

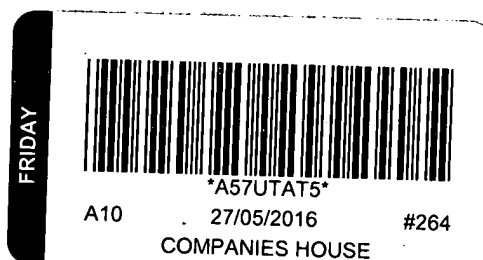
LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

COMPANY REGISTRATION NUMBER 01555021 (England and Wales)

CHARITY COMMISSION REGISTERED NO. 511418

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016



Dexter & Sharpe
Chartered Certified Accountants
The Old Vicarage
Church Close
Boston
Lincolnshire
PE21 6NA

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2016**

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LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 JANUARY 2016

Status

The organisation is a charitable company limited by guarantee, incorporated on 6 April 1981 and registered as a charity on 20 May 1981.

Charity Commission Registered Number 511418

Company Registered Number 01555021 (England and Wales)

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Council of Management

R. C. Bainborough	(Chairman)
J. S. Ball	(Vice Chairman)
R. P. Chapman	(Treasurer)
T. J. Allett	(Journal Editor)
B. J. Divers	(Membership Secretary)
Mrs J. Bainborough	
C. A. Acey	(Resigned 22 March 2015)
Mrs S. Hewitt	
Mrs P Bull	(Appointed 9 May 2015)

Registered Office

4 Wavell Drive
Lincoln
LN3 4PL

Bankers

HSBC plc
221 High Street
Lincoln
NL3 4LU

Accountants and Independent Examiner

Mrs Nicola Lenton FCCA
Dexter & Sharpe
Chartered Certified Accountants
The Old Vicarage
Church Close
Boston
Lincolnshire
PE21 6NA

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 JANUARY 2016

The Council of Management present their annual report with the financial statements of the Association for the year ended 31 January 2016.

Structure, Governance and Management

Governing document

The Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 April 1981. The members voted on 22 April 2000 in the Annual General Meeting to remove the audit requirement. Due to the level of income of the Association an Independent Examination is performed. It is registered as a charity with the Charity Commission. There are currently approximately 4,900 active members each of whom agree to contribute an amount not exceeding £1 in the event of the Association being wound up.

Recruitment and Appointment of the Council of Management

The directors of the company are also charity trustees for the purposes of charity law and under the Association's Articles are known as members of the Council of Management. Under the Articles one-third of the Council members retire by rotation at each Annual General Meeting. The Council may appoint any member of the Association as a member of the Council if they are considered to be suitable with proven interest. This person has to be re-elected at the next AGM. In accordance with article 44 of the Articles of Association Mr J S Ball retires by rotation. Being eligible, he has offered himself for re-election. Mr Acey resigned on 22 March 2015 and Mrs P Bull was appointed at the AGM on 9 May 2015.

Objects and Activities

The Association's objects and principal activities are 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 any situation arising if the Lancaster ceases to fly, so that appropriate action can be taken as necessary following a decision by the relevant Government departments. Donations from specific sources and raffle income have been designated initially for use by or payments for the Battle of Britain Memorial Flight at RAF Coningsby, which includes the Lancaster and other World War II aircraft. The Council has the power to re-designate surpluses of these donations within unrestricted funds. A wholly owned non-charitable subsidiary trading company L.L.A. (Sales) Ltd was formed on 24 May 1995 and sells items relevant to the objects of the Association. The objects and activities were focused upon during the year. The Council of Management remain volunteers and the value of their work is considerable and impossible to quantify financially.

Achievements and Performance

The interest generated by the visit of the Canadian Lancaster and improvements to the membership system during the year 31 January 2015 saw an increase in the membership numbers by approximately 700 which resulted in an increase in subscriptions received by over £9,017. Unfortunately this was not maintained during the year 31 January 2016 and subscriptions have reduced by £6,589.

Excluding the donation from L.L.A. (Sales) Ltd, donations have increased by £28,579 in the same period. This includes a legacy from the estate of J.A.C Wilson of £26,000. The annual draw took place again this year and it made £8,250 after taking out the relevant expenses. Contributions towards the Members Day were up by £1,273 and was a resounding success. Income tax recovered from HM Revenue & Customs through Gift Aid during the year was £6,703 which is a reduction from the £25,447 received last year but this was due to the claims being brought up-to-date. Investment income is £5,948 for the year which is an increase on last year.

