REGISTERED CHARITY NUMBER: 526315

The Lytham Schools Foundation

Report of the Corporate Trustee and

Audited Financial Statements

for the Year Ended 31 December 2020

McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

The Lytham Schools Foundation

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for the year ended 31 December 2020

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The Lytham Schools Foundation

Report of the Corporate Trustee
for the year ended 31 December 2020

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Charities Statement of Recommended Practice (SORP) FRS 102 'Accounting and Reporting by Charities' effective 1 January 2019.

OBJECTIVES AND ACTIVITIES
Objectives and aims
The objects of the charity are for the public benefit to advance education in or near Lytham St Anne's including by, but not limited to, the provision of land, buildings and other facilities for the purposes of a school or schools and the provision of means-tested bursaries and other financial awards to children and young people residing in or near Lytham St Anne's in need of financial assistance for the purpose of assisting with the costs of their education (including extra-curricular activities undertaken for educational purposes).

Public benefit
The main activities undertaken to further the charity's purposes for the public benefit are financial support for groups and projects that advance the education of children and young people in the area of operation.

The corporate trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

Grantmaking
The grant making policy is to make grants to local schools and educational groups.

A grant is made to AKS Lytham - Independent School to support bursaries.

Grants are made to certain primary schools to meet the Governors 10% liability, currently only applied to capital or large repairs (over £2,000).

Grants to local schools and educational groups are considered on their merit, having received a duly completed application. The aim is to provide facilities giving the widest possible benefit where other funding cannot be sought or found.

Individuals also apply using a prescribed application form, and support would be given where there is obvious benefit which the family cannot themselves provide - music and the arts are likely to be such candidates. The Charity also considers where a young person is eligible for a bursary at AKS, and would benefit particularly from the opportunities available there and not readily obtainable elsewhere, and United Learning Trust "ULT" do not have the resources to fully fund them themselves.

ACHIEVEMENT AND PERFORMANCE
Charitable activities
As the Foundation is no longer responsible for the running of the old KEQMS school the corporate trustee is able to focus on a wider use of its resources. However, at AKS the corporate trustee has negotiated that the school will provide bursarial support, i.e. subject to a means test, that will provide that at least 10% of all pupils can be educated at no cost. This fee support will probably total over £600,000 pa, which will include our donation to AKS for this year of £187,710 (2019: £215,642).

With reference to the primary schools, we do have some commitments by which we meet a proportion of quasi capital repair bills on behalf of the Governors based on the Department for Education criteria for voluntary aided schools, and in the past have also insured all the buildings. Whilst we do not have a commitment to any major capital expenditure, we may support projects if considered in line with our objectives.

Turning to our new wider support opportunities, in addition to the above, £281,361 (2019: £80,960) of grants have been paid for educational projects in the Lytham St. Anne's area over the last twelve months.

Investment performance
The Foundation has property investments, including the schools, valued in these accounts at £9.7 million (2019: £9.7 million) and substantial shareholding investments, valued at £5.3 million (£5.1 million) in these accounts. The income from these investments can be used to meet the Foundation's objectives.

FINANCIAL REVIEW
Investment policy and objectives
The Charity holds investments of £15,372,000 (2019: £15,219,000) which is split as £5,251,000 (2019: £5,073,000) in tradable securities, a loan balance of £375,000 (2019: £399,000) and £9,747,000 (2019: £9,747,000) in investment properties. The corporate trustee has the power to invest in such stocks, shares, investments and property in the UK as they see fit and in accordance with the Charities' legislation. In addition to the investments there is also cash held by investment managers of £15,000 (2019: £170,000).

Canaccord Genuity manage the investment portfolio which is to be managed on a bespoke basis, but broadly in line with the WMA Balanced Index. Depending upon market conditions and the relative attractiveness of different asset classes the weightings may deviate from WMA if deemed to be in the best interests of the Charity. The portfolio will generally be invested in direct holdings via a mix of blue chip equities (although permitted to invest in FTSE250 as medium risk), preference shares and bonds.

Given that there will be a bias towards large-cap companies which by definition are usually multi-national in nature, thus providing exposure to most major global economies, specific direct overseas investments are unlikely to be considered.

Canaccord Genuity select investments using their own internal research, together with third party research from Investment Banks and other similar institutions. Collectives may be used if deemed in the best interests in the circumstances. When selecting collectives, this will be done taking into account past performance, any discounts to NAV, along with investment strategy. Where possible these will be selected from the central Canaccord Genuity approved list, although we may choose investments from outside the list if appropriate.

