

**PETER LATHOM'S CHARITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018**

Charity Registration Number: 228828

**Advance Chartered Accountants
71/73 Hoghton Street
Southport
PR9 0PR**

PETER LATHOM'S CHARITY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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PETER LATHOM'S CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NUMBER	228828
ADDRESS	The Clerk to the Trustees c/o Brighthouse Wolff 82 Sandy Lane Skelmersdale Lancashire WN8 8LQ
TRUSTEES	As detailed on pages 4 & 5
CLERK	Christine Aitken Solicitor Brighthouse Wolff
INDEPENDENT EXAMINER	R W Thompson FCCA Advance Chartered Accountants 71/73 Hoghton Street Southport Merseyside PR9 0PR
BANKERS	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
STOCKBROKERS/INVESTMENT MANAGERS	Rathbones Investment Management Ltd Port of Liverpool Buildings Pier Head Liverpool L3 1NW
INVESTMENTS MANAGERS	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ

**PETER LATHOM'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

Peter Lathom's Charity is a registered charity, number 228828. It was established by a Trust Deed dated 9 May 1902. The provisions of the scheme of the charity were last amended effective from 21 January 1974.

APPOINTMENT OF TRUSTEES

The Trustees are as detailed on pages 4 and 5. Central Representative Trustees are appointed for four year terms, one from each of the twelve local bodies of trustees, one from Lancashire County Council & one from Manchester University. Central Co-optative Trustees are appointed for five year terms by resolution of the Central Trustees passed in special meeting, and also serve as Local Ex-officio Trustees, one for each of the twelve districts. Local Representative Trustees are appointed for four year terms by the appropriate Parish Council or equivalent body. Local Co-optative Trustees are appointed for five year terms by resolution of the Local Trustees concerned passed in special meeting.

ORGANISATION

The full body of central trustees meet annually. Management of the charity's affairs is delegated to two committees - The Farm & Finance Committee and the Education Committee, also known as the Exhibitions Committee. The composition and terms of reference of these committees is ratified annually by the central trustees' body. The committees meet as required. During the year under review the Farm and Finance committee met twice. The Education Committee also met twice.

A proposed revision to the Scheme is still ongoing in consultation with the Charity Commissioners.

There are twelve local trustee bodies representing separate districts in the area of benefit. These local trustees each meet annually to determine the distribution of the funds appropriated to them under the scheme.

OBJECTS AND ACTIVITIES

The key objectives of the Charity are to provide financial assistance for the education and training of persons under the age of 25 years resident in the districts forming the area of benefit of the Charity, and in the application of income for the relief of persons in need, hardship or distress similarly resident within the said qualifying districts.

The scheme lays down formulae for distribution of the income between the above objectives resulting in various restricted income funds.

The Charity's capital is permanently endowed.

There have been no changes in the policies since the last report.

PETER LATHOM'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

ACHIEVEMENTS AND PERFORMANCE

The charity made the following distributions in accordance with the scheme:-

At the Exhibitions meeting held in March, the clerk reported that funds totalling £13,710 (representing income derived from 2017) were available for distribution. This was after paying out £820 to two young people at the West Lancs Crisis Centre. Grants totalling £7,886 were awarded to 17 schools, and after discussion and checking with the constitution, Rainbow House was awarded £2,000. No grant applications had been received from Seniors at this time so the remaining balance of £3,824 was to be retained at this point for the benefit of future Junior or Senior grants.

Before the next meeting held in January 2019, the Chairman had actioned payment of Junior grants totalling £820 to 2 individuals via the Birchwood Centre. The balance was left for future applications.

During the year, a Welfare grant of £560 was made to Happy Days (as agreed last year), £750 was paid to Rainbow House and a £400 donation to an individual was also paid.

The local trustees' bodies distributed £18,101 to institutions and £3,016 to qualifying individuals in the area of benefit.

FINANCIAL REVIEW

The Charity's net incoming resources on the restricted income funds were £11,095 after distributions of £33,905. The endowed funds showed a net reduction of £80,688 (2017: growth of £104,795) a 4.9% decrease (2017: increase of 8.5%) on the previous year's value.

RESERVES

Grants/awards are made in the following year, at a series of meetings of the Central & Local Trustees' bodies. The charity normally expends all of its net income from the previous year on its objects, therefore the reserves at any year end generally represent the net income due for distribution in the following year.

INVESTMENT POLICY

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, taking into account the income requirements of the charity, to pay current beneficiaries and to obtain capital growth for the benefit of future generations of beneficiaries. The trustees use CCLA and Rathbones Investment Management Ltd as investment advisors to the charity.

