

**The Lytham Schools Foundation
Report of the Trustees and
Financial Statements for the Year Ended
31 December 2018**

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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The Lytham Schools Foundation

Report of the Trustees for the year ended 31 December 2018

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of the Charities Statement of Recommended Practice (SORP) FRS 102 'Accounting and Reporting by Charities' effective 1 January 2015.

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 trustees confirm that they have 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 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 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 trustees are able to focus on a wider use of its resources. However at AKS the trustees have 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 £180,046 (2017: £297,173).

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. In the last twelve months there is an amount included in accruals which amounts to £75,062 (2017: £29,417).

Turning to our new wider support opportunities, in addition to the above, £92,005 (2017: £340,477) 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 and substantial shareholding investments, valued at £4.8 million in these accounts. The income from these investments can be used to meet the Foundation's objectives.

The Lytham Schools Foundation

Report of the Trustees for the year ended 31 December 2018

FINANCIAL REVIEW

Investment policy and objectives

The Charity holds investments of £14,541,000 (2017: £15,228,000) which is split as £4,466,000 (2017: £5,371,000) in tradable securities plus cash held by investment managers of £328,000 (2017: £110,000) and £9,747,000 (2017: £9,747,000) in investment properties. The Trustees have 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.

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 Trustees are 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 Trustees 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.

The Lytham Schools Foundation

Report of the Trustees for the year ended 31 December 2018

FINANCIAL REVIEW

Reserves policy

The aim is to keep build 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 2018 were £4,616,002 and £9,746,648 (2017: £1,210,340 and £9,746,648) respectively.

Restricted Fund - Capital Accumulation

This fund is for the general charitable objectives of the Foundation as specified in the scheme. The amount held in this fund as at 31 December 2018 was £Nil (2017: £486,084). This fund was originally set aside for future capital expenditure on the old school, but the Foundation is no longer responsible for those costs. Therefore during the year this fund was reclassified into the General Fund so that it is available to use for the Charity's main objectives and aims.

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 2018 was £55,023 (2017: £131,413).

Endowment Fund - Capital Accumulation

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 2018 was £Nil (2017: £3,228,174). This fund was originally set aside for future capital expenditure on the old school, but the Foundation is no longer responsible for those costs. Therefore during the year this fund was reclassified into the General Fund so that it is available to use for the Charity's main objectives and aims.

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 2018 was £319,217 (2017: £355,869).

Further details of restricted funds are included in note 14.

Review of the year

The Charity had net expenditure after realised and unrealised gains on investment assets of £481,638 (2017: £51,584).

Investment performance

The listed investments decreased in value by 13.1%.

FUTURE PLANS

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

The Charity has current grant commitments to Lytham C E School (£74,962), AKS supplementary bursaries (£68,508), Aspired Futures (£10,000), Fairhaven Lake (£15,000), A Young Sportsman (£5,000) and Heyhouses Endowed C E Primary (£9,505). All such commitments have been provided for in these financial statements.

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).

The Lytham Schools Foundation

Report of the Trustees for the year ended 31 December 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Lytham Schools Trustee Limited is the 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 United Learning Trust, 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
Buckshaw Village
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

The Lytham Schools Foundation

Report of the Trustees for the year ended 31 December 2018

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 TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 trustees 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 trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 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 trustees on 9 October 2019 and signed on its behalf by:



J. Majorie Towers on behalf of The Lytham Schools Trustee Limited

Report of the Independent Auditors to the Trustees 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 2018 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 2018 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

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 charity'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 are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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

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 the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Report of the Independent Auditors to the Trustees of The Lytham Schools Foundation

Responsibilities of trustees

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

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

Our 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 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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