Given that the WMA Balanced Index includes alternative investments such as commercial property and hedge funds, these will be included in the portfolio through REITS and hedge fund managers if deemed appropriate. As such, property and hedge fund elements are to be included within the equity element of the portfolio so that the long term asset allocation in normal circumstances is defined above.

The investment objective is to provide sufficient growth to protect the fund against the effects of inflation in the medium to long term. This is subject to change should there be any requirement for large capital outlay. The Trustees accept that to achieve the long term capital growth and a real return over inflation the fund must be subjected to the risks associated with asset backed investments and investing in business through loans and equity holdings. The corporate trustee is not averse to the concept of an element of investment risk but wish the fund to be balanced to reduce the overall effect of that risk.

The assets held by the investment managers were invested at the year end in accordance with the following profile;

- 52.5% - 72.5% UK and international fixed interest
- 7.5% - 27.5% % UK and international equities
- 0% - 20% Structured Return, Property, Hedge Funds and other
- 0% - 20% Cash

It should be noted that in arriving at the above, the corporate trustee and investment managers are aware that The Lytham Schools Foundation holds further cash for its short term needs and investment properties.

The investment properties are held both to provide income through the rents and also for their long term capital growth.

Report of the Corporate Trustee
for the year ended 31 December 2020

FINANCIAL REVIEW
Reserves policy
The aim is to keep sufficient reserves to generate an income sufficient to allow future charitable grant making activities. It is anticipated that the level of grant making expenditure will increase as the aims of the Charity become more widely known.

The funds in the financial statements are defined as:-

General Fund and Investment Asset Fund
These funds are unrestricted and are used for all charitable purposes without restriction in accordance with the governing documents. Amounts held in these funds as at 31 December 2020 were £4,988,200 and £9,746,648 (2019: £5,212,103 and £9,746,648) respectively.

Restricted Fund - AKS
This fund is for provision of support for the seven funds and trusts for the specific benefit of AKS Independent School. The amount held in this fund as at 31 December 2020 was £108,169 (2019: £88,575).

Endowment Fund - AKS
This fund is for the capital amounts from which the income is allocated to the Restricted Fund above. The amount held in this fund as at 31 December 2020 was £271,936 (2019: £277,849).

Further details of restricted funds are included in note 13.

Review of the year
The Charity had net expenditure after realised and unrealised gains on investment assets of £210,222 (2019: net income £588,285).

Investment performance
The listed investments increased in value by 3.5% (2019: 16.1% increase)

FUTURE PLANS
Further grant applications for educational projects in the Lytham St. Anne's area have been approved but not yet paid. The corporate trustee is excited at the future prospects for supporting education.

The Charity has current grant commitments to Lytham CE Primary School (£18,000), AKS Supplementary Bursaries (£154,989), Fairhaven Lake (£5,000) and Heyhouses Endowed CE Primary (£9,578), Aspired Futures (£24,960), Homestart BFW Infant Mental Health Project (£15,000), Lytham St Anne's High School Coronavirus (£30,000),St Bede's RC High School Coronavirus (£39,000), The Karate Kid (£15,000), CN Sports Primary School Football Kit and Equipment (£5,000), Clerking Office (£3,000) . All such commitments have been provided for in these financial statements.

Post Balance Sheet Event
Since the year end, the Foundation has received a sum of £1,047,000 from a legacy estate of a former pupil. The corporate trustee is liaising with the Executor to ensure the funds are invested and used in accordance with the wishes of the donor.

The Foundation has also committed to underwrite £200,000 to contribute towards a new sports hall to the Department for Education for Lytham St. Anne's High School. This has been agreed since the year end.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Governing document
The charity is governed by a Scheme dated 11 November 2011 (as amended by an order of the First Tier Tribunal (Charity) dated 31 August 2012 and a resolution of the Trustee dated 4 October 2012).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Lytham Schools Trustee Limited is the corporate trustee for The Lytham Schools Foundation and the directors of that company in effect act as the trustees for the Foundation. Marjorie Towers is the chairman of the company and Clive Barnes is the vice chairman.

The directors of The Lytham Schools Trustee Limited are appointed in accordance with the Memorandum and Articles of Association of that company.

The Charity continues to look for appropriate people with relevant experience to be directors of The Lytham Schools Trustee Limited.

