	1,762
Advertising and marketing		29,330	13,468
Motor and travel		227	779
Repairs and renewals		30,104	10,847
Computer maintenance		31,215	19,686
Depreciation	5	57,049	55,433
Insurance		10,033	7,667
Staff hire/training		36,459	19,748
Sundry		11,813	7,222
Finance charges		15,504	11,744
Bad debts		-	587
Accountancy	5	10,748	8,425
Legal and professional fees		56,767	34,997
Tax		(326)	9,256
Reversal of depreciation on revaluation		-	(392,677)
Revaluation		-	(94,115)
		<hr/> 499,597	<hr/> (117,899)
		<hr/> <hr/>	<hr/> <hr/>

5. NET INCOME FOR THE YEAR INCLUDES:

This is stated after charging:

	Year Ended 31.3.22 £	Year Ended 31.3.21 £
Depreciation on owned assets	57,049	55,433
Bank loan interest	1,032	1,359
Auditors remuneration:		
- Audit of the financial statements	5,000	4,000
- Other services	5,748	4,425
	<hr/> 5,748	<hr/> 4,425

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2022

6. STAFF COSTS	Year Ended 31.3.22 £	Year Ended 31.3.21 £
Wages and social security	134,684	136,636
Other pension costs	<u>1,544</u>	<u>2,089</u>
	<u>136,228</u>	<u>138,725</u>
Particulars of employees:		
The average number of employees during the year was as follows:	<u>10</u>	<u>10</u>

No employee received remuneration of more than £60,000 during the year (2021 - £60,000).

7. 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 for the year ended 31 March 2022.

8. TAXATION

Lowther Gardens Lytham is a registered charity, is therefore exempt from tax on income, and gains to the extent that these are applied to its charitable objects.

The trading subsidiary is subject to corporation tax and the charge in the year is shown in the detailed consolidated statement of financial activities.

LOWTHER GARDENS LYTHAM

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022**

9. TANGIBLE FIXED - ASSETS – GROUP

	Land £	Buildings £	Improvements to property £
COST OR VALUATION			
At 1 April 2021	257,000	1,403,578	200,849
Additions	<u>-</u>	<u>223,191</u>	<u>-</u>
At 31 March 2022	<u>257,000</u>	<u>1,626,769</u>	<u>200,849</u>
DEPRECIATION			
At 1 April 2021	-	-	6,695
Charge for year	<u>-</u>	<u>28,137</u>	<u>6,695</u>
At 31 March 2022	<u>-</u>	<u>28,137</u>	<u>13,390</u>
NET BOOK VALUE			
At 31 March 2022	<u>257,000</u>	<u>1,598,632</u>	<u>187,459</u>
At 31 March 2021	<u>257,000</u>	<u>1,403,578</u>	<u>194,154</u>
	Plant & Machinery £	Computer Equipment £	Totals £
COST OR VALUATION			
At 1 April 2021	374,669	6,925	2,243,021
Additions	<u>14,166</u>	<u>2,730</u>	<u>240,087</u>
At 31 March 2022	<u>388,835</u>	<u>9,655</u>	<u>2,483,108</u>
DEPRECIATION			
At 1 April 2021	242,581	5,243	254,519
Charge for year	<u>20,605</u>	<u>1,612</u>	<u>57,049</u>
At 31 March 2022	<u>263,186</u>	<u>6,855</u>	<u>311,568</u>
NET BOOK VALUE			
At 31 March 2022	<u>125,649</u>	<u>2,800</u>	<u>2,171,540</u>
At 31 March 2021	<u>132,088</u>	<u>1,682</u>	<u>1,988,502</u>

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2022

9. TANGIBLE FIXED - ASSETS – CHARITY

	Land	Buildings	Plant and Machinery	Totals
	£	£	£	£
COST OR VALUATION				
At 1 April 2021	257,000	1,403,578	172,284	1,832,862
Additions	-	223,191	-	223,191
At 31 March 2022	257,000	1,626,769	172,284	2,056,053
DEPRECIATION				
At 1 April 2021	-	-	172,284	172,284
Charge for the year	-	28,137	-	28,137
At 31 March 2022	-	28,137	172,284	200,421
NET BOOK VALUE				
At 31 March 2022	257,000	1,598,632	-	1,855,632
At 31 March 2021	257,000	1,403,578	-	1,660,578

The land and buildings were valued by Lea Hough Chartered Surveyors on 2 September 2021. If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amount included would have been as follows:

	2022	2021
	£	£
Cost	2,026,937	1,803,747
Accumulated depreciation	(592,945)	(564,961)
Carrying value	2,619,882	1,238,786

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2022

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021	<u>145,000</u>
At 31 March 2022	<u>145,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>145,000</u>
At 31 March 2021	145,000

11. INVESTMENT IN SUBSIDIARY COMPANIES

The charity has a subsidiary company, Lowther Gardens (Lytham) Management Limited. This is a private company limited by guarantee without share capital. By virtue of its effective management being closely integrated to the charity, in that the Directors are also Trustees of the charity, and that its trade is for the benefit of the charity it is therefore treated as a subsidiary.

