

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 2001



IAN W SMITH
CHARTERED ACCOUNTANT

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

COUNCIL OF MANAGEMENT

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

COMPANY REGISTERED OFFICE 49 Canwick Road
Lincoln LN5 8HE

COMPANY REGISTERED NUMBER 1555021 - England and Wales

REGISTERED CHARITY NUMBER 511418

ACCOUNTANT

Ian W Smith
Chartered Accountant and Chartered Tax Adviser
9 Herrington Avenue
Nettleham
Lincoln
LN2 2XU

ANNUAL REPORT AND ACCOUNTS - 31ST JANUARY 2001

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	3	Statement of Financial Activities, including Income and Expenditure Account
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The following page does not form part of the statutory accounts:

9	Accountants Report
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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 2001.

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:

R Bainborough
J Ball
B Briscoe
R P Chapman
C Cole
L R Lane
D A McCarthy
D C Richardson
P Skinner
S Stephenson

In accordance with Article 44 of the Articles of Association, Messrs Chapman, McCarthy and Stephenson 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



.....
C Cole - Secretary

Approved by the Council: 21st April 2001

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES, INCLUDING INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED 31st JANUARY 2001

	General Fund	Designated Fund	Total	2000 Total
	£	£	£	£
Incoming resources				
Subscriptions	34580		34580	33215
Donations and gifts	12276	5265	17541	23940
Raffle and other fund raising	<u>8099</u>		<u>8099</u>	<u>6573</u>
	54955	5265	60220	63728
Investment income - bank interest	<u>4202</u>	-	<u>4202</u>	<u>3129</u>
Total incoming resources	<u>59157</u>	<u>5265</u>	<u>64422</u>	<u>66857</u>
Resources expended				
Direct charitable expenditure:				
Newsletters	11567		11567	9150
Other printing	973		973	3201
Postage	8116		8116	7237
Envelopes and other stationery	1812		1812	1965
Advertising	2081		2081	1303
Donations:				
Battle of Britain Memorial Flight	27925	6153	34078	20388
Lincolnshire Aviation Heritage Centre	1000		1000	250
Newark Air Museum	1000		1000	150
South Yorkshire Aircraft Museum	1000		1000	-
Sundry other	750		750	850
Rates and water	285		285	267
Light and heat	369		369	374
Repairs, renewals and maint - property	208		208	25
Insurance	169		169	155
Raffle expenditure	518		518	490
Miscellaneous expenses	493		493	336
Depreciation	<u>960</u>		<u>960</u>	<u>650</u>
	59226	6153	65379	46791
Management and administration:				
Accountants remuneration	<u>350</u>	-	<u>350</u>	<u>300</u>
Total resources expended	<u>59576</u>	<u>6153</u>	<u>65729</u>	<u>47091</u>
Net (outgoing) incoming resources before transfer	(419)	(888)	(1307)	19766
Transfer between funds	<u>(888)</u>	<u>888</u>	-	-
Net (outgoing) incoming resources for the year	(1307)	-	(1307)	19766
Accumulated fund at 1 February 2000	<u>136699</u>	-	<u>136699</u>	<u>116933</u>
Accumulated fund at 31 January 2001	<u>135392</u>	-	<u>135392</u>	<u>136699</u>
Trading activities - subsidiary company				
Gross income (note 5 to accounts)			<u>417</u>	<u>1033</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 or loss for the above two financial years.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

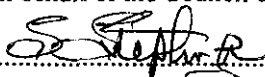
BALANCE SHEET AS AT 31st JANUARY 2001

	2001 £	2000 £
Fixed Assets		
Tangible assets (note 4)	37757	36906
Investment - shares in subsidiary company (note 5)	2	2
	<u>37759</u>	<u>36908</u>
Current Assets		
Debtors: Amount owed by subsidiary company	733	4346
Prepayments	1161	1137
Bank: Current account	9353	5739
Deposit accounts	32424	34183
Reserve account	57910	55051
	<u>101581</u>	<u>100456</u>
Creditors: amounts falling due within one year		
Trade creditors	3525	60
Accruals	423	605
	<u>3948</u>	<u>665</u>
Net Current Assets	<u>97633</u>	<u>99791</u>
Total Assets Less Current Liabilities	<u>135392</u>	<u>136699</u>
Accumulated Fund		
Unrestricted	<u>135392</u>	<u>136699</u>

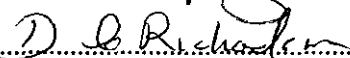
For the financial year ended 31st January 2001 the company was entitled to exemption from audit under section 249A(1) Companies Act 1985; and no notice has been deposited under section 249B(2). The Council of Management acknowledge their responsibilities for ensuring that the company keeps accounting 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

.....


S Stephenson - Chairman

.....


D C Richardson - Vice Chairman

.....


R P Chapman - Treasurer

Approved by the Council: 21st April 2001

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2001

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 2001

4 Tangible Fixed Assets

	Freehold Property	Fixtures Fittings and Equipment	Shackleton Aircraft	Total
	£	£	£	£
Cost				
At 1st February 2000	23418	7816	11528	42762
Additions	-	1811	-	1811
At 31st January 2001	23418	9627	11528	44573
Depreciation				
At 1st February 2000	-	5856	-	5856
Charge for the year	-	960	-	960
At 31st January 2001	-	6816	-	6816
Net Book Values				
At 31st January 2001	23418	2811	11528	37757
At 31st January 2000	23418	1960	11528	36906

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

Capital Commitments

At 31st January 2001 capital expenditure commitments were as follows:
Contracted but not provided for in the accounts

2001	2000
£	£

-	-
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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 2001

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**L.L.A. (SALES) LTD - Detailed Profit and Loss Account
for the year ended 31st January 2001**

	2001		2000	
	£	£	£	£
Sales		25576		20129
Cost of sales and stock write-down				
Stocks 1st February 2000	12233		14008	
Purchases	20513		13916	
	32746		27924	
Less: Stocks 31st January 2001	11259		12233	
		21487		15691
Gross Profit		4089		4438
Selling and Distribution Costs				
Postage and packing	1008		922	
Advertising and display	221		244	
	1229		1166	
Administrative Expenses				
Stationery and printing	225		1122	
Telephone and fax	159		200	
Credit card charges	301		353	
Insurance	169		155	
Gift aid	900		-	
Charitable donation	200		-	
Sundry expenses	75		54	
Accountants remuneration	350		300	
Depreciation	64		64	
	2443		2248	
		3672		3414
Operating Profit		417		1024
Bank Interest Received		-		9
Profit on ordinary activities before taxation		417		1033
Taxation		(52)		(212)
Profit for financial year		365		821
Retained Profit at 1st February 2000		<u>11923</u>		<u>11102</u>
Retained Profit at 31st January 2001		<u>12288</u>		<u>11923</u>

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2001

**L.L.A. (SALES) LTD - Balance Sheet as at
31st January 2001**

	2001 £	2000 £
Fixed Assets		
Tangible assets	64	128
Current Assets		
Stocks	11259	12233
Debtors	1829	111
Cash at bank and in hand	1823	4506
	14911	16850
Creditors: amounts falling due within one year		
Trade creditors	1525	70
Amount owed to holding company	733	4346
Corporation tax	52	211
Accruals	375	426
	2685	5053
Net Current Assets	12226	11797
Total Assets less Current Liabilities	12290	11925
Capital and Reserves		
Called up share capital	2	2
Profit and loss account	12288	11923
Shareholders' Funds	12290	11925