The bi-annual journal remains a professional production of high quality and interesting information and photographs and continues to expand. It is greatly appreciated by the members and a wonderful tribute to those who served.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
REPORT OF THE COUNCIL OF MANAGEMENT CONTINUED
FOR THE YEAR ENDED 31 JANUARY 2016

Achievements and Performance continued

Lincolnshire's Lancaster Association used funds during the year to purchase new premises which are more suitable for our expanding organisation. We also purchased a van capable of towing the sales trailer, this also acts as a promotional unit whilst being out and about. As this was our first year with the trailer we were "testing the water" to decide the potential shows to attend. Unfortunately the inclement British summer resulted in 3 shows being a washout.

The sales company has continued to provide items of technical and historical interest at events and by post through the sales brochures, together with trade sales. During the year they have introduced a new range of clothing which has been very well received and boosted the online sales figures. The donation being made to Lincolnshire's Lancaster Association this year was £24,000 (2015 - £14,000).

During the year there were donations to the BBMF of £30,619 (2015 - £3,071). No other donations were made by the charity during the year. Reserves have increased by £68,947.

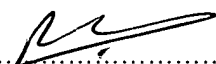
We look forward to a profitable 2016/17.

Policy on Reserves

An objective of the Association is to accumulate as large a fund as possible while meeting overheads, the preservation of its property and aircraft, the production of the journal and the making of donations to BBMF as required. The Council of Management are confident that a significant fall in income, which it considers to be unlikely, will not prevent the Association meeting its costs and commitments. While unrestricted funds not invested in fixed assets are over £400,000, the Council consider that the nature of the Association and continuous financial monitoring will ensure that the need to deplete reserves will not arise.

The above report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005).

Signed on behalf of the Council of Management



.....
R. C. Bainborough
Chairman

Approved by the Council on 23 April 2016

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2016

I report on the accounts of the company for the year ended 31 January 2016 set out on pages 5 to 11.

Respective responsibilities of Council of Management and examiner

The trustees (who are also the directors for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the Charities Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- state whether particular matters have come to my attention.

Basis of the independent examiner's report

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
 - to keep accounting records in accordance with Sections 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have 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.



NICOLA LENTON FCCA
Independent Examiner
Dexter & Sharpe
Chartered Certified Accountants
The Old Vicarage
Church Close
Boston
Lincolnshire
PE21 6NA

23 April 2016

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2016**

		Unrestricted Funds	
	Notes	2016 £	2015 £
INCOME			
Donations		75,187	36,608
Earned from charitable activities	3	73,201	67,875
Investment and other income	4	12,651	30,737
TOTAL INCOME		161,039	135,220
EXPENDITURE			
Cost of raising funds	5	31,360	32,762
Expenditure on charitable activities	6	39,034	15,362
Other expenditure	7	21,698	21,698
TOTAL EXPENDITURE		92,092	69,822
NET INCOMING RESOURCES		68,947	65,398
NET MOVEMENT IN FUNDS		68,947	65,398
RECONCILIATION OF FUNDS			
Total funds brought forward		629,378	563,980
Total funds carried forward		698,325	629,378

The notes on pages 7 to 10 form part of these financial statements

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**BALANCE SHEET
AS AT 31 JANUARY 2016**

	Notes	2016 £	2015 £
Fixed Assets			
Tangible Assets	8	298,296	72,757
Investment – shares in subsidiary company	9	2	2
		<u>298,298</u>	<u>72,759</u>
Current Assets			
Debtors: Amount due from subsidiary company		28,450	13,472
Prepayments and accrued income		7,161	7,629
Cash at Bank: Current account		14,984	11,315
Deposit accounts		60,512	32,322
Reserve account		291,324	493,403
		<u>402,431</u>	<u>558,141</u>
Creditors: Amounts falling due within one year		<u>2,404</u>	<u>1,522</u>
Net Current Assets		<u>400,027</u>	<u>556,619</u>
Total Assets less Current Liabilities		<u>698,325</u>	<u>629,378</u>
Unrestricted income funds	10		
General		686,936	626,193
Designated		11,389	3,185
		<u>698,325</u>	<u>629,378</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2016.

The Council of Management have not required the charitable company to obtain an audit of its financial statements for the year ended 31 January 2016 in accordance with Section 476 of the Companies Act 2006.

