

REGISTERED NUMBER:

1555021

England and Wales

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

REGISTERED OFFICE: 49 Canwick Road

Lincoln Lincolnshire LN5 8HE

ANNUAL REPORT AND ACCOUNTS

31st JANUARY 2000



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COMPANIES HOUSE**

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IAN W SMITH

CHARTERED ACCOUNTANT

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management present their annual report with the accounts of the Association for the year ended 31st January 2000.

Principal Activity

The principal activity of the Association in the year under review was to create interest and raise funds to maintain, preserve, restore and display the Lancaster Bomber "City of Lincoln" and any other aeroplanes and objects of historical interest associated with the Lancaster or the Royal Air Force for the benefit of the public and as a memorial to Bomber Command personnel during the 1939-1945 war.

A fund is being generated in anticipation of the situation arising when the Lancaster eventually ceases to fly, so that appropriate action can be taken as necessary following any decision by the RAF.

A wholly owned non-charitable subsidiary trading company was formed on 24th May 1995 and commenced to sell items relevant to the objects of the Association.

Council Members

The members of the Council of Management in office in the year were as follows:

S Stephenson	-	Chairman
D C Richardson	-	Vice Chairman
C Cole	-	Secretary
R P Chapman	-	Treasurer
B Briscoe		
J Ball		
R Bainborough		
L R Lane		
P Skinner		
D A McCarthy		

In accordance with Article 44 of the Articles of Association, Messrs Ball, Lane and Richardson retire by rotation. Being eligible, they have all offered themselves for re-election.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT (Continued)

Members of the Council of Managements' Responsibilities

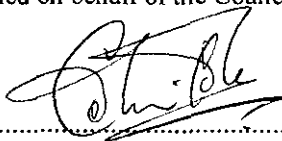
Company law requires the members of the Council of Management to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Association and of the profit or loss of the Association for that period. In preparing those accounts, the members of the Council of Management are required to:

- *select suitable accounting policies and then apply them consistently;
- *make judgements and estimated that are reasonable and prudent:
- *follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts:
- *prepare the accounts on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The members of the Council of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Council of Management



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C Cole - Director and Secretary

Approved by the Council: 22nd April 2000

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES, INCLUDING INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED 31st JANUARY 2000

	General Fund	Designated Fund	Total	1999 Total
	£	£	£	£
Incoming resources				
Subscriptions	33215		33215	33043
Donations	20825	3115	23940	26357
Raffle and other fund raising	<u>6573</u>		<u>6573</u>	<u>4104</u>
	60613	<u>3115</u>	63728	63504
Investment income - bank interest	<u>3129</u>		<u>3129</u>	<u>2987</u>
Total incoming resources	<u>63742</u>	<u>3115</u>	<u>66857</u>	<u>66491</u>
Resources expended				
Direct charitable expenditure:				
Newsletters	9150		9150	10143
Other printing	3201		3201	1894
Postage	7237		7237	7406
Envelopes and other stationery	1965		1965	2468
Advertising	1303		1303	1621
Donations:				
Battle of Britian Memorial Flight	18058	2330	20388	14720
RAF Benevolent Fund	500		500	500
St Clement Danes Church Appeal	-		-	1000
Sundry other	750		750	450
Rates and water	267		267	251
Light and heat	374		374	369
Repairs, renewals and maint - property	25		25	31
Insurance	155		155	207
Raffle expenditure	490		490	320
Miscellaneous expenses	336		336	221
Depreciation	<u>650</u>		<u>650</u>	<u>540</u>
	44461	<u>2330</u>	46791	42141
Management and administration:				
Accountants remuneration	<u>300</u>		<u>300</u>	<u>400</u>
Total resources expended	<u>44761</u>	<u>2330</u>	<u>47091</u>	<u>42541</u>
Net incoming resources pre-transfer	18981	785	19766	23950
Transfer between funds	<u>785</u>	<u>(785)</u>	-	-
Net incoming resources for the year	19766	-	19766	23950
Exceptional item - discontinued activity				
Loss on revaluation of stock charged to trading subsidiary	-		-	8925
Surplus for the financial year	<u>19766</u>	-	<u>19766</u>	<u>15025</u>
Accumulated fund at 1February1999	<u>116933</u>	-	<u>116933</u>	<u>101908</u>
Accumulated fund at 31January 2000	<u>136699</u>	-	<u>136699</u>	<u>116933</u>
Trading activities - subsidiary company				
Gross income (note 5 to accounts)			<u>1033</u>	<u>3160</u>

Continuing Operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Total Recognised Gains and Losses

The Association has no recognised gains or losses other than the profit for the above two financial years.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

BALANCE SHEET AS AT 31st JANUARY 2000

	2000 £	1999 £
Fixed Assets		
Tangible assets (note 4)	36906	35936
Investment - shares in subsidiary company (note 5)	2	2
	<u>36908</u>	<u>35938</u>
Current Assets		
Debtors: Amount owed by subsidiary company	4346	4655
Prepayments	1137	874
Bank: Current account	5739	1414
Deposit accounts	34183	22135
Reserve account	55051	52688
	<u>100456</u>	<u>81766</u>
Creditors: amounts falling due within one year		
Trade creditors	60	-
Accruals	605	771
	<u>665</u>	<u>771</u>
Net Current Assets	<u>99791</u>	<u>80995</u>
Total Assets Less Current Liabilities	<u>136699</u>	<u>116933</u>
Accumulated Fund		
Unrestricted	<u>136699</u>	<u>116933</u>

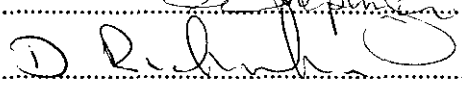
For the financial year ended 31st January 2000 the company was entitled to exemption from audit under section 249A(1) Companies Act 1985; and no notice has been deposited under section 249B(2).

