

Company Number 01397038
Charity No: 508300

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS**

For the year ended 31st March 2022

**Windle & Bowker Limited
Chartered Accountants
and Statutory Auditors
Croft House
Station Road
Barnoldswick
Lancashire
BB18 5NA**

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS OF THE FINANCIAL STATEMENTS
For the year ended 31st March 2022**

	Page
Report of the Trustees	1 - 5
Report of the Independent Auditors	6 - 8
Consolidated statement of financial activities	9 - 10
Balance Sheets	11
Cash flow statement	12 - 13
Notes to the financial statements	14 - 27

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
For the year ended 31st March 2022**

The trustees present their annual report and the audited financial statements for the year ended 31st March 2022.

LEGAL AND ADMINISTRATIVE DETAILS

Registered Company number
01397038 (England and Wales)

Registered Charity number
508300

Registered office

Park Hill
Barrowford
Nelson
Lancashire
BB9 6JQ

Trustees

The trustees who served during the year were as follows:

J Turner (Chairman)
L E Stanworth (Treasurer)
M J R Bannister
M F W Blundell
L G Coop (Resigned 4th December 2021)
E E Moss (Appointed 1st October 2021)
L Peake
S M Williams

Company secretary

L Peake (Resigned 11th November 2021)
S M Williams (Appointed 11th November 2021)

Statutory Auditors

Windle & Bowker Limited
Chartered Accountants and Statutory Auditors
Croft House
Station Road
Barnoldswick
Lancashire
BB18 5NA

Bankers

The Co-operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Unity Bank Trust Plc
9 Brindley Place
Birmingham
B1 2HB

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (Continued)
For the year ended 31st March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Corporate status

The company was incorporated under the Companies Act on 31st October 1978 under the name Lancashire Heritage Trust Limited. The company is a private company limited by guarantee and not having a share capital, exempted by the Secretary of State from the requirement to use the word "limited" in its name. The liability of each member is limited to an amount not exceeding £1.

The company was registered as a charity on 14th December 1978 under the provisions of the Charities Acts (Charity number: 508300).

Organisational structure

The Board currently consists of the trustees and is responsible for key policy decisions and the effective governance of the organisation overall. The Board meets on a regular basis but as a minimum four times per year.

Recruitment and appointment of new board members

Trustees are appointed to reflect the skills required to support the Board and its range of activities. Recruitment is either through advertising or by individual contact. A full orientation is offered on the services provided and the roles and responsibilities of a trustee, including their legal obligations under charity and company law. All appointees are informed of the content of the Memorandum and Articles of Association and the committee and decision-making processes of the charity.

Risk management

The trustees continue to examine the major strategic, business and operational risks which the charity faces and confirm that systems have been established to ensure that regular reports are produced and that necessary steps can be taken to address any issues arising.

OBJECTIVES AND ACTIVITIES

The principal activities of the company are to promote and preserve for the benefit of the people of the North West of England and of the nation at large, whatever of the English historical, architectural, natural, social or scientific heritage which may exist in or near to the aforesaid region, and to advance the education and the cultural development of the public in these matters, and to undertake such other charitable activities as may benefit the inhabitants of or visitors to the area. The company has also established various trading activities designed to enhance and subsidise the charitable activities of the trust.

Public benefit

The trustees are confident that the charity offers services of real and practical use to the local population and therefore complies with the responsibility placed on all charities under the Charities Act 2011 to demonstrate a public benefit.

ACHIEVEMENTS AND PERFORMANCE

As a charitable trust responsible for the ownership and/or operational management of over 30 heritage properties, facing the second consecutive year of the Covid-19 (Coronavirus) pandemic as well as the impact of the increasing economic crisis, has required the charity to work closely with partner organisations, funders and stakeholders to enable its longevity.

Major challenges have been in the form of the pandemic era, the uncertainty of being able to open our doors to the public, of being able to afford the ever-increasing cost of operating in the form of staff costs, energy cost increases and rising insurance costs, as well as grappling with the resource impact of furlough, bounce back loans and unknown visitor numbers and trends.

As a charitable trust we have a heavy financial reliance on earned income from visitors coming to our heritage centres and visitor attractions such as Lytham Hall; and in order to open these properties we are reliant on staff working in catering and hospitality and visitor experience delivered by volunteers. All of these people – volunteers, staff and visitors – have faced their own pandemic issues which makes operating heritage properties in the 2020's incredibly precarious.

Heritage Trust for the North West has combined its knowledge, know-how, skills, experience and connections to ride the challenges of 2021-2022 and prepares to build new foundations to enable it to survive future inevitable challenges.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (continued)
For the year ended 31st March 2022**

ACHIEVEMENTS AND PERFORMANCE (Continued)

The financial year has been one of two distinct halves. The first six months were focused on dealing with ever changing national and international Covid-19 restrictions and utilising the benefits of bounce-back loans and business grants which had been awarded to the charity (see Annual Report 2020-2021).