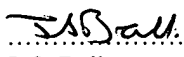
The Council of Management acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Council of Management on 23 April 2016 and were signed on its behalf by:


.....
R. C. Bainborough
Chairman


.....
J. S. Ball
Vice Chairman


.....
R. P. Chapman
Treasurer

The notes on pages 7 to 10 form part of these financial statements

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) updated in June 2008, the Companies Act 2006 and applicable accounting standards.

Consolidation

The company is a parent company subject to the small companies regime. The company and its subsidiary comprise a small group. The company has therefore taken advantage of the option provided by section 398 of the Companies Act 2006 not to prepare group financial statements.

Incoming Resources

Subscriptions and donations, with the exception of donations from L.L.A. (Sales) Ltd, are included in income on receipt. Tax repayments by HM Revenue & Customs under members Gift Aid declarations and from legacies are included when receivable.

Volunteers

There are no employees of the Association. The value of services provided by volunteers is not incorporated into these financial statements. The detail of the contribution made by volunteers can be found in the Annual Report.

Resources Expended

Expenditure is recognised when a liability is incurred.

Tangible Fixed Assets

Depreciation is provided, after taking account of any grants receivable, in order to write off the cost of each item of fixtures, fittings and equipment over its estimated useful life on a straight line basis at an annual rate of 25%.

The aircraft are kept at Newark Air Museum on static display, in return for which the museum stores and maintains them 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 they are not to 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.

Funds Structure

The Association has only unrestricted income funds. The designated fund arises from raffle income and specific donations and is initially for use by or payments for the BBMF.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 JANUARY 2016**

2. LEGAL 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 £1. The Association is exempt from Corporation Tax as long as its income is used for charitable purposes.

3. EARNED FROM CHARITABLE ACTIVITIES

	2016	2015
	£	£
Subscriptions	53,705	60,294
Members Day administration contributions	8,854	7,581
Annual Draw	10,642	-
	<u>73,201</u>	<u>67,875</u>

4. INVESTMENT AND OTHER INCOME

	2016	2015
	£	£
Income tax refunded under Gift Aid	6,703	25,447
Interest received	5,948	5,290
	<u>12,651</u>	<u>30,737</u>

5. COST OF RAISING FUNDS

	2016	2015
	£	£
Journal including distribution	23,027	20,947
Other printing	3,648	3,767
Postage and distribution	2,638	4,054
Stationery	2,047	1,705
Advertising and display	-	1,488
RAF Waddington and East Kirby Stalls	-	801
	<u>31,360</u>	<u>32,762</u>

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	2016	2015
	£	£
Members Day, RAF Coningsby	6,023	4,913
Annual Draw	2,392	-
Donations: Battle of Britain Memorial Flight	30,619	3,071
Canadian Warplane Heritage Museum	-	6,296
Other	-	1,082
	<u>39,034</u>	<u>15,362</u>

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 JANUARY 2016**

7. OTHER EXPENDITURE

	2016	2015
	£	£
Computer overheads	490	14,549
Rates and water	756	642
Light and heat	2,511	1,494
Repairs, renewals and maintenance	6,118	1,236
Insurance	1,081	961
Telephone	517	538
Accountant's remuneration	1,080	950
Motor expenses	972	-
Miscellaneous expenses	230	239
Depreciation	6,782	1,089
Bank charges and interest	1,161	-
	<u>21,698</u>	<u>21,698</u>

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures fittings & equipment £	Motor Vehicles £	Shackleton & Vulcan Aircraft £	Total £
Cost					
At 1 February 2015	34,642	39,532	-	36,528	110,702
Additions	208,198	840	23,283	-	232,321
At 31 January 2016	<u>242,840</u>	<u>40,372</u>	<u>23,283</u>	<u>36,528</u>	<u>343,023</u>
Depreciation					
At 1 February 2015	-	37,945	-	-	37,945
Charge for the year	-	961	5,821	-	6,782
At 31 January 2016	<u>-</u>	<u>38,906</u>	<u>5,821</u>	<u>-</u>	<u>44,727</u>
Net Book Value					
At 31 January 2016	<u>242,840</u>	<u>1,466</u>	<u>17,462</u>	<u>36,528</u>	<u>298,296</u>
At 31 January 2015	<u>34,642</u>	<u>1,587</u>	<u>-</u>	<u>36,528</u>	<u>72,757</u>

9. INVESTMENT

The Association's investment in its trading 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 24 May 1995 and principally operates in the United Kingdom. The results of the company are as follows on pages 12 and 13.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 JANUARY 2016**

10. ANALYSIS OF CHARITABLE FUNDS

Analysis of unrestricted fund movements

	Balance at 1 February 2015 £	Incoming Resources £	Resources Expended £	Fund at 31 January 2016 £
General fund	626,193	147,602	86,859	686,936
Designated fund	3,185	13,437	5,233	11,389
	<u>629,378</u>	<u>161,039</u>	<u>92,092</u>	<u>698,325</u>

There are no restricted funds.