Details of the subsidiary company are disclosed below:

Lowther Gardens (Lytham) Management Ltd	2022	2021
Company number: 07520640	£	£
Assets	786,556	668,121
Liabilities	(681,510)	(581,069)
Capital & Reserves	<u>105,046</u>	<u>87,052</u>
Turnover	985,796	151,509
Expenditure	(968,128)	(102,466)
Profit/(Loss)	<u>17,668</u>	<u>49,043</u>

LOWTHER GARDENS LYTHAM

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	2022 £	2021 £
Trade debtors	14,452	3,311
Prepayments and other debtors	<u>36,610</u>	<u>10,835</u>
	<u>51,062</u>	<u>14,146</u>
 CHARITY	 2022 £	 2021 £
Prepayments and other debtors	12,687	2,078
Intercompany debtor	<u>264,559</u>	<u>160,947</u>
	<u>277,246</u>	<u>163,025</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	2022 £	2021 £
Trade creditors	7,291	13,601
Taxation and social security	2,306	1,632
Other creditors	22,073	12,171
Accruals	332,361	322,298
Bank Loans	9,575	3,084
FBC Loan	5,000	5,000
HP	<u>10,352</u>	<u>9,814</u>
	<u>388,958</u>	<u>367,600</u>
 CHARITY	 2022 £	 2021 £
Trade creditors	8	20
Accruals and deferred income	3,197	826
Bank Loans	<u>9,575</u>	<u>3,084</u>
	<u>12,780</u>	<u>3,930</u>

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

GROUP	2022 £	2021 £
Bank Loans	37,278	46,916
FBC Loan	20,220	25,220
HP	3,575	13,928
	<u>61,073</u>	<u>86,064</u>
 CHARITY	 2022 £	 2021 £
Bank Loans	<u>37,278</u>	<u>46,916</u>

15. FUNDS

GROUP	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	309,332	179,062	(121,941)	366,453
Fair value reserve	94,115	-	(152)	93,963
Property asset fund	<u>1,711,462</u>	<u>(28,136)</u>	<u>223,343</u>	<u>1,906,669</u>
	2,114,909	150,926	101,250	2,367,085
Restricted funds				
Tree Guardians Adopt a Tree Scheme	5,577	2,282	-	7,859
Bobby Ball Statue Donations	21,638	23,480	(18,750)	26,368
Studio Theatre and Education Centre	-	82,500	(82,500)	-
	<u>27,215</u>	<u>108,262</u>	<u>(101,250)</u>	<u>34,227</u>
TOTAL FUNDS	<u>2,142,124</u>	<u>259,188</u>	<u>-</u>	<u>2,401,312</u>

LOWTHER GARDENS LYTHAM

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2022

15. FUNDS - CONTINUED

CHARITY	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
General fund	222,279	161,069	(121,941)	261,407
Fair value reserve	94,115	-	(152)	93,963
Property asset fund	1,711,462	(28,136)	223,343	1,906,669
	<u>2,027,856</u>	<u>132,933</u>	<u>101,250</u>	<u>2,262,039</u>
Restricted funds				
Tree Guardians Adopt a Tree Scheme	5,577	2,282	-	7,859
Bobby Ball Statue Donations	21,638	23,480	(18,750)	26,368
Studio Theatre and Education Centre	-	82,500	(82,500)	-
	<u>27,215</u>	<u>108,262</u>	<u>(101,250)</u>	<u>34,227</u>
TOTAL FUNDS	<u>2,055,071</u>	<u>241,195</u>	<u>-</u>	<u>2,296,266</u>

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

	2022 £	2021 £
Net income	259,189	64,394
Tax	(326)	9,256
Depreciation	57,049	55,434
Change in stock	(7,416)	(1,474)
Change in debtors	(36,916)	(1,101)
Change in creditors	<u>14,329</u>	<u>(11,896)</u>
	<u>285,909</u>	<u>114,613</u>

LOWTHER GARDENS LYTHAM

**DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Year Ended 31.3.22		Year Ended 31.3.21	
	£	£	£	£
TURNOVER		985,796		151,509
Cost of sales		<u>(626,673)</u>		<u>(79,915)</u>
GROSS SURPLUS		359,123		71,594
Other Income				
Fundraising activities, donations and gifts	182,908		84,837	
Grants	10,000		3,500	
Other incoming resources	206,427		273,179	
Investment income	<u>328</u>		<u>178</u>	
		<u>399,663</u>		<u>361,694</u>
		758,786		433,288
Expenditure				
Fundraising expenses	32,580		4,968	
Hire of plant and machinery	14,456		8,403	
Wages	136,228		138,725	
Cleaning, laundry and waste	9,679		6,433	
Light, heat and water	12,222		6,655	
Telephone, fax and internet	1,994		2,088	
Postage and stationery	3,515		1,762	
Advertising and marketing	29,330		13,468	
Motor and travel	227		779	
Repairs and renewals	30,104		10,847	
Computer maintenance	31,215		19,686	
Depreciation	57,049		55,433	
Reversal of depreciation on revaluation	-		(392,677)	
Revaluation	-		(94,115)	
Insurance	10,033		7,667	
Staff hire/training	36,459		19,748	
Sundry	<u>11,813</u>		<u>7,222</u>	
		<u>(416,904)</u>		<u>182,908</u>
Carried forward		341,882		616,196

LOWTHER GARDENS LYTHAM

**DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Year Ended 31.3.22	Year Ended 31.3.21
	£	£
Brought forward	341,882	616,196
Finance charges	15,504	11,744
Bad debts	-	587
Accountancy	10,748	8,425
Legal and professional fees	<u>56,767</u>	<u>34,997</u>
	<u>(83,019)</u>	<u>(55,753)</u>
SURPLUS BEFORE TAXATION	258,863	560,443
Tax on surplus/(deficit)	<u>(326)</u>	<u>9,256</u>
SURPLUS FOR THE FINANCIAL YEAR	259,189	551,187
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>259,189</u></u>	<u><u>551,187</u></u>