Without an appointed Chief Executive, though guided and supported in a voluntary capacity by the founding Chief Executive, the charity concluded work programmes from the Cultural Recovery Fund (CRF Round 1 and CRF Round 2) of over £300,000 which continued to enable heritage sites such as Pendle Heritage Centre, Higherford Mill and Lytham Hall to restore, develop open properties and gardens, and to embark on new projects and activities. The most significant of these was “Wonderhall” at Lytham Hall – five nights of major concert performances set within the Estate and against the backdrop of the Georgian Hall.

At the start of the second half of the financial year the trustees appointed a new Chief Executive, Elizabeth Moss, to start a new chapter within the charity’s development. She immediately took on an investigative role looking at developing opportunities for growth alongside internal scrutiny and efficiency within both the charitable and trading elements of the organisation.

In January 2022 operational changes were made in the construct of the conservation services team and Pendle Heritage Centre was temporarily closed to address significant financial losses and to enable time for developing a re-focused operational business model that is affordable to a charitable trust, and to ensure financial stabilisation.

Despite challenging operational and economic environments there is much to celebrate and many people and organisations to thank for their ongoing commitment, support and entrepreneurial spirit.

To pick out two highlights in-particular: -

Lytham Hall has continued with its conservation and restoration work within the Georgian Hall and outbuildings, and across its vast gardens and grounds. The combined endeavour and entrepreneurial spirit of the management team, with the staff team, an army of over three-hundred active and cherished volunteers and support of local and regional funders has meant that more rooms are fully open to the public, the range of dining and hospitality activities has been increased, the gardens and grounds are further returning to their former glory, and the visiting season and access has been greatly extended, with visitor numbers having reached around 200,000.

Bank Hall near Chorley (Grade II* building at risk), a derelict Elizabethan and Jacobean manor house has now been saved and at the point of writing is to come off the English Heritage at Risk Register. At a cost of £5.6 million and supported by a grant of £2,254,000 from the National Lottery Heritage Fund, Heritage Trust for the North West has worked with developers Next Big Thing, as well as the Friends of Bank Hall, to enable the property to once again be a residential home in the form of apartments and a heritage centre telling the fascinating the story of saving Bank Hall.

Volunteer contributions

The company relies on voluntary help for many of its activities.

Other matters

The trustees would like to take the opportunity to formally thank so many who have continued to support Heritage Trust for the North West. In particular our colleagues, our apprentices who have now concluded their work with us, and the many many volunteers without whom the company would struggle to achieve its objectives. They donate so much of their time and many also donate financially – many very significantly – thank you!

Our continued work would not be possible without the tremendous support of a range of funders including National Lottery Heritage Fund, the Cultural Recovery Fund and the generous support of trusts and foundations as well as many private donors. Thank you in anticipation of future funding, without which work would not be able to continue. Thank you also to the support of the many stakeholders who help to develop the historic buildings and collections that are such an important part of the heritage and vitality of the North West.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (continued)
For the year ended 31st March 2022**

Related parties

Heritage Trust for the North West owns 100% of two subsidiaries; L.H.T. Enterprises Limited and Conservation Services N.W. Limited, and previously exerted influence over a further two companies; Greater Manchester Building Preservation Trust Limited and Cumbria Building Preservation Trust Limited. All these companies work together in pursuit of the charity's objectives.

Branches

Heysham Heritage Association continues to support the company's efforts to maintain a Heritage Centre in Heysham Village.

Heysham Heritage Association is considered a branch of the main charity but is an individual entity that holds a separate bank account. The funds of Heysham Heritage Association are not included within the accounts as they are immaterial.

FINANCIAL REVIEW

The attached statement of financial activities shows how funds were raised and applied during the year. This statement separates funds which the charity controls itself (unrestricted funds) from those that have to be spent in a manner determined by the donor (restricted funds).

During the year ended 31st March 2022 incoming resources amounted to £1,852,763 (which represented an increase of £704,289 compared to the previous year) while resources expended amounted to £1,728,231 (which represented an increase of £667,095 compared to the previous year). After accounting for gains and losses on investments the net result for the year was a deficit of £683,874 which is a decrease on the surplus of £87,338 returned for the previous year.

As stated in Note 12, the trust operates two trading subsidiaries; L.H.T. Enterprises Limited and Conservation Services N.W. Limited the current year results of which are set out in Note 12. During the year management charges of £215,288 (2021: £112,959) and £Nil (2021: £Nil) were received from L.H.T. Enterprises Limited and Conservation Services N.W. Limited respectively.

The trustees consider the results for the year to be satisfactory.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at levels which equate to an excess of its projected needs for the forthcoming year, thereby providing sufficient funds to cover management, administration and support costs and enable the ongoing development of projects. The trustees believe the net asset position is sufficient to satisfy such requirements although these levels of free reserves are reviewed on a regular basis.

