

**REGISTERED CHARITY NUMBER: 1117054**

**REPORT OF THE TRUSTEES AND AUDITED  
GROUP CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2023  
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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# **LOWTHER GARDENS LYTHAM**

## **LEGAL AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2023**

<b>REGISTERED CHARITY NAME</b>	Lowther Gardens Lytham
<b>CHARITY NUMBER</b>	1117054
<b>PRINCIPAL OFFICE</b>	Lowther Gardens Lowther Terrace Lytham St Annes FY8 5QQ
<b>TRUSTEES</b>	T A Mallabone S M Wood D F Rowe W A Swift L Fenton R T Withers Fylde Borough Council
<b>AUDITORS</b>	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 2023**

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2023, 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 11th 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 third 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 remaining 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.

We have continued the great work done at the theatre and park whilst adding new work to the roster. Productions of note must include our Pantomime which moved away with name and semi name production to deliver results that were unmatched elsewhere nationally. Our pantomime turn over went from £102,000 in 2021 to £163,000 in 2022. At the same time we welcomed other high profile sell out shows. Lowther is now presenting sold out events on a regular basis as well as increasing cinema audience. We have had sold out National Theatre Screenings and providing afternoon cinema 'warm' sessions with lunch.

The beginning of 2023 proved quite challenging as the Cost of living Crisis and inflation have affected some ticket sales. Mortgage rates going up has hit the younger patrons but those who are mortgage free seem to be less affected. It has proved very difficult to pre-empt ticket sales as many people are holding off purchasing until a few days before a show. Lowther have a robust non cancellation clause in our contract and this have prevented cold feet coming to play with some tour promoters. Lowther has proved it is nimble enough to adapt to changing circumstances and has had the sense through good management to build a level of financial resilience.

Education is now a strong focus of our work, with the development of resources that include four Youth Theatre Groups, an adult acting class, refugee and HAF funded work, Schools workshops, weekly workshops for children who educate at home, Education packs for enhancing the performances in the theatre, working with the Park and Rangers team for outdoor education, preschool creative arts sessions as well as a number of other fields of development.

**LOWTHER GARDENS LYTHAM**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2023**

Fundraising for the new education centre and studio theatre has also continued with some very large donations being added to the pot. Not only has Lowther continued to develop its artistic programme but has pushed ahead with the building development of the Education Centre and Studio Theatre.

We continue to hold several festivals in the park which has seen an increased footfall into the gardens, not least when a bronze statue of the late comedian Bobby Ball was unveiled in August 2022 with visitors from across the country as well as the local Fylde Area. In the gardens our Padel Tennis project under the management of Will 2 Win has gone from strength to strength.

Lowther continues to go from strength to strength and has built a national reputation over the last 12 years that is second to none, raising the profile of Fylde across the country, providing a cultural and well-being resource to residents and visitors alike.

**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.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1117054

**Principal address**

Lowther Gardens  
Lowther Terrace  
Lytham St Annes  
FY8 5QQ

**Trustees**

T A Mallabone  
S M Wood  
D F Rowe  
W A Swift  
L Fenton (Appointed 18.11.2022)  
R T Withers  
Fylde Borough Council  
M E Lowe (Resigned 23.09.2022)  
C R Greaney (Resigned 17.02.2023)  
M E Redfearn (Resigned 10.01.2023)

**LOWTHER GARDENS LYTHAM**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**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.

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.

Approved by order of the board of trustees on 04/12/2023 ..... and signed on its behalf by:

*Teresa Mallabone*

.....  
T A Mallabone - Trustee

## **LOWTHER GARDENS LYTHAM**

### **INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF LOWTHER GARDENS LYTHAM FOR THE YEAR ENDED 31 MARCH 2023**

#### **Opinion**

We have audited the financial statements of Lowther Gardens Lytham (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's and parent 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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 2023**

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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's 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 trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group's and parent 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 group or the parent 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 auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 an auditor's report 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 2023**

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.

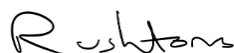
## LOWTHER GARDENS LYTHAM

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF LOWTHER GARDENS LYTHAM FOR THE YEAR ENDED 31 MARCH 2023

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### 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 auditor's 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 (Statutory Auditor)  
Chartered Accountants  
Avroe House  
Avroe Crescent  
Blackpool Business Park  
Blackpool  
Lancashire  
FY4 2DP

Date: .....05/12/2023.....