9 October 2019

The Lytham Schools Foundation

Statement of Financial Activities
for the year ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM						
Investment income	2	<u>271,455</u>	<u>15,167</u>	<u>-</u>	<u>286,622</u>	<u>415,268</u>
Total		271,455	15,167	-	286,622	415,268
EXPENDITURE ON						
Raising funds	3	12,768	2,961	-	15,729	19,423
Charitable activities						
Education		302,249	75,062	-	377,311	671,869
Other		<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Total		318,017	78,023	-	396,040	694,292
Net gains/(losses) on investments		<u>(322,034)</u>	<u>(13,534)</u>	<u>(36,652)</u>	<u>(372,220)</u>	<u>227,440</u>
NET INCOME/(EXPENDITURE)		(368,596)	(76,390)	(36,652)	(481,638)	(51,584)
Transfers between funds	12	<u>3,774,258</u>	<u>(486,084)</u>	<u>(3,288,174)</u>	<u>-</u>	<u>-</u>
Net movement in funds		3,405,662	(562,474)	(3,324,826)	(481,638)	(51,584)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>10,956,988</u>	<u>617,497</u>	<u>3,644,043</u>	<u>15,218,528</u>	<u>15,270,112</u>
TOTAL FUNDS CARRIED FORWARD		<u>14,362,650</u>	<u>55,023</u>	<u>319,217</u>	<u>14,736,890</u>	<u>15,218,528</u>

The notes form part of these financial statements

The Lytham Schools Foundation

Balance Sheet
At 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Investments						
Investments	8	4,426,356	55,023	312,658	4,794,037	5,480,868
Investment property	9	<u>9,746,648</u>	<u>-</u>	<u>-</u>	<u>9,746,648</u>	<u>9,746,648</u>
		14,173,004	55,023	312,658	14,540,685	15,227,516
CURRENT ASSETS						
Debtors	10	3,555	-	-	3,555	2,614
Cash at bank		<u>367,066</u>	<u>-</u>	<u>6,559</u>	<u>373,625</u>	<u>149,567</u>
		370,621	-	6,559	377,180	152,181
CREDITORS						
Amounts falling due within one year	11	<u>(180,975)</u>	<u>-</u>	<u>-</u>	<u>(180,975)</u>	<u>(161,169)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>189,646</u>	<u>-</u>	<u>6,559</u>	<u>196,205</u>	<u>(8,988)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,362,650</u>	<u>55,023</u>	<u>319,217</u>	<u>14,736,890</u>	<u>15,218,528</u>
NET ASSETS		<u>14,362,650</u>	<u>55,023</u>	<u>319,217</u>	<u>14,736,890</u>	<u>15,218,528</u>
FUNDS	12					
Unrestricted funds					14,362,650	10,956,988
Restricted funds					55,023	617,497
Endowment funds					<u>319,217</u>	<u>3,644,043</u>
TOTAL FUNDS					<u>14,736,890</u>	<u>15,218,528</u>

The financial statements were approved by the Board of Trustees on 9 October 2019 and were signed on its behalf by:

J. Majorie Towers

J. Majorie Towers on behalf of The Lytham Schools Trustee Limited

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2018**

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 2015)', 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 exemption 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 market value is transferred to a revaluation reserve.

Taxation

The charity is exempt from tax on its charitable activities.

**Notes to the Financial Statements - continued
for the year ended 31 December 2018**

1. ACCOUNTING POLICIES - continued

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.

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

	2018	2017
	£	£
Rents receivable	125,283	115,841
Investment income	<u>161,339</u>	<u>299,427</u>
	<u>286,622</u>	<u>415,268</u>

3. RAISING FUNDS

Raising donations and legacies

	2018	2017
	£	£
Support costs	<u>-</u>	<u>3,861</u>

Investment management costs

	2018	2017
	£	£
Investment manager's fees	<u>15,729</u>	<u>15,562</u>
Aggregate amounts	<u>15,729</u>	<u>19,423</u>

The Lytham Schools Foundation

Notes to the Financial Statements - continued for the year ended 31 December 2018