Risk assessment

The trustees have identified the major risks to which the charity is exposed and procedures to manage those risks have been put in place.

Future developments

The trustees appointed a new Chief Executive, Elizabeth Moss, from 1st October 2021 to replace the founding Chief Executive John Miller who officially retired in 2017 but has continued to work on a voluntary basis in the intervening period to assist the new incumbent.

Under this new leadership the charity has begun to build on its existing work and success which will include consolidating existing projects and assets, maintaining existing properties, developing supporting infrastructure and skills, and stabilising the organisation before setting out a new strategy for the future.

Looking forward to the year ahead the company's focus is on giving strong sustainability to the trust and establishing new foundations. This will involve consolidating elements of the trust to give financial robustness, furthering our governance rigour, concluding long-term funded projects and embarking on establishing funding and support for major projects at Lytham Hall, Pendle Heritage Centre, Higherford Mill as well as a number of other opportunities being considered.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (continued)
For the year ended 31st March 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS 102;
- make judgements and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

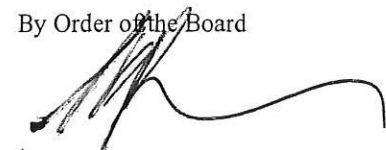
So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee director has taken all the steps that he or she ought to have taken as a trustee director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Windle & Bowker Limited, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

By Order of the Board



M J R Bannister
(Trustee)

Date: 7th November 2022

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the group financial statements of Heritage Trust for the North West for the year ended 31st March 2022 on pages 9 to 27 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Cash Flow Statement and the 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, 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 charitable company's affairs and of the group as at 31st March 2022 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 the United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the 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 there is a material misstatement in the financial statements or a material misstatement of other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees/Directors.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 they determine 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 company'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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 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.

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 risks of material misstatement in respect of irregularities, we considered the following:

- the nature of the industry and sector, control environment and business performance including the key drivers for trustees' remuneration and dividend levels;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries of management about their policies and procedures relating to:
 - > identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - > detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - > the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the company's ability to operate.

Audit response to risks identified

As a result of performing the above our procedures to respond to the risks identified included the following:

- reviewing the financial statements disclosure 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 management about actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- 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.

There are inherent limitations in the audit procedures described above and the further removed the non-compliance with laws and regulations is from events and transactions reflected in the financial statements the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Eric Hargreaves (Senior Statutory Auditor)
for and on behalf of Windle & Bowker Limited
Chartered Accountants and
Statutory Auditors
Croft House
Station Road
Barnoldswick
Lancashire
BB18 5NA

Date: 7th November 2022

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31st March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations		27,852	134,015	161,867	42,275
Legacies		-	-	-	(75,000)
<i>Charitable activities:</i>					
Revenue grants received	2	144,265	108,138	252,403	767,809
Capital grants received	2	-	10,858	10,858	12,376
<i>Trading activities:</i>					
Trading activities		259,852	-	259,852	43,444
Services provided		654,615	-	654,615	144,758
Activity income		308,044	27,702	335,746	46,414
Other income		20,913	-	20,913	8,203
<i>Investment income:</i>					
Rents received		156,509	-	156,509	158,195
Interest received		-	-	-	-
Total incoming resources	3	1,572,050	280,713	1,852,763	1,148,474
Expenditure on:					
<i>Charitable activities:</i>					
Preservation and maintenance of heritage property		195,090	196,123	391,213	333,543
<i>Raising funds:</i>					
Trading and other activity costs		1,134,090	35,998	1,170,088	592,274
<i>Other:</i>					
Support costs		88,658	22,060	110,718	78,082
Finance costs		56,212	-	56,212	57,237
Total expenditure	4	1,474,050	254,181	1,728,231	1,061,136
Net income before recognised gains/(losses)		98,000	26,532	124,532	87,338
Other recognised gains/(losses)					
Revaluation of fixed asset investments		(291,693)	-	(291,693)	-
Impairment of fixed asset investments		(516,713)	-	(516,713)	-
Net income after recognised gains/(losses)		(710,406)	26,532	(683,874)	87,338
Transfers between funds		(32,216)	32,216	-	-
Net movement in funds		(742,622)	58,748	(683,874)	87,338

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Continued)
For the year ended 31st March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Net movement in funds		(742,622)	58,748	(683,874)	87,338
Reconciliation of funds:					
Total funds brought forward		2,296,396	607,502	2,903,898	2,816,560
Total funds carried forward	19	<u>1,553,774</u>	<u>666,250</u>	<u>2,220,024</u>	<u>2,903,898</u>

There are no acquisitions or discontinued operations in the year.