The Charity's Investments held with CCLA showed a decrease of 2.24% (2017: increase of 8.17%) in capital value over the year with an income yield of 3.58% (2017: 3.80%). The funds held with Rathbones demonstrated a decrease of 6.84% (2017: increase of 5.66%) capital growth and an income yield of 3.87% (2017: 3.81%).

PETER LATHOM'S CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)

CENTRAL CO-OPTATIVE TRUSTEES

(also serve as Local Ex-officio Trustees for the district indicated)

Mrs H Rosbotham	(Bickerstaffe)
Mrs E Sharrock	(Bispham & Mawdesley)
Mr J P Taylor	(Burscough) (resigned in year)
Mr J L McKie	(Croston)
Mr W Waterworth	(Dalton & Parbold)
Mr K Vincent	(Newburgh & Lathom)
Mr D Snape (Vice Chairman)	(Ormskirk)
Mr P G Grace	(Rufford)
Mr P W Scarisbrick	(Scarisbrick)
Mr C J Byron (Chairman)	(Skelmersdale)
Mrs E Doran	(Ulnes Walton & Eccleston)
Mr K Mather	(Welch Whittle, Heskin & Wrightington)

CENTRAL REPRESENTATIVE TRUSTEES

(also serve as Local Trustees for the district indicated)

Mr J Mercer	(Bickerstaffe)
Mr R H Mallows	(Bispham & Mawdesley)
Cllr D Hardisty	(Burscough)
Mrs K Almond	(Croston)
Mrs S E Braithwaite	(Dalton & Parbold)
Cllr E Pope	(Newburgh & Lathom)
Mr A Owens	(Ormskirk)
Mrs K Cummings	(Rufford)
Mr I Tinsley	(Scarisbrick)
Mr P Cotterill	(Skelmersdale)
Cllr M Miller	(Ulnes Walton & Eccleston)
Dr H Butler	(Welch Whittle, Heskin & Wrightington)
Awaiting appointment	Lancashire County Council Appointee
Mrs L Hayes	Manchester University Appointee

PETER LATHOM'S CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)

LOCAL REPRESENTATIVE/CO-OPTATIVE TRUSTEES

Bickerstaffe	Cllr B Shufflebotham
Bispham & Mawdesley	Ms J Jenkinson
Burscough	Cllr J Higson (resigned in year) Cllr B Bailey Ms S Lamb
Croston	Mrs K Beatty Cllr G Stubbs
Dalton & Parbold	Cllr M Blake Cllr G Rainford Ms S Carruthers (appointed in year)
Newburgh & Lathom	Mrs J Citarella Mrs J Peggs (appointed in year)
Ormskirk	Cllr N Delaney Cllr P Hudson (retired in year) Cllr A Yates (appointed in year)
Rufford	Miss M Skinley Miss A Croft
Scarisbrick	Mrs J Marshall Mr W J Cropper
Skelmersdale	Cllr T Devine (resigned in year) Mr S Jones Cllr C Cooper (appointed in year)
Ulnes Walton & Eccleston	Mrs P Sloan Mr H J Sloan
Welch Whittle, Heskin594 & Wrightington	Mr J L Hill Mr A Whittaker Mr J Clinch

Signed on behalf of the Trustees


.....
C Byron (Chairman of Trustees)

5 March 2019

PETER LATHOM'S CHARITY

Independent examiner's report to the Trustees of Peter Lathom's Charity

I report on the accounts of the trust for the year ended 31 December 2018, which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

examine the accounts under section 145 of the 2011 Act;

to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act; and

to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that in, any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R.W. Thompson FCCA
Advance Chartered Accountants
71/73 Hoghton Street
Southport
PR9 0PR



