

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

COMPANY REGISTRATION NUMBER 01555021 (England and Wales)

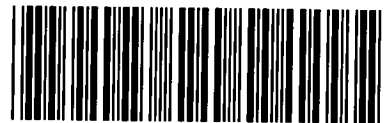
CHARITY COMMISSION REGISTERED NO. 511418

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2017

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

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LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2017**

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LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 JANUARY 2017

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	(Resigned 23 April 2016)
Mrs J. Bainborough	
Mrs S. Hewitt	(Retired 1 February 2017)
Mrs P Bull	

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 2017

The Council of Management present their annual report with the financial statements of the Association for the year ended 31 January 2017.

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 4,100 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 R C Bainborough and R P Chapman retire by rotation. Being eligible, they have offered themselves for re-election.

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

Unfortunately this year 31 January 2017 subscriptions have reduced by £4,596.

Excluding the donation from L.L.A. (Sales) Ltd, donations have decreased by £34,410, £26,000 of this is due to a large legacy being received from the estate of J.A.C Wilson in the previous year. The annual draw took place again this year and it made £6,823 (2016 - £8,250) after taking out the relevant expenses. Contributions towards the Members Day were up by £774 and was again a resounding success. No income tax was recovered from HM Revenue & Customs through Gift Aid during the year which is a reduction from the £6,703 received last year. Investment income is only £128 (2016 - £5,948). Last year a large interest amount was received on the term deposit account, the length of the term of this account was extended which has resulted in the interest not being due until June 2017.

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 2017

Achievements and Performance continued

Lincolnshire's Lancaster Association used funds during the year to refurbish the Shackleton. Blackpool Air show was attended this year.

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. The donation being made to Lincolnshire's Lancaster Association this year was £4,340 (2016 - £24,000).

During the year there were donations to the BBMF of £3,501 (2016 - £30,619) and for Spitfire refurbishment of £6,520 (2016 - NIL) no other donations were made by the charity during the year. Reserves have increased by £10,557.

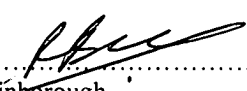
We look forward to a profitable 2017/18.

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 1 April 2017

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2017

I report on the accounts of the company for the year ended 31 January 2017 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

1 April 2017

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2017**

		Unrestricted Funds	
	Notes	2017	2016
		£	£
Income and endowments from:			
Donations and legacies		21,117	75,187
Charitable activities	3	67,545	73,201
Investments	4	128	12,651
TOTAL INCOME		88,790	161,039
EXPENDITURE			
Raising funds	5	32,886	31,360
Charitable activities	6	18,283	39,034
Other	7	27,064	21,698
TOTAL EXPENDITURE		78,233	92,092
NET INCOME		10,557	68,947
RECONCILIATION OF FUNDS			
Total funds brought forward		698,325	629,378
Total funds carried forward		708,882	698,325

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

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

BALANCE SHEET AS AT 31 JANUARY 2017

	Notes	2017 £	2016 £
Fixed Assets			
Tangible Assets	8	302,888	298,296
Investment – shares in subsidiary company	9	2	2
		<u>302,890</u>	<u>298,298</u>
Current Assets			
Debtors: Amount due from subsidiary company		33,420	28,450
Prepayments and accrued income		7,289	7,161
Cash at Bank: Current account		10,269	14,984
Deposit accounts		65,863	60,512
Reserve account		291,324	291,324
		<u>408,165</u>	<u>402,431</u>
Creditors: Amounts falling due within one year		<u>2,173</u>	<u>2,404</u>
Net Current Assets		<u>405,992</u>	<u>400,027</u>
Total Assets less Current Liabilities		<u>708,882</u>	<u>698,325</u>
Unrestricted income funds	10		
General		691,893	686,936
Designated		16,989	11,389
		<u>708,882</u>	<u>698,325</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2017.

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.

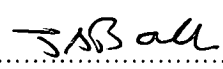
The Council of Management acknowledge their responsibilities for:

- (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 1 April 2017 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 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 2017**

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. CHARITABLE ACTIVITIES

	2017	2016
	£	£
Subscriptions	49,109	53,705
Members Day administration contributions	9,628	8,854
Annual Draw	8,808	10,642
	<u>67,545</u>	<u>73,201</u>

4. INVESTMENTS

	2017	2016
	£	£
Income tax refunded under Gift Aid	-	6,703
Interest received	128	5,948
	<u>128</u>	<u>12,651</u>

5. RAISING FUNDS

	2017	2016
	£	£
Journal including distribution	17,724	23,027
Other printing	5,202	3,648
Postage and distribution	5,606	2,638
Stationery	2,384	2,047
Advertising and display	764	-
Airshow expense	1,206	-
	<u>32,886</u>	<u>31,360</u>

6. CHARITABLE ACTIVITIES

	2017	2016
	£	£
Members Day, RAF Coningsby	6,277	6,023
Annual Draw	1,985	2,392
Donations: Battle of Britain Memorial Flight	3,501	30,619
Spitfire refurbishment	6,520	-
	<u>18,283</u>	<u>39,034</u>

LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 JANUARY 2017**

7. OTHER

	2017	2016
	£	£
Computer overheads	1,050	490
Rates and water	2,105	756
Light and heat	1,563	2,511
Repairs, renewals and maintenance	3,686	6,118
Insurance	1,710	1,081
Telephone	802	517
Accountant's remuneration	1,134	1,080
Administration fees	6,313	-
Motor expenses	1,915	972
Miscellaneous expenses	1,486	230
Depreciation	5,257	6,782
Bank charges and interest	43	1,161
	<u>27,064</u>	<u>21,698</u>

