

REGISTERED NUMBER:
1555021
England and Wales

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

ANNUAL REPORT AND ACCOUNTS

31st JANUARY 2002

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	
A R Allen	

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 2002

1-2	Report of the Council of Management
3	Statement of Financial Activities, including Income and Expenditure Account
4	Balance Sheet
5-8	Notes to the Accounts including results of L.L.A.(Sales) Ltd.

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 2002.

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 Cole, Bainborough and Skinner retire by rotation and Mr A R Allen co-opted in January 2002 retires in accordance with Article 35. 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

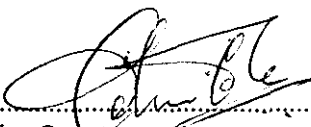
Company law requires the members of the Council of Management to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Association and of the profit or loss of the Association for that period. In preparing those accounts, the members of the Council of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

- *select suitable accounting policies and then apply them consistently;
- *make judgements and estimates 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 - Secretary

Approved by the Council: 20th April 2002

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES, INCLUDING INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED 31st JANUARY 2002

	General Fund	Designated Fund	Total	2001 Total
	£	£	£	£
Incoming resources				
Subscriptions	36002	-	36002	34580
Donations and gifts	11720	1942	13662	17541
Raffle and other fund raising	<u>5610</u>	<u>3899</u>	<u>9509</u>	<u>8099</u>
	53332	5841	59173	60220
Investment income - bank interest	<u>3487</u>	<u>-</u>	<u>3487</u>	<u>4202</u>
Total incoming resources	<u>56819</u>	<u>5841</u>	<u>62660</u>	<u>64422</u>
Resources expended				
Direct charitable expenditure:				
Newsletters	13346		13346	11567
Other printing	1191		1191	973
Postage	8423		8423	8116
Envelopes and other stationery	1484		1484	1812
Data input	435		435	-
Advertising	1645		1645	2081
RAF open days	663		663	100
Donations:				
Battle of Britain Memorial Flight	2516	5641	8157	34078
Lincolnshire Aviation Heritage Centre	250		250	1000
Vulcan Restoration Trust	-	750	750	-
Newark Air Museum	-		-	1000
South Yorkshire Aircraft Museum	-		-	1000
Sundry other	750		750	750
Rates and water	306		306	285
Light and heat	397		397	369
Repairs, renewals and maint - property	336		336	208
Insurance	192		192	169
Raffle expenditure	1405		1405	518
Miscellaneous expenses	271		271	393
Depreciation	<u>1375</u>		<u>1375</u>	<u>960</u>
	34985	6391	41376	65379
Management and administration:				
Accountants remuneration	<u>360</u>	<u>-</u>	<u>360</u>	<u>350</u>
Total resources expended	<u>35345</u>	<u>6391</u>	<u>41736</u>	<u>65729</u>
Net incoming (outgoing) resources before transfer	21474	(550)	20924	(1307)
Transfer between funds	<u>(550)</u>	<u>550</u>		
Net incoming (outgoing) resources for the year	20924	-	20924	(1307)
Accumulated fund at 1 February 2001	<u>135392</u>	-	<u>135392</u>	<u>136699</u>
Accumulated fund at 31 January 2002	<u>156316</u>	-	<u>156316</u>	<u>135392</u>
Trading activities - subsidiary company				
Gross income (note 5 to accounts)			<u>1</u>	<u>417</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 2002

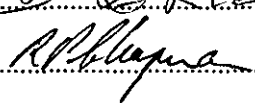
	2002 £	2001 £
Fixed Assets		
Tangible assets (note 4)	38681	37757
Investment - shares in subsidiary company (note 5)	2	2
	<u>38683</u>	<u>37759</u>
Current Assets		
Debtors: Amount owed by subsidiary company	4480	733
Prepayments	561	1161
Bank: Current account	274	9353
Deposit accounts	54133	32424
Reserve account	60580	57910
	<u>120028</u>	<u>101581</u>
Creditors: amounts falling due within one year		
Trade creditors	1592	3525
Accruals	803	423
	<u>2395</u>	<u>3948</u>
Net Current Assets	<u>117633</u>	<u>97633</u>
Total Assets Less Current Liabilities	<u>156316</u>	<u>135392</u>
Accumulated Fund		
Unrestricted	156316	135392

For the financial year ended 31st January 2002 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: 20th April 2002

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2002

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 amounts.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2002

4	Tangible Fixed Assets	Freehold Property	Fixtures Fittings and Equipment	Shackleton Aircraft	Total
		£	£	£	£
	Cost				
	At 1st February 2001	23418	9627	11528	44573
	Additions	-	2299	-	2299
	At 31st January 2002	23418	11926	11528	46872
	Depreciation				
	At 1st February 2001	-	6816	-	6816
	Charge for the year	-	1375	-	1375
	At 31st January 2002	-	8191	-	8191
	Net Book Values				
	At 31st January 2002	23418	3735	11528	38681
	At 31st January 2001	23418	2811	11528	37757

- 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	2002	2001
	Capital Commitments	£	£
	At 31st January 2002 capital expenditure commitments were as follows:		
	Contracted but not provided for in the accounts	-	-

Expenditure is to be incurred on the freehold property to remove the causes and results of dampness suffered by the end wall.

- 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 2002
L.L.A. (SALES) LTD - Detailed Profit and Loss Account
for the year ended 31st January 2002

	2002		2001	
	£	£	£	£
Sales		24021		25576
Cost of sales and stock write-down				
Stocks 1st February 2001	11259		12233	
Purchases	17070		20513	
	<u>28329</u>		<u>32746</u>	
Less: Stocks 31st January 2002	10090		11259	
	<u>18239</u>		<u>21487</u>	
Gross Profit		<u>5782</u>		<u>4089</u>
Selling and Distribution Costs				
Postage and packing	602		1008	
Advertising and display	134		221	
	<u>736</u>		<u>1229</u>	
Administrative Expenses				
Stationery and printing	2163		225	
Telephone and fax	173		159	
Credit card charges	231		301	
Insurance	193		169	
Gift aid	1800		900	
Charitable donation	-		200	
Sundry expenses	73		75	
Accountants remuneration	360		350	
Depreciation	64		64	
	<u>5057</u>		<u>2443</u>	
		<u>5793</u>		<u>3672</u>
Operating (Loss) Profit		<u>(11)</u>		<u>417</u>
Bank Interest Received		12		-
Profit on ordinary activities before taxation		<u>1</u>		<u>417</u>
Taxation		(4)		(52)
(Loss) Profit for financial year		(3)		365
Retained Profit at 1st February 2001		<u>12288</u>		<u>11923</u>
Retained Profit at 31st January 2002		<u>12285</u>		<u>12288</u>

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS - 31st JANUARY 2002

**L.L.A. (SALES) LTD - Balance Sheet as at
31st January 2002**

	2002	2001
	£	£
Fixed Assets		
Tangible assets	-	64
Current Assets		
Stocks	10090	11259
Debtors	199	1829
Cash at bank and in hand	9191	1823
	19480	14911
Creditors: amounts falling due within one year		
Trade creditors	895	1525
Other creditors	1410	-
Amount owed to holding company	4480	733
Corporation tax	2	52
Accruals	406	375
	7193	2685
Net Current Assets	12287	12226
Total Assets less Current Liabilities	12287	12290
Capital and Reserves		
Called up share capital	2	2
Profit and loss account	12285	12288
Shareholders' Funds	12287	12290