The Council of Management acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of Companies Act 1985 relating to small companies.

Signed on behalf of the Council of Management

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S Stephenson - Chairman

D C Richardson - Vice Chairman

R P Chapman - Treasurer

Approved by the Council: 22nd April 2000

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2000

1 Status

The Association is a company limited by guarantee formed in 1981 and is registered as a charity. The liability of each member is restricted to one pound. The Association is exempt from Corporation Tax as long as its income is used for charitable purposes.

2 Accounting Policies

a) Basis of Accounting

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards. The provisions of Accounting by Charities - Statement of Recommended Practice have been adopted in these accounts.

b) Cash Flow

The accounts do not include a cash flow statement because the Association, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

c) Income

Subscriptions and donations are included in income on receipt.

d) Tangible Fixed Assets

Depreciation is provided in order to write off the cost of fixtures, fittings and equipment over their estimated useful lives on a straight line basis at a rate of 20%.

The Shackleton aircraft is kept at Newark Air Museum as a static display, in return for which the museum stores and maintains it and when necessary will perform major overhaul and refit work. The Association will also have any additional work done that it feels necessary. In view of the condition of the aircraft being preserved it is the opinion of the Council of Management that it not be depreciated.

Depreciation is not provided on the freehold building 49 Canwick Road, Lincoln which is included at original cost together with the cost of improvements. In the opinion of the Council of Management, the residual value of the building is such that depreciation would be immaterial.

No depreciation is provided on freehold land.

3 Income

Subscriptions and donations arising from members outside the United Kingdom are not considered to be a significant amount.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2000

4	Tangible Fixed Assets	Freehold Property	Fixtures Fittings and Equipment	Shackleton Aircraft	Total
		£	£	£	£
	Cost				
	At 1st February 1999	23418	6196	11528	41142
	Additions	-	1620	-	1620
	At 31st January 2000	23418	7816	11528	42762
	Depreciation				
	At 1st February 1999	-	5206	-	5206
	Charge for the year	-	650	-	650
	At 31st January 2000	-	5856	-	5856
	Net Book Values				
	At 31st January 2000	23418	1960	11528	36906
	At 31st January 1999	23418	990	11528	35936

- 5 Investment**
The Association's investment in its subsidiary company represents the whole of the issued share capital of L.L.A. (Sales) Ltd of two ordinary £1 shares. The company was registered in England and Wales on 24th May 1995 and principally operates in the United Kingdom. The results of the company are as follows on pages 7 and 8

6	Commitments	2000	1999
	Capital Commitments	£	£
	At 31st January 2000 capital expenditure commitments were as follows:		
	Contracted but not provided for in the accounts	-	-

- 7 Post Balance Sheet Events**
There have been no post balance sheet events which materially effect the Association's affairs.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2000

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**L.L.A. (SALES) LTD - Detailed Profit and Loss Account
for the year ended 31st January 2000**

	2000		1999	
	£	£	£	£
Sales		20129		23224
Cost of sales and stock write-down				
Stocks 1st February 1999	14008		13881	
Purchases	13916		16706	
	<u>27924</u>		<u>30587</u>	
Less: Stocks 31st January 2000	12233		14008	
		<u>15691</u>		<u>16579</u>
Gross Profit		<u>4438</u>		<u>6645</u>
Bank Interest Received		9		14
Selling and Distribution Costs				
Postage and packing	922		926	
Advertising and display	244		203	
	<u>1166</u>		<u>1129</u>	
Administrative Expenses				
Stationery and printing	1122		975	
Telephone and fax	200		168	
Credit card charges	353		398	
Insurance	155		184	
Charitable donation	-		110	
Sundry expenses	54		71	
Accountants remuneration	300		400	
Depreciation	64		64	
	<u>2248</u>		<u>2370</u>	
		<u>3414</u>		<u>3499</u>
Operating Profit		<u>1033</u>		<u>3160</u>
Exceptional item				
Revaluation of stock purchased from holding company		-		8925
Profit on ordinary activities before taxation		<u>1033</u>		<u>12085</u>
Taxation		(212)		(2539)
Profit for financial year		821		9546
Retained Profit at 1st February 1999		<u>11102</u>		<u>1556</u>
Retained Profit at 31st January 2000		<u>11923</u>		<u>11102</u>

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2000

**L.L.A. (SALES) LTD - Balance Sheet as at
31st January 2000**

	2000	1999
	£	£
Fixed Assets		
Tangible assets	128	192
Current Assets		
Stocks	12233	14008
Debtors	111	103
Cash at bank and in hand	4506	4549
	16850	18660
Creditors: amounts falling due within one year		
Trade creditors	70	-
Amount owed to holding company	4346	4655
Corporation tax	211	2536
Accruals	426	557
	5053	7748
Net Current Assets	11797	10912
Total Assets less Current Liabilities	11925	11104
Capital and Reserves		
Called up share capital	2	2
Profit and loss account	11923	11102
Shareholders' Funds	11925	11104