Organisational structure

The Lytham Schools Foundation, which was founded over 300 years ago, has as its primary objective the provision of education for those in the Lytham St. Anne's area (based on the ancient parish of Lytham). It owns three schools - AKS (the old KEQMS school) which in 2011 it leased to ULT and two primary schools - Lytham C of E and Heyhouses, which are run by the Blackburn Diocesan Board of Education and Lancashire Education Committee. The Foundation now therefore has no involvement in the day to day running of these schools.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

526315

Principal address

Bank House
9 Dicconson Terrace
Lytham
Lytham St Anne's
Lancashire
FY8 5JY

Trustees

The Lytham Schools Trustee Limited

Auditors

McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Chorley
Lancashire
PR7 7NA

Solicitors

Dickinsons Solicitors
24 Park Road
St. Anne's-on-the-Sea
Lytham St. Anne's
Lancashire
FY8 1PA

Veale Wasborough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Report of the Corporate Trustee
for the year ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers
HSBC Bank plc
1 Newhouse Road
Oxford Square
Blackpool
Lancashire
FY4 4YH

Stockbrokers
Canaccord Genuity
9-11 Neptune Court
Hallam Way
Blackpool
Lancashire
FY4 5LZ

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The corporate trustee is responsible for preparing the Report of the Corporate Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the corporate trustee is required to

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

The corporate trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Board of Directors of the Corporate Trustee on 6 October 2021 and signed on its behalf by:

C E Barnes

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Mr. Clive E. Barnes ,
on behalf of The Lytham Schools Trustee Limited - Trustee

Report of the Independent Auditors to the Corporate Trustee of The Lytham Schools Foundation

Opinion

We have audited the financial statements of The Lytham Schools Foundation (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

In our opinion the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the corporate trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the corporate trustee with respect to going concern are described in the relevant sections of this report.

Other information

The corporate trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Report of the Independent Auditors to the Corporate Trustee of The Lytham Schools Foundation

Matters on which we are required to report by exception

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

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

Responsibilities of trustee

As explained more fully in the Statement of Trustee's Responsibilities, the corporate trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the corporate trustee determines 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 corporate trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the corporate trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the corporate trustee and management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities and Companies Acts and the Charities SORP, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation, particularly in relation to the safe-guarding of young persons;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the corporate trustee and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions,

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of trustees and management as to actual and potential litigation and claims; and
- reviewing correspondence with The Charity Commission, Local Government bodies, HMRC, relevant regulators including the Health and Safety Executive, and the charity's legal advisors.

Report of the Independent Auditors to the Corporate Trustee of The Lytham Schools Foundation

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the corporate trustee and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's corporate trustee 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 corporate trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Date: 6 October 2021

The Lytham Schools Foundation

Statement of Financial Activities
for the year ended 31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2020 Total funds £**	2019 Total funds £
INCOME AND ENDOWMENTS FROM						
Investment income	2	**339,097**	**7,938**	**-**	**347,035**	512,572
TOTAL INCOME		**339,097**	**7,938**	**-**	**347,035**	512,572
EXPENDITURE ON						
Raising funds	3	**11,714**	**2,057**	**-**	**13,771**	20,313
Charitable activities						
Education	4	**517,678**	**(15,598)**	**-**	**502,080**	326,813
Other		**3,156**	**-**	**-**	**3,156**	3,090
TOTAL EXPENDITURE		**532,548**	**(13,541)**	**-**	**519,007**	350,216
Net income/(expenditure) before investment (losses)/gains		**(193,451)**	**21,479**	**-**	**(171,972)**	162,356
Net (losses)/gains on investments		**(30,452)**	**(1,885)**	**(5,913)**	**(38,250)**	425,929
NET INCOME/(EXPENDITURE)		**(223,903)**	**19,594**	**(5,913)**	**(210,222)**	588,285
RECONCILIATION OF FUNDS						
Total funds brought forward		**14,958,751**	**88,575**	**277,849**	**15,325,175**	14,736,890
TOTAL FUNDS CARRIED FORWARD		**14,734,848**	**108,169**	**271,936**	**15,114,953**	15,325,175