There are no other recognised gains or losses other than those shown in the Statement of Financial Activities.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

BALANCE SHEETS

For the year ended 31st March 2022

	Notes	Group		Company	
		2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Tangible assets	8	57,233	36,287	10,811	13,355
Heritage assets	9	1,068,469	1,068,469	1,077,721	1,077,721
Investment property	10	2,976,992	3,785,398	2,976,992	3,785,398
Investments in subsidiaries	12	-	-	501	501
		<u>4,102,694</u>	<u>4,890,154</u>	<u>4,066,025</u>	<u>4,876,975</u>
Current assets					
Stocks	13	12,500	7,700	-	-
Debtors	14	219,711	240,132	333,629	303,644
Cash at bank and in hand		<u>168,470</u>	<u>104,566</u>	<u>124,379</u>	<u>65,432</u>
		<u>400,681</u>	<u>352,398</u>	<u>458,008</u>	<u>369,076</u>
Current liabilities					
Creditors: Amounts falling due within one year	15	(627,499)	(603,375)	(624,633)	(582,366)
Net current liabilities		<u>(226,818)</u>	<u>(250,977)</u>	<u>(166,625)</u>	<u>(213,290)</u>
Total assets less current liabilities		<u>3,875,876</u>	<u>4,639,177</u>	<u>3,899,400</u>	<u>4,663,685</u>
Creditors: Amounts falling due after more than one year	16	(1,628,933)	(1,710,215)	(1,579,883)	(1,646,064)
Provision for liabilities and charges	17	(26,919)	(25,064)	(26,919)	(25,064)
Net assets		<u>2,220,024</u>	<u>2,903,898</u>	<u>2,292,598</u>	<u>2,992,557</u>
Funds					
Restricted	19a	666,250	607,502	590,799	546,445
Unrestricted	19b	1,286,359	1,737,288	1,437,466	1,890,086
Revaluation reserve	19b	<u>267,415</u>	<u>559,108</u>	<u>264,333</u>	<u>556,026</u>
	20	<u>2,220,024</u>	<u>2,903,898</u>	<u>2,292,598</u>	<u>2,992,557</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 7th November 2022 and were signed on its behalf by:



E E Moss
(Trustee)

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

CASH FLOW STATEMENT

For the year ended 31st March 2022

	Notes	2022 £	Group 2021 £
Cash flows from operating activities			
Cash generated from operations	1	79,406	(44,034)
Interest paid		(2,450)	(3,884)
Net cash from operating activities		<u>76,956</u>	<u>(47,918)</u>
Cash flows from investing activities			
Rental income		156,509	158,195
Sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		(37,173)	(20,323)
Interest received		-	-
Net cash from investing activities		<u>119,336</u>	<u>137,872</u>
Cash flows from financing activities			
Loan advances		-	73,000
Loan repayments		(126,271)	(69,391)
Net cash from financing activities		<u>(126,271)</u>	<u>3,609</u>
Increase/(decrease) in cash and cash equivalents		70,021	93,563
Cash and cash equivalents at beginning of year	2	6,396	(87,167)
Cash and cash equivalents at end of year	2	<u>76,417</u>	<u>6,396</u>

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CASH FLOW STATEMENT
For the year ended 31st March 2022**

1 Reconciliation of funds movements to cash generated from operations

	Group	
	2022	2021
	£	£
Net movement in funds	(683,874)	87,338
Income from investing activities	(156,509)	(158,195)
Revaluation of investment property	291,693	-
Impairment of investment property	516,713	-
Depreciation charges	15,378	8,078
Loss on disposal of fixed assets	849	-
Finance costs	56,212	57,237
Finance income	-	-
	<hr/>	<hr/>
	40,462	(5,542)
(Increase)/Decrease in stocks	(4,800)	600
Decrease/(Increase) in debtors	20,421	30,256
Increase/(Decrease) in creditors	23,323	(69,348)
	<hr/>	<hr/>
Net cash from operating activities	79,406	(44,034)

2 Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these
Balance Sheet amounts:

	Group	
	31.03.22	01.04.21
	£	£
Year ended 31 st March 2022		
Cash and cash equivalents	76,417	6,396

	Group	
	31.03.21	01.04.20
	£	£
Year ended 31 st March 2021		
Cash and cash equivalents	6,396	(87,167)

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2022**

1. ACCOUNTING POLICIES

Company Information

Heritage Trust for the North West is a charitable company limited by guarantee, incorporated in England and Wales. The company number and registered office can be found in the Report of the Trustees.

Basis of preparation

The financial statements have been prepared in accordance with 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 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared on a going concern basis which assumes the company will be able to meet its liabilities as they fall due. If the company were unable to continue to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for any further liabilities that may arise, and to reclassify non-current assets and any long-term liabilities as current assets and liabilities respectively.

Basis of consolidation

The consolidated accounts of the group for the current year incorporate the accounts of the company and its subsidiaries, L.H.T. Enterprises Limited and Conservation Services N.W. Limited. The results of trading activities of the subsidiaries are summarised in the Consolidated Statement of Financial Activities on a similar basis.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable are accounted for when due. Grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful life of the asset while grants relating to expenses are credited to the Statement of Financial Activities as the related expenditure is incurred.