4. GRANTS PAYABLE

	2018	2017
	£	£
Education	<u>347,113</u>	<u>647,650</u>

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

	2018	2017
	£	£
Fylde Council - Hungry Holidays	10,000	25,000
Aspired Futures – Happy 2 Learn	20,000	-
LSA High School - Library Reimagined	-	8,600
Park View 4U - Education Officer	5,000	20,000
RNLI Local Lifeboat – Education Outreach	2,000	-
St Cuthbert's Parish Church - Youth Worker	-	2,917
Play Inclusion Project - Learning Support	-	20,000
RSPB Ribble Discovery Centre - School Education	-	6,000
Lytham C E Primary School - John Carlisle Library	-	2,481
Fable Arts - School Storyteller	-	2,000
St Peter's Catholic Primary School - Forest School Access	-	1,000
8 th LSA Scouts – Scout Hut Signage	-	500
Mary Hare School – Volunteer Expenses	500	-
Pear Tree School - Early Learning Centre	10,000	-
Fairhaven Lake - Education Centre	15,000	-
Lytham C E Primary School - Governors Share	9,505	29,417
Lytham C E Primary School - Building repairs	74,962	-
Lytham C E Primary School - Support for ASD affected pupil	100	-
Heyhouses Endowed C E Primary School - Ecopod	20,000	50,000
LSA Civic Society - Seafront Classroom	-	20,000
AKS Lytham Independent School - Supplementary Bursaries (2 years)	79,156	181,449
AKS Lytham Independent School - David Webb Memorial Cricket Pavilion	-	152,062
AKS Lytham Independent School - Archive Fund	-	500
AKS Lytham Independent School - Bursaries (Contra Rent)	<u>100,890</u>	<u>115,724</u>
	<u>347,113</u>	<u>637,650</u>

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.

5. SUPPORT COSTS

	Governance costs
	£
Other resources expended	<u>3,000</u>

Auditors remuneration for the year was £3,000 (2017: £3,000).

The Lytham Schools Foundation

Notes to the Financial Statements - continued for the year ended 31 December 2018

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

During the year £30,000 (2017: £24,000) 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 2018 nor for the year ended 31 December 2017.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Investment income	<u>332,382</u>	<u>82,886</u>	<u>-</u>	<u>415,268</u>
Total	332,382	82,886	-	415,268
EXPENDITURE ON				
Raising funds	11,942	7,481	-	19,423
Charitable activities				
Education	671,869	-	-	671,869
Other	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total	686,811	7,481	-	694,292
Net gains/(losses) on investments	<u>44,599</u>	<u>31,670</u>	<u>151,171</u>	<u>227,440</u>
NET INCOME/(EXPENDITURE)	(309,830)	107,075	151,171	(51,584)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>11,266,818</u>	<u>510,422</u>	<u>3,492,872</u>	<u>15,270,112</u>
TOTAL FUNDS CARRIED FORWARD	<u>10,956,988</u>	<u>617,497</u>	<u>3,644,043</u>	<u>15,218,528</u>

8. FIXED ASSET INVESTMENTS

	2018 £	2017 £
Shares	4,370,537	5,026,743
Loans	<u>423,500</u>	<u>454,125</u>
	<u>4,794,037</u>	<u>5,480,868</u>

Additional information as follows:

The Lytham Schools Foundation

**Notes to the Financial Statements - continued
for the year ended 31 December 2018**

8. FIXED ASSET INVESTMENTS - continued

	Listed investments £
MARKET VALUE	
At 1 January 2018	5,026,743
Additions	755,559
Disposals	(1,067,168)
Unrealised gains	<u>(344,597)</u>
At 31 December 2018	<u>4,370,537</u>
 NET BOOK VALUE	
At 31 December 2018	<u>4,370,537</u>
At 31 December 2017	<u>5,026,743</u>
	 Other loans £
At 1 January 2018	454,125
Repayments in year	<u>(30,625)</u>
At 31 December 2018	<u>423,500</u>

There were no investment assets outside the UK.

The historical cost of listed investments at the year end is £2,301,094 (2017: £2,657,230).