**LOWTHER GARDENS LYTHAM**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

				Year Ended 31.03.23	Year Ended 31.03.22
	Notes	Unrestricted fund £	Restricted fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS</b>					
<b>Charitable activities</b>					
Donations and other income	3	237,419	288,355	525,774	399,335
Investment income		2,217	-	2,217	328
Trading activity		1,498,634	-	1,498,634	985,796
		<u>1,738,270</u>	<u>288,355</u>	<u>2,026,625</u>	<u>1,385,459</u>
<b>EXPENDITURE</b>					
Trading activity		(988,623)	-	(988,623)	(626,673)
Charitable activity	4	<u>(627,168)</u>	<u>(349)</u>	<u>(627,517)</u>	<u>(499,923)</u>
<b>Total</b>		<u>(1,615,791)</u>	<u>(349)</u>	<u>(1,616,140)</u>	<u>(1,126,596)</u>
<b>NET INCOME</b>		122,479	288,006	410,485	258,863
<b>Transfers between funds</b>		110,104	(110,104)	-	-
<b>Tax on activities</b>		(6,344)	-	(6,344)	326
<b>NET MOVEMENT IN FUNDS</b>		226,239	177,902	404,141	259,189
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>2,367,085</u>	<u>34,227</u>	<u>2,401,312</u>	<u>2,142,123</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>2,593,324</u></u>	<u><u>212,129</u></u>	<u><u>2,805,453</u></u>	<u><u>2,401,312</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

**LOWTHER GARDENS LYTHAM**  
**CONSOLIDATED BALANCE SHEET**  
**AT 31 MARCH 2023**

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9	2,248,162	-	2,248,162	2,171,540
Investment property	10	<u>145,000</u>	<u>-</u>	<u>145,000</u>	<u>145,000</u>
		2,393,162	-	2,393,162	2,316,540
<b>CURRENT ASSETS</b>					
Stock		11,281	-	11,281	12,423
Debtors	12	53,627	-	53,627	51,062
Cash at bank		<u>647,453</u>	<u>212,129</u>	<u>859,582</u>	<u>488,296</u>
		712,361	212,129	924,490	551,781
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>(446,240)</u>	<u>-</u>	<u>(446,240)</u>	<u>(388,958)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>266,121</u>	<u>212,129</u>	<u>478,250</u>	<u>162,823</u>
<b>TOTAL ASSETS LESS CURRENT LIBAILITIES</b>		2,659,283	212,129	2,871,412	2,479,363
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	<u>(42,637)</u>	<u>-</u>	<u>(42,637)</u>	<u>(61,073)</u>
<b>PROVISIONS</b>		<u>(23,322)</u>	<u>-</u>	<u>(23,322)</u>	<u>(16,978)</u>
<b>NET ASSETS</b>		<u>2,593,324</u>	<u>212,129</u>	<u>2,805,453</u>	<u>2,401,312</u>
<b>FUNDS</b>	16				
Unrestricted funds				2,593,324	2,367,085
Restricted funds				<u>212,129</u>	<u>34,227</u>
<b>TOTAL FUNDS</b>				<u>2,805,453</u>	<u>2,401,312</u>

The financial statements were approved by the Board of Trustees on 04/12/2023 and were signed on its behalf by:

*Teresa Mallabone*  
.....  
T A Mallabone - Trustee

**LOWTHER GARDENS LYTHAM**

**CHARITY BALANCE SHEET  
AT 31 MARCH 2023**

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9	1,941,170	-	1,941,170	1,855,632
Investment property	10	<u>145,000</u>	<u>-</u>	<u>145,000</u>	<u>145,000</u>
		2,086,170	-	2,086,170	2,000,632
<b>CURRENT ASSETS</b>					
Debtors	12	307,404	-	307,404	277,246
Cash at bank		<u>161,076</u>	<u>212,129</u>	<u>373,205</u>	<u>68,446</u>
		468,480	212,129	680,609	345,692
<b>CREDITORS</b>					
Amounts falling due within one year	13	(36,583)	-	(36,583)	(12,780)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET CURRENT ASSETS</b>		<u>431,897</u>	<u>212,129</u>	<u>644,026</u>	<u>332,912</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,518,067	212,129	2,730,196	2,333,544
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	(27,417)	-	(27,417)	(37,278)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET ASSETS</b>		<u>2,490,650</u>	<u>212,129</u>	<u>2,702,779</u>	<u>2,296,266</u>
<b>FUNDS</b>	16				
Unrestricted funds				2,490,650	2,262,039
Restricted funds				<u>212,129</u>	<u>34,227</u>
<b>TOTAL FUNDS</b>				<u>2,702,779</u>	<u>2,296,266</u>