The notes form part of these financial statements

The Lytham Schools Foundation

Balance Sheet
31 December 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	**2020 Total funds £**	2019 Total funds £
FIXED ASSETS						
Investments						
Investments	9	**5,255,582**	**108,169**	**261,584**	**5,625,335**	5,472,228
Investment property	10	**9,746,648**	**-**	**-**	**9,746,648**	9,746,648
		15,002,230	**108,169**	**261,584**	**15,371,983**	15,218,876
CURRENT ASSETS						
Debtors	11	**7,842**	**-**	**-**	**7,842**	3,455
Cash at bank		**47,603**	**-**	**10,352**	**57,955**	213,194
		55,445	**-**	**10,352**	**65,797**	216,649
CREDITORS						
Amounts falling due within one year	12	**(322,827)**	**-**	**-**	**(322,827)**	(110,350)
NET CURRENT ASSETS		**(267,382)**	**-**	**10,352**	**(257,030)**	106,299
TOTAL ASSETS LESS CURRENT LIABILITIES		**14,734,848**	**108,169**	**271,936**	**15,114,953**	15,325,175
NET ASSETS		**14,734,848**	**108,169**	**271,936**	**15,114,953**	15,325,175
FUNDS	13					
Unrestricted funds					**14,734,848**	14,958,751
Restricted funds					**108,169**	88,575
Endowment funds					**271,936**	277,849
TOTAL FUNDS					**15,114,953**	15,325,175

The financial statements were approved by the Board of Directors' of the Corporate Trustee and authorised for issue on 6 October 2021 and were signed on its behalf by:

C E Barnes

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Mr. Clive E. Barnes ,
on behalf of The Lytham Schools Trustee Limited - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentational currency of the charity is pound sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

There are no material uncertainties about the charity's ability to continue.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Financial instruments
Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation
The charity is exempt from tax on its charitable activities.

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

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

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Notes to the Financial Statements - continued
for the year ended 31 December 2020

1. ACCOUNTING POLICIES - continued

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

Realised gains and losses
All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments
The investments are included at closing mid-market value at the balance sheet date. The cost of investments includes commission paid to the investment managers. Any gain or loss or revaluation is taken to the Statement of Financial Activities.

2. INVESTMENT INCOME

	2020	2019
	£	£
Rents receivable	**115,803**	124,888
Investment income	**231,232**	387,684
	347,035	512,572

3. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Investment manager's fees	**13,771**	20,313

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 5)	Totals
	£	£	£
Education	**36,400**	**465,680**	**502,080**

continued...

Notes to the Financial Statements - continued
for the year ended 31 December 2020

5. GRANTS PAYABLE

	2020	2019
	£	£
Education	465,680	296,602

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Fylde Borough Council - Fairhaven Lake Project	5,000	-
Aspired Futures - Happy 2 Learn	24,960	-
Park View 4U - Education Officer	-	5,000
Play Inclusive Project - Kilgrimol Youth Club	-	10,000
Scouts Kayak Trailer	950	-
Project Trust Grant	-	483
Learning Curve Nursery Fees	-	8654
Post Graduate Bursaries	3,500	9,000
Church Schools Event	1,000	-
Travel grants	-	1,750
Homestart Grant	5,000	-
The Karate Kit	15,000	-
Lytham CE Primary School - Governors Share	17,906	24,305
Lytham CE Primary School - Building repairs	-	(3,538)
St Bede's - Coronavirus	39,000	-
Lytham St Anne's High - Coronavirus	30,000	-
Heyhouses Endowed CE Primary School - Governors share	77,597	25,306
AKS Lytham Independent School - Supplementary Bursaries	77,139	95,986
AKS Lytham Independent School - Bursaries (Contra Rent)	110,571	119,656
Homestart BFW Infant Mental Health Project	15,000	-
Pandemic Support	38,057	-
CN Sports - Primary School Football Kit and Equipment	5,000	-
	465,680	296,602

The charity has opted to use the available disclosure exemption provided by Charity law to charitable trusts registered in England and Wales from providing the names of grant recipients and the amounts of such grants during the lifetime of the settlor who donated the funds from which the grants are paid or during the lifetime of any spouse or civil partner of the settlor.

continued...

6. SUPPORT COSTS

	Governance costs £
Other resources expended	3,156

Auditors remuneration for the year was £3,156 (2019: £3,090).

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

During the year £32,400 (2019: £30,000) was paid to Mr ME Gunson as clerk to the Foundation, covering all administrative services provided. Mr ME Gunson is also a director and company secretary of The Lytham Schools Trustee Limited.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Investment income	497,657	14,915	-	512,572
TOTAL INCOME	497,657	14,915	-	512,572
EXPENDITURE ON				
Raising funds	15,251	5,062	-	20,313
Charitable activities				
Education	336,833	(10,020)	-	326,813
Other	3,090	-	-	3,090
TOTAL EXPENDITURE	355,174	(4,958)	-	350,216
Net income/(expenditure) before investment (losses)/gains	**142,483**	**9,957**	**-**	**162,356**
Net gains/(losses) on investments	453,618	13,679	(41,368)	425,929
NET INCOME/(EXPENDITURE)	596,101	33,552	(41,368)	588,285
RECONCILIATION OF FUNDS				
Total funds brought forward	14,362,650	55,023	319,217	14,736,890
TOTAL FUNDS CARRIED FORWARD	14,958,751	88,575	277,849	15,325,175

continued...

9. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Shares	**5,250,835**	5,073,228
Loans	**374,500**	399,000
	5,625,335	5,472,228

	Listed investments £
MARKET VALUE	
At 1 January 2020	**5,073,228**
Additions	**1,388,371**
Disposals	**(1,399,097)**
Unrealised gains	**188,333**
At 31 December 2020	**5,250,835**
NET BOOK VALUE	
At 31 December 2020	**5,250,835**
At 31 December 2019	5,073,228

	Other loans £
At 1 January 2020	**399,000**
Repayments in year	**(24,500)**
At 31 December 2020	**374,500**

There were no investment assets outside the UK.

The historical cost of listed investments at the year end is £3,203,008 (2019: £3,137,333).

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2020 and 31 December 2020	**9,746,648**
NET BOOK VALUE	
At 31 December 2020	**9,746,648**
At 31 December 2019	9,746,648

The investment properties have been valued by Bushells & Benstead LLP Chartered Surveyors at market value at 31 December 2016. The corporate trustee believes that the market value has not materially changed since this valuation.

continued...

Notes to the Financial Statements - continued
for the year ended 31 December 2020

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other debtors	7,842	3,455

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	322,827	110,350

13. MOVEMENT IN FUNDS

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	**14,958,751**	**(223,903)**	**14,734,848**
Restricted funds			
Funds designated exclusively for AKS	**88,575**	**19,594**	**108,169**
Endowment funds			
Capital accumulation fund	**277,849**	**(5,913)**	**271,936**
TOTAL FUNDS	**15,325,175**	**(210,222)**	**15,114,953**

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	**339,097**	**(532,548)**	**(30,452)**	**(223,903)**
Restricted funds				
Funds designated exclusively for AKS	**7,938**	**13,541**	**(1,885)**	**19,594**
Endowment funds				
Capital accumulation fund	**-**	**-**	**(5,913)**	**(5,913)**
TOTAL FUNDS	**347,035**	**(519,007)**	**(38,250)**	**(210,222)**

continued...

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	14,362,650	596,101	14,958,751
Restricted funds			
Capital accumulation fund	55,023	33,552	88,575
Endowment funds			
Capital accumulation fund	319,217	(41,368)	277,849
TOTAL FUNDS	14,736,890	588,285	15,325,175

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	497,657	(355,174)	453,618	596,101
Restricted funds				
Capital accumulation fund	-	-	33,552	33,552
Funds designated exclusively for AKS	14,915	4,958	(19,873)	-
	14,915	4,958	13,679	33,552
Endowment funds				
Capital accumulation fund	-	-	(41,368)	(41,368)
TOTAL FUNDS	512,572	(350,216)	425,929	588,285

Funds designated exclusively for AKS are made up as follows:

	2020 Endowment £	**2020 Restricted £**	2019 Endowment £	2019 Restricted £
Mellor Lecture Trust	1,748	16,399	1,785	14,357
Mellor Scholarship	4,151	28,558	4,241	24,844
Wolfson Scholarship	129,268	21,016	132,057	14,556
Wolfson Sixth Form	121,793	10,403	124,421	7,177
Donovan Travel Fund	1,069	684	1,092	647
Fred H Hill Fund	814	1,759	832	1,519
Denys Ingham Travel Fund	5,534	4,579	5,654	4,043
Tom Bleasdale Memorial Fund	7,560	633	7,767	602
Prize Funds	-	24,137	-	20,828
	271,937	108,168	277,849	88,575

continued...

Notes to the Financial Statements - continued
for the year ended 31 December 2020

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020 or for the year ended 31 December 2019.

15. RESTRICTED FUNDS

Restricted funds are to be applied as follows:

Mellor Lecture Trust and Mellor Scholarship
Financial assistance to pupils undertaking extra-curricular activities.

Wolfson Scholarship and Wolfson Sixth Form Fund
Assistance towards school fees in special circumstances.

Donovan Travel Fund
Fred H Hill Fund
Denys Ingham Travel Fund
Assistance towards expenses of educational visits.

Tom Bleasdale Memorial Fund
Funds to support and develop the game of Rugby.

Prize Funds
Prizes and awards.

Investment Asset Fund
Funds invested in land, buildings and equipment.