Income from donations, legacies, fundraising and similar incoming resources are included in the year in which they are receivable.

Any income received for a specific purpose is accounted for as restricted funds when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories related to the cost.

Costs allocated to activities in the furtherance of the charity's objects are those directly associated with achieving the charity's goals. Governance costs are those incurred in connection with the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31st March 2022

1. ACCOUNTING POLICIES (Continued)

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general activities of the charity. Surplus funds can be allocated to restricted projects if the trustees believe they are required.

Restricted funds are funds subject to specific restriction imposed by the donors for the purpose of any appeal in which the funds are raised and can only be used for particular purpose within the objects of the charity.

Investment properties

Investment property is originally recorded at cost. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Other tangible fixed assets

Tangible fixed assets are capitalised at their purchase price.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Capital projects and tenants improvements	10/25% reducing balance basis
Plant, fixtures and fittings	20% reducing balance basis
Motor vehicles	25% reducing balance basis

Heritage assets

The company's collection of Heritage Centres and Historic Visitors Centres are included in the accounts at their fair value. The assets are held in the support of the Charity's primary objective of promoting and preserving historical buildings and construction techniques.

Depreciation is not provided against Heritage Assets.

Investments

The financial statements reflect bank interest receivable during the year. Credit is taken for interest accrued, but not received at the balance sheet date.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Repair fund

A provision equivalent to 5% of the costs incurred to date on Park Hill is to be set aside each year to provide for the ongoing maintenance and repair of buildings on the site.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Taxation

The company is a registered charity and is therefore exempt from Income Tax and Corporation Tax under the provisions of Section 505(1) of the Income and Corporation Taxes Act 1988.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

2. CHARITABLE ACTIVITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
British Archaeological Society	500	-	500	-
Chorley Borough Council	29,744	-	29,744	-
Drapers' Charitable Fund	1,000	-	1,000	-
Fylde Borough Council	36,697	154,519	4,030	3,000
Historic England	-	34,110	-	34,110
Historic Houses Association	322	833	322	833
Inenco Group	2,000	-	2,000	-
Job Retention Scheme	24,125	281,628	4,449	59,250
Lancashire County Council	8,000	9,669	8,000	9,669
National Lottery Heritage Fund	124,900	230,300	124,900	230,300
Pendle Borough Council	18,800	41,572	14,800	41,572
Pendle Hill Landscape Partnership	9,173	6,503	-	-
Ribble Valley Borough Council	8,000	11,051	8,000	11,051
Wigan Metropolitan Borough Council	-	10,000	-	10,000
	<u>263,261</u>	<u>780,185</u>	<u>197,745</u>	<u>399,785</u>

Charitable activity income for the year was £263,261 (2021: £780,185) of which £144,265 was unrestricted (2021: £402,442) and £118,996 was restricted (2021: £377,743).

3. INCOMING RESOURCES

The total income for the year was £1,852,763 (2021: £1,148,474) of which £1,572,050 was unrestricted (2021: £817,466) and £280,713 was restricted (2021: £331,008).

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

4. RESOURCES EXPENDED

	Charitable objectives		Trading and other activity		Support costs		Total	Total
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	Unrestricted £	Restricted £	2022 £	2021 £
Preservation/maintenance of heritage property	-	110,473	-	-	-	-	110,473	92,374
Cost of sales and service delivery	-	58,687	381,386	13,659	-	-	453,732	89,426
Staff wages and nic	151,957	11,764	523,101	-	73,228	15,000	775,050	533,819
Staff pensions	2,559	-	7,734	-	2,013	-	12,306	7,891
Rent and rates	22	-	11,515	673	-	-	12,210	9,044
Light and heat	21	-	38,009	-	-	-	38,030	36,014
Insurance	11,908	-	25,736	10,126	-	-	47,770	46,666
Telephone	2,316	-	5,759	-	-	-	8,075	6,957
Motor expenses	7,399	-	684	-	-	-	8,083	7,260
Travelling expenses	1,049	-	2,840	-	-	-	3,889	2,825
Advertising, publicity and marketing	191	6,370	95	-	-	-	6,656	43,839
Postage, printing and stationery	1,592	83	7,277	8	-	-	8,960	5,838
Equipment hire	1,486	-	667	498	-	-	2,651	5,096
Repairs and renewals	8,430	5,389	62,948	744	2,107	-	79,618	44,472
Cleaning expenses	222	-	17,242	-	-	-	17,464	6,655
Security costs	-	-	11,153	-	-	-	11,153	6,092
Trade subscriptions and licences	-	-	973	-	1,034	-	2,007	1,538
Training expenses	26	24	422	-	-	-	472	262
Accountancy	3,769	-	3,530	-	3,222	3,200	13,721	14,346
Legal and professional Fees	1,000	-	9,105	2,908	2,453	-	15,466	17,997
Auditors' remuneration	-	3,333	-	3,334	-	3,333	10,000	10,083
Bad and doubtful debts	-	-	1,275	-	-	-	1,275	712
Sundry expenses	214	-	1,308	-	636	-	2,158	1,313
Bank charges	-	-	12,615	-	1,958	-	14,573	5,302
Depreciation	929	-	7,867	4,048	2,007	527	15,378	8,078
Loss/(Profit) on disposal of fixed assets	-	-	849	-	-	-	849	-
	195,090	196,123	1,134,090	35,998	88,658	22,060	1,672,019	1,003,899