The financial statements were approved by the Board of Trustees on 04/12/2023 ..... and were signed on its behalf by:

*Teresa Mallabone*

.....  
T A Mallabone - Trustee

**LOWTHER GARDENS LYTHAM**

**CONSOLIDATED CASH FLOW STATEMENT  
YEAR ENDED 31 MARCH 2023**

	Notes	Year Ended 31.3.23 £	Year Ended 31.3.22 £
<b>Net cash inflow from operating activities</b>	17	532,940	285,909
<b>Investing activities</b>			
Purchase of fixed assets		<u>(136,716)</u>	<u>(240,087)</u>
Net cash used in investing activities		396,224	45,822
<b>Financing activities</b>			
Repayment of borrowings		(24,938)	(17,963)
Proceeds of borrowings		<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		371,286	27,859
<b>Cash and cash equivalents at beginning of year</b>		<u>488,296</u>	<u>460,437</u>
<b>Cash and cash equivalents at end of year</b>		<u><u>859,582</u></u>	<u><u>488,296</u></u>
<b>Relating to:</b>			
<b>Cash at bank and in hand</b>		<u><u>859,582</u></u>	<u><u>488,296</u></u>

## LOWTHER GARDENS LYTHAM

### 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.

##### **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**

There are certain funds which are retained in a general unrestricted fund which can be used in accordance with the charitable objectives at the discretion of the Trustees. There are also a number of restricted funds which must be used for specific purposes.

##### **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 previously impacted by the COVID-19 pandemic and the imposed closures, however in the current year more events have taken place which had led for the entity to make a healthy surplus in the current year of £404,141.

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 2023

#### 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**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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

Land is not depreciated.

##### **Revaluation**

Land and buildings are carried at current year value at fair value at the date of revaluation less any subsequent accumulated depreciation. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

##### **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.



# LOWTHER GARDENS LYTHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 3. OTHER INCOME

	Year Ended 31.3.23 £	Year Ended 31.3.22 £
Fundraising activities, donations and gifts	399,244	182,908
Grants	-	10,000
Other incoming resources	126,530	206,427
	<u>525,774</u>	<u>399,335</u>

### 4. EXPENDITURE

		Year Ended 31.3.23 £	Year Ended 31.3.22 £
	Notes		
Fundraising expenses		42,635	32,580
Hire of plant and machinery		12,912	14,456
Wages	6	185,787	136,228
Cleaning, laundry and waste		19,047	9,679
Light, heat and water		22,759	12,222
Telephone, fax and internet		2,127	1,994
Postage and stationery		5,641	3,515
Advertising and marketing		47,403	29,330
Motor and travel		697	227
Repairs and renewals		33,752	30,104
Computer maintenance		37,345	31,215
Depreciation	5	60,094	57,049
Insurance		10,933	10,033
Staff hire/training		55,996	36,459
Sundry		8,620	11,813
Finance charges		22,679	15,504
Bad debts		(1,117)	-
Accountancy	5	11,231	10,748
Legal and professional fees		48,976	56,767
		<u>627,517</u>	<u>499,923</u>

# LOWTHER GARDENS LYTHAM

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2023

### 5. NET INCOME FOR THE YEAR INCLUDES:

This is stated after charging:

	Year Ended 31.3.23 £	Year Ended 31.3.22 £
Depreciation on owned assets	60,094	57,049
Bank loan interest	494	1,032
Auditors remuneration:		
- Audit of the financial statements	5,500	5,000
- Other services	5,731	5,748

### 6. STAFF COSTS

	Year Ended 31.3.23 £	Year Ended 31.3.22 £
Wages and social security	183,201	134,684
Other pension costs	2,586	1,544
	<u>185,787</u>	<u>136,228</u>

#### Particulars of employees:

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

	<u>13</u>	<u>10</u>
--	-----------	-----------

No employee received remuneration of more than £60,000 during the year (2022 - £60,000).