8. TANGIBLE FIXED ASSETS

	Freehold Property	Fixtures fittings & equipment	Motor Vehicles	Shackleton & Vulcan Aircraft	Total
	£	£	£	£	£
Cost					
At 1 February 2016	242,840	40,372	23,283	36,528	343,023
Additions	-	-	-	9,849	9,849
At 31 January 2017	<u>242,840</u>	<u>40,372</u>	<u>23,283</u>	<u>46,377</u>	<u>352,872</u>
Depreciation					
At 1 February 2016	-	38,906	5,821	-	44,727
Charge for the year	-	891	4,366	-	5,257
At 31 January 2017	<u>-</u>	<u>39,797</u>	<u>10,187</u>	<u>-</u>	<u>49,984</u>
Net Book Value					
At 31 January 2017	<u>242,840</u>	<u>575</u>	<u>13,096</u>	<u>46,377</u>	<u>302,888</u>
At 31 January 2016	<u>242,840</u>	<u>1,466</u>	<u>17,462</u>	<u>36,528</u>	<u>298,296</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 2017**

10. ANALYSIS OF CHARITABLE FUNDS

Analysis of unrestricted fund movements

	Balance at 1 February 2016 £	Incoming Resources £	Resources Expended £	Fund at 31 January 2017 £
General fund	686,936	77,845	72,888	691,893
Designated fund	11,389	10,945	5,345	16,989
	<u>698,325</u>	<u>88,790</u>	<u>78,233</u>	<u>708,882</u>

There are no restricted funds.

11. COMMITMENTS

Capital Commitments

At 31 January 2017 capital expenditure commitments were as follows:

	2017 £	2016 £
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 2017 is nil (2016 – 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 2017**

		Unrestricted Funds	
	Notes	2017	2016
		£	£
Incoming Resources			
Subscriptions		49,109	53,705
Donations		21,117	75,187
Income tax refunded under Gift Aid, including interest		-	6,703
Members Day administration contributions		9,628	8,854
Annual Draw		8,808	10,642
		88,662	155,091
Investment Income – Bank Interest		128	5,948
Total incoming resources		88,790	161,039
Resources Expended			
Journal including distribution		17,724	23,027
Other printing		5,202	3,648
Postage and distribution		5,606	2,638
Stationery		2,384	2,047
Computer overheads		1,050	490
Advertising and display		764	-
Airshow expenses		1,206	-
Members Day, RAF Coningsby		6,277	6,023
Annual Draw		1,985	2,392
Donations:			
Battle of Britain Memorial Flight		3,501	30,619
Spitfire refurbishment		6,520	-
Rates and water		2,105	756
Light and heat		1,563	2,511
Repairs, renewals and maintenance – property		3,686	6,118
Insurance		1,710	1,081
Telephone		802	517
Accountant's remuneration		1,134	1,080
Administration fees		6,313	-
Motor expenses		1,915	972
Miscellaneous expenses		1,486	230
Depreciation		5,257	6,782
Bank charges and interest		43	1,161
Total Resources Expended		78,233	92,092
Net incoming resources for the year		10,557	68,947
Total funds brought forward		698,325	629,378
Total funds carried forward		708,882	698,325

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 2017

	2017		2016	
	£	£	£	£
Sales		38,794		46,790
Cost of sales				
Opening Stock	43,895		17,145	
Purchases	29,711		34,807	
	<u>73,606</u>		<u>51,952</u>	
Closing Stock	(52,420)		(43,895)	
		<u>21,186</u>		<u>8,057</u>
GROSS PROFIT		17,608		38,733
Expenditure				
Insurance	1,710		1,081	
Postage and packing	4,025		4,422	
Printing and stationery	2,136		2,298	
Advertising	-		200	
Motor Expenses	1,932		2,724	
Repairs and maintenance	780		42	
Donation	4,340		24,000	
Sundry expenses	537		759	
Accountancy	942		900	
Depreciation of tangible fixed assets	606		606	
		<u>17,008</u>		<u>37,032</u>
		600		1,701
Finance Costs				
Paypal and E-bay Charges	926		804	
Card processing charges	276		491	
		<u>1,202</u>		<u>1,295</u>
NET (LOSS) PROFIT		(602)		406

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LINCOLNSHIRE'S LANCASTER ASSOCIATION LIMITED

**L.L.A. (SALES) LTD – BALANCE SHEET
AS AT 31 JANUARY 2017**

	2017		2016	
	£	£	£	£
FIXED ASSETS				
Tangible Assets		604		1,210
CURRENT ASSETS				
Stocks	52,420		43,895	
Debtors	1,710		1,972	
Cash at bank	829		4,876	
	<u>54,959</u>		<u>50,743</u>	
CREDITORS				
Amounts falling due within one year	<u>34,421</u>		30,209	
NET CURRENT ASSETS		<u>20,538</u>		<u>20,534</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>21,142</u></u>		<u><u>21,744</u></u>
CAPITAL AND RESERVES				
Called up share capital		2		2
Profit and loss account		<u>21,140</u>		<u>21,742</u>
SHAREHOLDERS' FUNDS		<u><u>21,142</u></u>		<u><u>21,744</u></u>

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