Date

5 March 2019

PETER LATHOM'S CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2018

	Notes	Restricted Income Funds (Note 2)	Permanent Endowment Funds	Total Funds 2018	Total Funds 2017
Incoming resources					
Incoming resources from generated funds					
Investment income					
COIF		31,766		31,766	31,206
Rathbones		26,973		26,973	25,280
Tax Rebate		(343)		(343)	445
Bank interest		41		41	24
Farm land rent		1,000		1,000	1,000
Total incoming resources		59,437	-	59,437	57,955
Resources expended					
Costs of generating funds					
Investment management costs					
Insurance		427		427	447
Investment managers fees			5,793	5,793	5,708
		427	5,793	6,220	6,155
Charitable activities					
Local trustees' distributions		20,669		20,669	22,881
Central trustees' grants & donations					
Welfare distributions to institutions	2	1,710		1,710	1,200
Grants to local schools		9,886		9,886	8,700
Education grants to individual students		1,640		1,640	2,880
		33,905	0	33,905	35,661
Governance costs					
Clerks' fees (incl disbursements)		9,967		9,967	9,360
Accountancy & independent examination		3,300		3,300	3,000
Sundries (incl Trustees' meetings)		743		743	814
Professional fees		0		0	2,100
		14,010	0	14,010	15,274
Total resources expended		48,342	5,793	54,135	57,090
Net incoming/(outgoing) resources before other recognised gains & losses		11,095	(5,793)	5,302	865
Other recognised gains & losses					
Realised gain on investments			4,208	4,208	1,321
Unrealised (loss)/gain on revaluation of investments	4		(79,103)	(79,103)	109,182
Net movement in funds		11,095	(80,688)	(69,593)	111,368
Reconciliation of funds					
Total funds brought forward		50,852	1,662,169	1,713,021	1,601,653
Total funds carried forward		61,947	1,581,481	1,643,428	1,713,021

PETER LATHOM'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Fixed Assets			
Investments			
Freehold land	5	73,625	73,625
Other investments	6	1,511,592	1,592,280
Total fixed assets		1,585,217	1,665,905
Current Assets			
Debtors	7	-	445
Cash at bank		61,925	50,275
Total current assets		61,925	50,720
Liabilities			
Creditors: Amounts falling due within one year	8	(3,714)	(3,604)
Net current assets		58,211	47,116
Net assets		1,643,428	1,713,021
The Funds of the charity	9		
Endowment fund		1,581,481	1,662,169
Restricted income funds:			
Estate of mixed account (Incl. local Trustees' funds)		40,308	32,370
Welfare fund		4,492	3,952
Lathom educational foundation		17,147	14,530
		61,947	50,852
		1,643,428	1,713,021

The trustees approved the financial statements on 5 March 2019

Signed on behalf of the trustees by:

C Byron

Chairman of Trustees

The accounting policies and notes on pages 9 to 12 form an integral part of these financial statements.

PETER LATHOM'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)'. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income & expenditure recognition

Income is accounted for in the accounting period in which it is receivable. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Fixed asset investments

Fixed asset investments are stated at market value, unrealised gains or losses arising on the change in market value during the year are included in the Statement of Financial Activities.

2. Analysis of Income Funds

	Estate or Mixed Account	Lathom Educational Foundation	Welfare Fund	Total
Income	59,437	0	0	59,437
Investment management costs	(427)			(427)
Charitable activities	(20,669)	(11,526)	(1,710)	(33,905)
Governance costs	(14,010)			(14,010)
Net Income	<u>24,331</u>	<u>(11,526)</u>	<u>(1,710)</u>	<u>11,095</u>
Transfers between funds	(16,393)	14,143	2,250	-
Funds b/fwd	32,370	14,530	3,952	50,852
Funds c/fwd	<u>40,308</u> =====	<u>17,147</u> =====	<u>4,492</u> =====	<u>61,947</u> =====

Distributions are made from the various income funds in October/November of the following year.

The **Estate or Mixed Account** represents the residue of monies after transfers to other funds, in accordance with the charity's scheme, and is distributable by the twelve local bodies of trustees in their respective districts, amongst those who are in need, hardship or distress. During the year grants were made to individuals totalling £3,016 and institutions in the areas of benefit totalling £18,101.

PETER LATHOM'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

The **Lathom Educational Foundation** represents the income of the charity which under the scheme is applicable to promoting the education of persons under the age of 25, in need of assistance and resident in the districts forming the area of benefit of the Charity. Distributions were made by way of payments of £1,640 to 4 juniors and 17 schools amounting to £7,886. £2,000 was also agreed to be paid to Rainbow House.

The **Welfare Fund** represents income which under the scheme is distributable by the central trustees amongst those in need hardship or distress in the districts forming the charity's area of benefit. During the year, grants totalling £1,710 were paid out.

3. No remuneration or re-imbursement of expenses was paid or payable out of the funds of the Charity to any trustee or any person connected with any of them.

4. **Unrealised gain and (losses)**

	2018 £	2017 £
Other Investments	(79,103)	109,182
	<u>(79,103)</u>	<u>109,182</u>
	=====	=====
5. Freehold land and buildings	2018 £	2017 £
Charity Farm Land	73,625	73,625
	<u>73,625</u>	<u>73,625</u>
	=====	=====

The Charity owns 14.73 acres of agricultural land and this has been valued in the Balance Sheet at £73,625 by the Trustees in 2010. The trustees still consider this to be a reasonable valuation.