11. COMMITMENTS

Capital Commitments

At 31 January 2016 capital expenditure commitments were as follows:

	2016 £	2015 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

Charitable Commitments

The Association is committed to continuing expenditure including aircraft restoration for the Battle of Britain Memorial Flight. The amount not provided for in the financial statements as at 31 January 2016 is nil (2015 – nil).

12. POST BALANCE SHEET EVENTS

There have been no post balance sheet events which materially affect the Association's affairs.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2016**

		Unrestricted Funds	
	Notes	2016	2015
		£	£
Incoming Resources			
Subscriptions		53,705	60,294
Donations		75,187	36,608
Income tax refunded under Gift Aid, including interest		6,703	25,447
Members Day administration contributions		8,854	7,581
Annual Draw		10,642	-
		155,091	129,930
Investment Income – Bank Interest		5,948	5,290
Total incoming resources		161,039	135,220
Resources Expended			
Journal including distribution		23,027	20,947
Other printing		3,648	3,767
Postage and distribution		2,638	4,054
Stationery		2,047	1,705
Computer overheads		490	14,549
Advertising and display		-	1,488
RAF Waddington and East Kirkby stalls		-	801
Members Day, RAF Coningsby		6,023	4,913
Annual Draw		2,392	-
Donations:			
Battle of Britain Memorial Flight		30,619	3,071
Canadian Warplane Heritage Museum		-	6,296
RAF Benevolent Fund		-	-
Other		-	1,082
Rates and Water		756	642
Light and Heat		2,511	1,494
Repairs, renewals and maintenance – property		6,118	1,236
Insurance		1,081	961
Telephone		517	538
Accountant's remuneration		1,080	950
Motor Expenses		972	-
Miscellaneous expenses		230	239
Depreciation		6,782	1,089
Bank charges and interest		1,161	-
Total Resources Expended		92,092	69,822
Net incoming resources for the year		68,947	65,398
Total funds brought forward		629,378	563,980
Total funds carried forward		698,325	629,378

This page is for information purposes and does not form part of the statutory accounts.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
L.L.A. (SALES) LTD – DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2016

	2016		2015
	£	£	£
Sales		46,790	58,509
Cost of sales			
Opening Stock	17,145		11,074
Purchases	34,807		36,118
	<u>51,952</u>		<u>47,192</u>
Closing Stock	(43,895)		(17,145)
		<u>8,057</u>	<u>30,047</u>
GROSS PROFIT		<u>38,733</u>	<u>28,462</u>
Expenditure			
Insurance	1,081		961
Postage and packing	4,422		6,840
Printing and stationery	2,298		2,096
Advertising	200		1,092
Motor Expenses	2,724		-
Repairs and maintenance	42		18
Donation	24,000		14,000
Sundry expenses	759		127
Accountancy	900		950
Depreciation of tangible fixed assets	606		569
		<u>37,032</u>	<u>26,653</u>
		<u>1,701</u>	<u>1,809</u>
Finance Costs			
Paypal and E-bay Charges	804		802
Card processing charges	491		546
		<u>1,295</u>	<u>1,348</u>
NET PROFIT		<u><u>406</u></u>	<u><u>461</u></u>

This page is for information purposes and does not form part of the statutory accounts.

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**L.L.A. (SALES) LTD – BALANCE SHEET
AS AT 31 JANUARY 2016**

	2016		2015	
	£	£	£	£
FIXED ASSETS				
Tangible Assets		1,210		1,116
CURRENT ASSETS				
Stocks	43,895		17,145	
Debtors	1,972		1,613	
Cash at bank	4,876		16,605	
	<u>50,743</u>		<u>35,363</u>	
CREDITORS				
Amounts falling due within one year	<u>30,209</u>		15,141	
NET CURRENT ASSETS		<u>20,534</u>		<u>20,222</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>21,744</u>		<u>21,338</u>
CAPITAL AND RESERVES				
Called up share capital		2		2
Profit and loss account		<u>21,742</u>		<u>21,336</u>
SHAREHOLDERS' FUNDS		<u>21,744</u>		<u>21,338</u>

This page is for information purposes and does not form part of the statutory accounts.