The total expenditure for the year was £1,728,231 (2021: £1,061,136) of which £1,474,050 was unrestricted (2021: £754,866) and £254,181 was restricted (2021: £306,270).

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depreciation etc £	2022 £	2021 £
Direct charitable expenditure	166,280	224,004	929	391,213	333,543
Other expenditure:					
Trading and other activity costs	530,835	626,489	12,764	1,170,088	592,274
Support costs	90,241	20,477	-	110,718	78,082
Finance costs	-	56,212	-	56,212	57,237
	<u>787,356</u>	<u>927,182</u>	<u>13,693</u>	<u>1,728,231</u>	<u>1,061,136</u>

6. STAFF COSTS

	2022 £	2021 £
Wages and salaries	732,433	510,085
Social security costs	42,617	23,734
Pension costs	<u>12,306</u>	<u>7,891</u>
	<u>787,356</u>	<u>541,710</u>

The average number of persons employed during the year, including the trustee directors, analysed by function was as follows:

	2022	2021
Management and administration	7	8
Charitable services	47	37
Clerical administration and support	<u>4</u>	<u>3</u>
	<u>58</u>	<u>48</u>

No employees were individually paid more than £60,000 during the current or previous year.

Trustees' remuneration

No trustees or persons related or connected by business to them have received any remuneration or other benefits from the charity during the current or previous year.

Trustees' expenses

No trustees were reimbursed with expenses incurred on behalf of the company during the current or previous year.

Key Management Personnel remuneration

The Key Management Personnel were paid a total remuneration of £Nil (2021: £Nil).

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

7. NET INCOME AND EXPENDITURE FOR THE YEAR

	2022	2021
	£	£
This is stated after charging:		
Operating leases - equipment	2,651	5,096
Depreciation	15,378	8,078
Loss on disposal of fixed assets	849	-
Bank interest payable	2,450	3,884
Loan interest payable	53,762	53,353
Other interest payable	-	-
<i>Auditors remuneration:</i>		
Audit fees	10,000	10,083
Accountancy services	13,721	14,346

8a. TANGIBLE FIXED ASSETS – GROUP

	Projects and tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 st April 2021	32,066	18,960	293,149	25,936	370,111
Additions	-	-	35,610	1,563	37,173
Disposals	-	-	(71,995)	-	(71,995)
At 31 st March 2022	32,066	18,960	256,764	27,499	335,289
DEPRECIATION					
At 1 st April 2021	32,066	12,579	266,092	23,087	333,824
Charge for the year	-	1,276	13,096	1,006	15,378
Eliminated on disposal	-	-	(71,146)	-	(71,146)
At 31 st March 2021	32,066	13,855	208,042	24,093	278,056
NET BOOK VALUE					
At 31 st March 2022	-	5,105	48,722	3,406	57,233
At 31 st March 2021	-	6,381	27,057	2,849	36,287

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

8b. TANGIBLE FIXED ASSETS – COMPANY

	Projects and tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 st April 2021	32,066	18,960	142,189	10,441	203,656
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 st March 2022	<u>32,066</u>	<u>18,960</u>	<u>142,189</u>	<u>10,441</u>	<u>203,656</u>
DEPRECIATION					
At 1 st April 2021	32,066	12,579	137,410	8,246	190,301
Charge for the year	-	1,276	719	549	2,544
Eliminated on disposal	-	-	-	-	-
At 31 st March 2022	<u>32,066</u>	<u>13,855</u>	<u>138,129</u>	<u>8,795</u>	<u>192,845</u>
NET BOOK VALUE					
At 31 st March 2022	<u>-</u>	<u>5,105</u>	<u>4,060</u>	<u>1,646</u>	<u>10,811</u>
At 31 st March 2021	<u>-</u>	<u>6,381</u>	<u>4,779</u>	<u>2,195</u>	<u>13,355</u>

9. HERITAGE ASSETS

	Group Total £	Company Total £
COST OR VALUATION		
At 1 st April 2021	1,068,469	1,077,721
Additions	-	-
Disposals	-	-
At 31 st March 2022	<u>1,068,469</u>	<u>1,077,721</u>
NET BOOK VALUE		
At 31 st March 2022	<u>1,068,469</u>	<u>1,077,721</u>
At 31 st March 2021	<u>1,068,469</u>	<u>1,077,721</u>

Heritage assets relate to the company's collection of Heritage Centres and Historic Visitors Centres. The assets are held in the support of the company's primary objective of promoting and preserving historical buildings and construction techniques. The trustees valued these assets on a fair value basis at 31st March 2022.