### 7. 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 for the year ended 31 March 2023.

### 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 2023

9. TANGIBLE FIXED - ASSETS – GROUP

	Land £	Buildings £	Improvements to property £
<b>COST OR VALUATION</b>			
At 1 April 2022	257,000	1,626,769	200,849
Additions	-	114,977	-
At 31 March 2023	257,000	1,741,746	200,849
<b>DEPRECIATION</b>			
At 1 April 2022	-	28,137	13,390
Charge for year	-	29,439	6,695
At 31 March 2023	-	57,576	20,085
<b>NET BOOK VALUE</b>			
At 31 March 2023	257,000	1,684,170	180,764
At 31 March 2022	257,000	1,598,632	187,459
	Plant & Machinery £	Computer Equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2022	388,835	9,655	2,483,108
Additions	19,658	2,081	136,716
At 31 March 2023	408,493	11,736	2,619,824
<b>DEPRECIATION</b>			
At 1 April 2022	263,186	6,855	311,568
Charge for year	22,076	1,884	60,094
At 31 March 2023	285,262	8,739	371,662
<b>NET BOOK VALUE</b>			
At 31 March 2023	123,231	2,997	2,248,162
At 31 March 2022	125,649	2,800	2,171,540

# LOWTHER GARDENS LYTHAM

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2023

### 9. TANGIBLE FIXED - ASSETS – CHARITY

	Land	Buildings	Plant and Machinery	Totals
	£	£	£	£
<b>COST OR VALUATION</b>				
At 1 April 2022	257,000	1,626,769	172,284	2,056,053
Additions	-	114,977	-	114,977
At 31 March 2023	257,000	1,741,746	172,284	2,171,030
<b>DEPRECIATION</b>				
At 1 April 2022	-	28,137	172,284	200,421
Charge for the year	-	29,439	-	29,439
At 31 March 2023	-	57,576	172,284	229,860
<b>NET BOOK VALUE</b>				
At 31 March 2023	257,000	1,684,170	-	1,941,170
At 31 March 2022	257,000	1,598,632	-	1,855,632

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023	2022
	£	£
Cost	2,049,631	1,934,654
Accumulated depreciation	(449,948)	(420,661)
Carrying value	1,599,683	1,513,993

# LOWTHER GARDENS LYTHAM

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2023

### 10. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 April 2022	<u>145,000</u>
At 31 March 2023	<u>145,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>145,000</u>
At 31 March 2022	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:

<b>Lowther Gardens (Lytham) Management Ltd</b>	2023	2022
<b>Company number: 07520640</b>	£	£
Assets	846,154	786,556
Liabilities	(743,480)	(681,510)
Capital & Reserves	<u>102,674</u>	<u>105,046</u>
Turnover	1,498,634	985,796
Expenditure	(1,494,662)	(968,128)
Profit/(Loss)	<u>3,972</u>	<u>17,668</u>

**LOWTHER GARDENS LYTHAM**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2023**

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

<b>GROUP</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	30,745	14,452
Prepayments and other debtors	<u>22,882</u>	<u>36,610</u>
	<b><u>53,627</u></b>	<b><u>51,062</u></b>
 <b>CHARITY</b>	 <b>2023</b>	 <b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,680	-
Prepayments and other debtors	6,443	12,687
Intercompany debtor	<u>295,281</u>	<u>264,559</u>
	<b><u>307,404</u></b>	<b><u>277,246</u></b>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

<b>GROUP</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	18,778	7,291
Taxation and social security	14,168	2,306
Other creditors	32,159	22,073
Accruals	362,710	332,361
Bank Loans	9,850	9,575
FBC Loan	5,000	5,000
Hire purchase	<u>3,575</u>	<u>10,352</u>
	<b><u>446,240</u></b>	<b><u>388,958</u></b>
 <b>CHARITY</b>	 <b>2023</b>	 <b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	3,630	8
Accruals and deferred income	19,989	3,197
Taxation and social security	3,114	-
Bank loans	<u>9,850</u>	<u>9,575</u>
	<b><u>36,583</u></b>	<b><u>12,780</u></b>

**LOWTHER GARDENS LYTHAM**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2023**

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

<b>GROUP</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank Loans	27,417	37,278
FBC Loan	15,220	20,220
Hire purchase	-	3,575
	<u>42,637</u>	<u>61,073</u>
 <b>CHARITY</b>	 <b>2023</b>	 <b>2022</b>
	<b>£</b>	<b>£</b>
Bank Loans	<u>27,417</u>	<u>37,278</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Non-cancellable operating leases	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	1,893	3,007
Between one and five years	4,890	-
	<u>6,783</u>	<u>3,007</u>