9. INVESTMENT PROPERTY

	£
MARKET VALUE	
At 1 January 2018 and 31 December 2018	<u>9,746,648</u>
NET BOOK VALUE	
At 31 December 2018	<u>9,746,648</u>
At 31 December 2017	<u>9,746,648</u>

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

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	<u>3,555</u>	<u>2,614</u>

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Notes to the Financial Statements - continued
for the year ended 31 December 2018

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other creditors	<u>180,975</u>	<u>161,169</u>

12. MOVEMENT IN FUNDS

	At 1/1/18 £	Net movement in funds £	Transfers between funds £	At 31/12/18 £
Unrestricted funds				
General fund	1,210,340	(368,596)	3,774,258	4,616,002
Investment asset fund	<u>9,746,648</u>	<u>-</u>	<u>-</u>	<u>9,746,648</u>
	10,956,988	(368,596)	3,774,258	14,362,650
Restricted funds				
Capital accumulation fund	486,084	-	(486,084)	-
Funds designated exclusively for AKS	<u>131,413</u>	<u>(76,390)</u>	<u>-</u>	<u>55,023</u>
	617,497	(76,390)	(486,084)	55,023
Endowment funds				
Capital accumulation fund	3,288,174	-	(3,288,174)	-
Funds designated exclusively for AKS	<u>355,869</u>	<u>(36,652)</u>	<u>-</u>	<u>319,217</u>
TOTAL FUNDS	<u>15,218,528</u>	<u>(481,638)</u>	<u>-</u>	<u>14,736,890</u>

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	271,455	(318,017)	(322,034)	(368,596)
Restricted funds				
Funds designated exclusively for AKS	15,167	(78,023)	(13,534)	(76,390)
Endowment funds				
Funds designated exclusively for AKS	-	-	(36,652)	(36,652)
TOTAL FUNDS	<u>286,622</u>	<u>(396,040)</u>	<u>(372,220)</u>	<u>(481,638)</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2018

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
Unrestricted Funds			
General fund	1,520,170	(309,830)	1,210,340
Investment asset fund	<u>9,746,648</u>	<u>-</u>	<u>9,746,648</u>
	11,266,818	(309,830)	10,956,988
Restricted Funds			
Capital accumulation fund	400,401	85,683	486,084
Funds designated exclusively for AKS	<u>110,021</u>	<u>21,392</u>	<u>131,413</u>
	510,422	107,075	617,497
Endowment funds			
Capital accumulation fund	3,154,152	134,022	3,288,174
Funds designated exclusively for AKS	<u>338,720</u>	<u>17,149</u>	<u>355,869</u>
	3,492,872	151,171	3,644,043
TOTAL FUNDS	<u>15,270,112</u>	<u>(51,584)</u>	<u>15,218,528</u>

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	332,382	(686,811)	44,599	(309,830)
Restricted funds				
Capital accumulation fund	64,313	(4,729)	26,099	85,683
Funds designated exclusively for AKS	<u>18,573</u>	<u>(2,752)</u>	<u>5,571</u>	<u>21,392</u>
	82,886	(7,481)	31,670	107,075
Endowment funds				
Capital accumulation fund	-	-	134,022	134,022
Funds designated exclusively for AKS	<u>-</u>	<u>-</u>	<u>17,149</u>	<u>17,149</u>
	-	-	151,171	151,171
TOTAL FUNDS	<u>415,268</u>	<u>(694,292)</u>	<u>227,440</u>	<u>(51,584)</u>

The Lytham Schools Foundation

Notes to the Financial Statements - continued for the year ended 31 December 2018

12. MOVEMENT IN FUNDS - continued

Funds designated exclusively for AKS are made up as follows:

	2018	2018	2017	2017
	Endowment	Restricted	Endowment	Restricted
	£	£	£	£
Mellor Lecture Trust	2,050	11,071	2,269	11,114
Mellor Scholarship	4,871	19,154	5,391	9,226
Wolfson Scholarship	151,725	1,609	167,914	52,029
Wolfson Sixth Form	142,943	796	158,189	25,730
Donovan Travel Fund	1,253	493	1,387	495
Fred H Hill Fund	955	1,173	1,057	1,177
Denys Ingham Travel Fund	6,496	3,122	7,189	3,135
Tom Bleasdale Memorial Fund	8,924	470	12,473	470
Prize Funds	-	17,135	-	18,037
	<u>319,217</u>	<u>55,023</u>	<u>355,869</u>	<u>131,413</u>

Transfers between funds

The capital accumulation funds were originally set aside for future capital expenditure on the old school. The foundation is no longer responsible for these costs and as a result they were reclassified into the general fund so that they are available to use for the Charity's main objectives.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018 or for the year ended 31 December 2017.

14. 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.