6. Other Investments	Charities Official Investment Fund £	Rathbones Portfolio £	Total £
Market value as at 31 December 2017	887,913	704,367	1,592,280
Additions		156,090	156,090
Disposal proceeds		(170,077)	(170,077)
Net cash movement		8,194	8,194
Realised profit		4,208	4,208
Unrealised profit/(loss)	(19,853)	(59,250)	(79,103)
Market value as at 31 December 2018	<u>868,060</u>	<u>643,532</u>	<u>1,511,592</u>
	=====	=====	=====
Cost as at 31 December 2018	<u>144,415</u>	<u>585,441</u>	<u>729,856</u>
	=====	=====	=====

The Charities Official Investment Fund investment comprises Charities Investment Fund £780,234 (2017 £802,412) and Charities Property Fund £87,826 (2017 £85,501).

Other investments represent shares and securities listed on recognised UK and foreign stock exchanges.

PETER LATHOM'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

7. Debtors	2018 £	2017 £
Tax refund	-	445
	<u>-</u>	<u>445</u>
	=====	=====

8. Creditors: amounts falling due within one year	2018 £	2017 £
Accruals and deferred income	3,714	3,604
	<u>3,714</u>	<u>3,604</u>
	=====	=====

9. Analysis of Net Assets by Fund

	Restricted Income Funds £	Permanent Endowment £	Total £
Fixed Asset Investment		1,585,217	1,585,217
Net Current Assets	61,947	(3,736)	58,211
	<u>61,947</u>	<u>1,581,481</u>	<u>1,643,428</u>
	=====	=====	=====

Local Trustees' Accounts & Distributions

Year Ended 31 December 2018

	<u>Bickerstaffe</u>	<u>Bispham</u> & <u>Mawdesley</u>	<u>Burscough</u>	<u>Croston</u>	<u>Dalton & Parbold</u>	<u>Newburgh & Lathom</u>	<u>Ormskirk</u>	<u>Rufford</u>	<u>Scarisbrick</u>	<u>Skelmersdale</u>	<u>Ulnes Walton & Eccleston</u>	<u>Welch Whittle Heskin & Wrightington</u>	<u>Total</u>
Transfer from Central Trustees (from 2017 Income)	1,729.10	1,742.16	2,728.17	1,837.91	1,739.30	2,321.70	4,143.46	1,751.92	2,019.66	2,668.13	1,966.42	2,200.07	26,848.00
	1,729.10	1,742.16	2,728.17	1,837.91	1,739.30	2,321.70	4,143.46	1,751.92	2,019.66	2,668.13	1,966.42	2,200.07	26,848.00
Charitable Distributions													
Institutional Grants	1,729.10	1,850.59	0.00	2,000.00	1,539.30	900.00	4,810.00	551.92	1,899.66	2,150.00	0.00	670.01	18,100.58
Payments Via Local Trustees	0.00	0.00	0.00	0.00	200.00	0.00	200.00	1,200.00	120.00	0.00	966.42	330.02	3,016.44
Grants Returned from Previous Year	(25.00)	(373.03)	(50.00)										(448.03)
Total Expenditure	1,704.10	1,477.56	(50.00)	2,000.00	1,739.30	900.00	5,010.00	1,751.92	2,019.66	2,150.00	966.42	1,000.03	20,668.99
Net	25.00	264.60	2,778.17	(162.09)	0.00	1,421.70	(866.54)	0.00	0.00	518.13	1,000.00	1,200.04	6,179.01
Balance B/fwd 1.1.18	0.00	0.00	2,230.80	298.49	0.00	0.00	2,174.81	0.00	0.00	816.76	0.00	0.00	5,520.86
Balance C/fwd 31.12.18	25.00	264.60	5,008.97	136.40	0.00	1,421.70	1,308.27	0.00	0.00	1,334.89	1,000.00	1,200.04	11,699.87
Transfer Due in respect of 2018 Income	1,842.34	1,856.27	2,906.94	1,958.29	1,853.22	2,473.82	4,415.06	1,866.66	2,151.97	2,842.96	2,095.24	2,344.23	28,607.00
Distributions Due Autumn 2019	1,867.34	2,120.87	7,915.91	2,094.69	1,853.22	3,895.52	5,723.33	1,866.66	2,151.97	4,177.85	3,095.24	3,544.27	40,306.87