There is an ongoing programme of capital expenditure at Pendle Heritage Centre and Higherford Mill. These are all grant-aided.

In addition, the company owns the collections at the Pendle Heritage Centre which are not valued as they are held for exhibition purposes and are held in perpetuity.

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

10. INVESTMENT PROPERTY

	Group Total £	Company Total £
FAIR VALUE		
At 1 st April 2021	2,976,992	2,976,992
At 31 st March 2022	<u>2,976,992</u>	<u>2,976,992</u>

Investment properties were professionally valued on a fair value basis at 31st March 2022 by Bruton Knowles LLP.

If investment properties had not been revalued they would have been included at the following historical cost within the accounts:

	Group Total £	Company Total £
At 31 st March 2022	<u>5,030,739</u>	<u>5,054,115</u>
At 31 st March 2021	<u>5,030,739</u>	<u>5,054,115</u>

11. OPERATING LEASE COMMITMENTS

During the year the company had the following operating lease commitments:

Lytham Hall: Leased at £1 per annum over 99 years. The lease expires on 31 December 2097.

Park Hill: Leased at £10 per annum over 90 years. The lease expires on 31 March 2081.

Due to the historic nature of the buildings the trustees do not believe it is possible to establish a marketable rental value for the properties.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

12. INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Unlisted investments:				
L.H.T. Enterprises Limited				
2 Ordinary shares of £250 each at cost	-	-	500	500
Conservation Services N.W. Limited				
1 Ordinary share of £1 at cost	-	-	1	1
	<u>-</u>	<u>-</u>	<u>501</u>	<u>501</u>

The investment in L.H.T. Enterprises Limited represents 100% of the issued share capital of the company. Its principal activity is that of carrying on the business of a general commercial company on behalf of the parent company. The parent company receives all profits made by the company.

The investment in Conservation Services N.W. Limited also represents 100% of the issued share capital of the company. The principal activity is that of the construction, preservation and repair of property. The parent company receives all profits made by the company.

The following is a summary of the trading subsidiaries' results for the year:-

	L.H.T. Enterprises Limited		Conservation Services N.W. Limited	
	£	£	£	£
Turnover		1,329,053		177,407
Expenditure:				
Cost of generating funds	1,113,765		161,322	
Cost of management and administration	<u>215,288</u>	<u>1,329,053</u>	<u>-</u>	<u>161,322</u>
Surplus/(Deficit)		<u>-</u>		<u>16,085</u>

13. STOCKS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	<u>12,500</u>	<u>7,700</u>	<u>-</u>	<u>-</u>
	<u>12,500</u>	<u>7,700</u>	<u>-</u>	<u>-</u>

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

14. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	55,007	7,437	29,745	290
Amounts due from subsidiary undertakings	-	-	158,012	128,991
Grants receivable	-	27,287	-	27,287
Other debtors	143,693	183,233	131,794	132,797
Prepayments	21,011	22,175	14,078	14,279
	<u>219,711</u>	<u>240,132</u>	<u>333,629</u>	<u>303,644</u>

15. CREDITORS: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	111,584	144,792	27,164	93,795
Bank loans and overdrafts	170,432	167,776	155,832	158,927
Amounts due to subsidiary undertakings	-	-	192,331	74,839
Other creditors	160,659	175,993	150,438	167,070
Other taxes and social security	56,828	9,898	16,534	5,113
Accruals and deferred income	52,996	29,916	7,334	7,622
Loans: Lytham Town Trust	75,000	75,000	75,000	75,000
	<u>627,499</u>	<u>603,375</u>	<u>624,633</u>	<u>582,366</u>

Included within amounts falling due within one year are bank loans totalling £63,779 (2021: £60,757) secured by a first legal charge over certain freehold investment properties of the charity.

The Lytham Town Trust loan is interest free with no fixed repayment date.

16. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	<u>1,628,933</u>	<u>1,710,215</u>	<u>1,579,883</u>	<u>1,646,064</u>
Amounts falling due in more than five years:				
	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Repayable by instalments				
Bank loans: > 5 years	<u>1,296,576</u>	<u>1,380,103</u>	<u>1,296,576</u>	<u>1,374,544</u>

Included within amounts falling due after more than one year are bank loans totalling £1,579,883 (2021: £1,646,064) secured by a first legal charge over certain freehold investment properties of the charity. All other bank loans are unsecured.

HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

17. PROVISION FOR LIABILITIES AND CHARGES

	Group and Company 2022 £	Group and Company 2021 £
Provision for the maintenance of Pendle Heritage Centre	<u>26,919</u>	<u>25,064</u>

18. RESULTS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements.

The parent company's net incoming resources for the financial year amounted to £108,447 (2021: £103,376).

19a. MOVEMENT IN RESTRICTED FUNDS

GROUP

	1 st April 2021 £	Income £	Expenditure £	Transfers between funds £	Revaluations and Impairments £	31 st March 2022 £
Fixed assets	11,743	10,858	(4,575)	-	-	18,026
Lytham Hall	92,127	173,169	(134,388)	29,552	-	160,460
Dukinfield project	125,000	-	-	-	-	125,000
Rose Castle (Project Officer)	3,057	-	-	-	-	3,057
Other projects	375,575	96,686	(115,218)	2,664	-	359,707
	<u>607,502</u>	<u>280,713</u>	<u>(254,181)</u>	<u>32,216</u>	<u>-</u>	<u>666,250</u>

COMPANY

	1 st April 2021 £	Income £	Expenditure £	Transfers between funds £	Revaluations and Impairments £	31 st March 2022 £
Fixed assets	11,743	10,858	(527)	(19,838)	-	2,236
Lytham Hall	34,127	165,169	(124,992)	29,552	-	103,856
Dukinfield project	125,000	-	-	-	-	125,000
Other projects	375,575	96,686	(93,953)	(18,601)	-	359,707
	<u>546,445</u>	<u>272,713</u>	<u>(219,472)</u>	<u>(8,887)</u>	<u>-</u>	<u>590,799</u>

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

19b. MOVEMENT IN UNRESTRICTED FUNDS

GROUP

	1 st April 2021 £	Income £	Expenditure £	Transfers between funds £	Revaluations and Impairments £	31 st March 2022 £
Designated:						
General fund	-	-	-	-	-	-
Maintenance of Pendle Heritage Centre Fund	25,064	-	-	1,855	-	26,919
David Knightley Trust	220,246	-	-	-	-	220,246
Undesignated:						
General fund	1,491,978	1,572,050	(1,474,050)	(34,071)	(516,713)	1,039,194
Revaluation reserve	559,108	-	-	-	(291,693)	267,415
	<u>2,296,396</u>	<u>1,572,050</u>	<u>(1,474,050)</u>	<u>(32,216)</u>	<u>(808,406)</u>	<u>1,553,774</u>

COMPANY

	1 st April 2021 £	Income £	Expenditure £	Transfers between funds £	Revaluations and Impairments £	31 st March 2022 £
Designated:						
General fund	-	-	-	-	-	-
Maintenance of Pendle Heritage Centre Fund	25,064	-	-	1,855	-	26,919
David Knightley Trust	220,246	-	-	-	-	220,246
Undesignated:						
General fund	1,644,776	323,298	(268,092)	7,032	(516,713)	1,190,301
Revaluation reserve	556,026	-	-	-	(291,693)	264,333
	<u>2,446,112</u>	<u>323,298</u>	<u>(268,092)</u>	<u>8,887</u>	<u>(808,406)</u>	<u>1,701,799</u>

Maintenance of Pendle Heritage Centre Fund

A fund to preserve the sites of historical and architectural interest at Park Hill which include the former farmhouse, the Cruck Barn, the Walled Garden, the Park Hill Barn and the Park Hill Cottages.

**HERITAGE TRUST FOR THE NORTH WEST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31st March 2022

23. RELATED PARTY DISCLOSURES

- 1 L.H.T Enterprises Limited and Conservation Services N.W. Limited remained as wholly owned subsidiaries of the reporting company.

During the year Heritage Trust for the North West either received income or paid for expenses on behalf of its subsidiary companies as follows:

- (i) L.H.T. Enterprises Limited totalling £77,617 (2021: £93,711)
- (ii) Conservation Services N.W. Limited totalling £49,326 (2021: £32,092)

During the year the subsidiary companies also either received income or paid for expenses on behalf of Heritage Trust for the North West as follows:

- (i) L.H.T. Enterprises Limited totalling £83,936 (2021: £18,445)
- (ii) Conservation Services N.W. Limited totalling £Nil (2021: £270)

In addition, L.H.T. Enterprises Limited made profit distributions to its parent undertaking under a service level agreement totalling £215,288 (2021: £112,959).

All transactions were charged to the correct company via the inter-company accounts.

As at 31st March 2022 Heritage Trust for the North West:

- (i) owed £192,331 (2021: £74,839) to L.H.T. Enterprises Limited
- (ii) was owed £158,012 (2021: £128,991) by Conservation Services N.W. Limited

- 2 As at 31st March 2022 Heritage Trust for the North West owed £25,000 (2021: £25,000) to L.E Stanworth, a trustee of the company.
- 3 As at 31st March 2022 Heritage Trust for the North West owed £82,153 (2021: £87,500) to E.M.J. Miller.