**LOWTHER GARDENS LYTHAM**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2023**

**16. FUNDS**

<b>GROUP</b>	<b>At 1.4.22</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31.3.23</b>
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	366,453	145,573	(4,873)	507,153
Fair value reserve	93,963	-	(152)	93,811
Property asset fund	1,906,669	(29,438)	115,129	1,992,360
	<u>2,367,085</u>	<u>116,135</u>	<u>110,104</u>	<u>2,593,324</u>
<b>Restricted funds</b>				
Tree Guardians Adopt a Tree Scheme	7,859	2,281	-	10,140
Bobby Ball Statue Donations	26,368	25,010	(51,378)	-
Studio Theatre and Education Centre	-	250,000	(58,726)	191,274
User Group Grants	-	10,715	-	10,715
	<u>34,227</u>	<u>288,006</u>	<u>(110,104)</u>	<u>212,129</u>
<b>TOTAL FUNDS</b>	<u>2,401,312</u>	<u>404,141</u>	<u>-</u>	<u>2,805,453</u>

<b>CHARITY</b>	<b>At 1.4.22</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31.3.23</b>
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	261,407	147,945	(4,873)	404,479
Fair value reserve	93,963	-	(152)	93,811
Property asset fund	1,906,669	(29,438)	115,129	1,992,360
	<u>2,262,039</u>	<u>118,507</u>	<u>110,104</u>	<u>2,490,650</u>
<b>Restricted funds</b>				
Tree Guardians Adopt a Tree Scheme	7,859	2,281	-	10,140
Bobby Ball Statue Donations	26,368	25,010	(51,378)	-
Studio Theatre and Education Centre	-	250,000	(58,726)	191,274
User Group Grants	-	10,715	-	10,715
	<u>34,227</u>	<u>288,006</u>	<u>(110,104)</u>	<u>212,129</u>
<b>TOTAL FUNDS</b>	<u>2,296,266</u>	<u>406,513</u>	<u>-</u>	<u>2,702,779</u>



**LOWTHER GARDENS LYTHAM**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2023**

**17. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net income	404,141	259,189
Tax	6,344	(326)
Depreciation	60,094	57,049
Change in stock	1,142	(7,416)
Change in debtors	(2,565)	(36,916)
Change in creditors	<u>63,784</u>	<u>14,329</u>
	<u>532,940</u>	<u>285,909</u>

# LOWTHER GARDENS LYTHAM

## DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Year Ended 31.3.23		Year Ended 31.3.22	
	£	£	£	£
<b>TURNOVER</b>		1,498,634		985,796
Cost of sales		<u>(988,623)</u>		<u>(626,673)</u>
<b>GROSS SURPLUS</b>		510,011		359,123
<b>Other Income</b>				
Fundraising activities, donations and gifts	399,244		182,908	
Grants	-		10,000	
Other incoming resources	126,530		206,427	
Investment income	<u>2,217</u>		<u>328</u>	
		<u>527,991</u>		<u>399,663</u>
		1,038,002		758,786
<b>Expenditure</b>				
Fundraising expenses	42,635		32,580	
Hire of plant and machinery	12,912		14,456	
Wages	185,787		136,228	
Cleaning, laundry and waste	19,047		9,679	
Light, heat and water	22,759		12,222	
Telephone, fax and internet	2,127		1,994	
Postage and stationery	5,641		3,515	
Advertising and marketing	47,403		29,330	
Motor and travel	697		227	
Repairs and renewals	33,752		30,104	
Computer maintenance	37,345		31,215	
Depreciation	60,094		57,049	
Insurance	10,933		10,033	
Staff hire/training	55,996		36,459	
Sundry	<u>8,620</u>		<u>11,813</u>	
		<u>(545,748)</u>		<u>(416,904)</u>
Carried forward		492,254		341,882

**LOWTHER GARDENS LYTHAM**

**DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

	Year Ended 31.3.23	Year Ended 31.3.22
	£	£
Brought forward	492,254	341,882
Finance charges	22,679	15,504
Bad debts	(1,117)	-
Accountancy	11,231	10,748
Legal and professional fees	48,976	56,767
	<u>(81,769)</u>	<u>(83,019)</u>
<b>SURPLUS BEFORE TAXATION</b>	410,485	258,863
Tax on surplus/(deficit)	<u>6,344</u>	<u>(326)</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	404,141	259,189
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u><u>404,141</u></u>	<u><u>259,189</u></u>