

SCANNED

HERITAGE TRUST OF LINCOLNSHIRE

(A Company Limited by Guarantee)

THIRTY SECOND ANNUAL REPORT AND ACCOUNTS

31 MARCH 2023

Registered Office

**The Old School
Cameron Street
Heckington
Sleaford
Lincs NG34 9RW**

Other Trading Names:

**Heritage Lincolnshire
Archaeological Project Services**

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Registered Number:

2554738 (England & Wales)

Registered Charity Number

1001463

HERITAGE TRUST OF LINCOLNSHIRE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

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HERITAGE TRUST OF LINCOLNSHIRE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

TRUST PATRON

Mr Toby Dennis Esq, HM Lord-Lieutenant of Lincolnshire

TRUST PRESIDENT

The Lord Cormack, DL, FSA, FRHistS

TRUSTEES who are also the MEMBERS OF THE BOARD 2022/2023

Michael Ashton (Chairman)	(Non-Executive Director) Resigned 30.11.22
Caroline Bingham	(Non-Executive Director)
Andrew Clark	(Non-Executive Director)
Anne Coltman	(Non-Executive Director)
Francis Dymoke	(Non-Executive Director) Resigned 30.11.22
Simon Erskine Crum	(Non-Executive Director)
Julian Free	(Non-Executive Director)
Charles Pinchbeck	(Non-Executive Director) Chairman from 30.11.22
Dorothy Hancock	(Non-Executive Director) Resigned 28.04.23
Ursula Lidbetter	(Non-Executive Director) Appointed 03.05.23
Stephen Roe	(Company Secretary)

PROFESSIONAL ADVISERS

Auditors:	Dexter & Sharpe Audit Services Limited Chartered Certified Accountants & Registered Auditors Rollestone House, Bridge Street, Horncastle, Lincs LN9 5HZ
Bankers:	Lloyds Bank 51 Market Place, Boston, Lincs PE21 6NQ
Solicitors:	Chattertons St Swithin's Court, 1 Flavian Rd, Nettleham Rd, Lincoln LN2 4GR

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Advisory & Liaison Committee

There were no meetings of the Advisory and Liaison Committee in the year to 31 March 2023.

The Buildings Advisory Committee

Mrs A Coltman (Committee Chairman)	The Board of Management
Mr P Herbert	Accountant
Mrs J Howard	Local Historian
Mr P Thompson	Quantity Surveyor
Mr E Wreglesworth	Estate Agent
Ms E Eales	Heritage Manager - ELDC
In attendance:	
Mr M Bentley	Conservation Project Manager
M M Gilbert	Project Manager (Conservation and Heritage)
Mrs C Davey	Project Officer (Historic Sites and Projects)

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of 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 2018).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Heritage Trust of Lincolnshire was formed on the initiative of Lincolnshire County Council in September 1988. The Trust was incorporated as a Company limited by guarantee on 2 November 1990 and registered as a charity on 9 January 1991. On 1 April 1991, the Trust became independent of the County Council and, at the same time, it incorporated the functions, staff and assets of the Trust for Lincolnshire Archaeology. The Trust's governing document is its Memorandum and Articles of Association.

Recruitment and Appointment of Board of Trustees

The directors of the company are also charity Trustees for the purpose of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association, members of the Board are elected to serve for a period of five years after which they may be re-elected at the end of their term.

Trustees Induction and Training

Trustee recruitment and appointment is undertaken with reference to the organisation's Equality & Diversity policy. There are no stated criteria, qualifications or constitutional provisions relating to the appointment, but Trustees are generally resident in Lincolnshire and have relevant business or technical skills. An induction and training programme for new Trustees has been developed.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks.

Risk	Level of risk to charity	Mitigation strategy	Revised level of risk
Loss of key staff/capacity for delivery	Medium	Effective staff recruitment, development and management procedures.	Medium
Reduction in turnover of commercial services	Medium	Regular monitoring of management accounts and strategic management of marketing and service delivery.	Low
Loss of funding for major projects	High	Funding strategies in place for individual projects. Regular communication with major funding partners. Reporting and risk management on individual projects reviewed at quarterly board meetings.	Low
Detrimental changes to economic/political context of the charity	Medium	Membership of relevant sector organisations to gain information on any issues affecting the charity. Review of business plan and strategy at quarterly board meetings.	Low

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

Organisational Structure

The Trust is governed by a Board of Management who are its Trustees and its non-executive Directors. The number of Trustees may be between five and fifteen and the present number is nine.

Day to day management is delegated to the Chief Executive Officer of the Trust and through to the Management Team. The Senior Management Team meet formally once a month to review the Trust's progress and to monitor performance. Minutes from these meetings are made available to the Chairman of the Board of Management.

The Board of Management meet quarterly (April, July, October and January) and at other times as necessary. They receive a report from the Chief Executive Officer and the Finance Manager at each meeting. All major issues of policy and all major projects are brought to the Board for approval.

OBJECTIVES AND ACTIVITIES

The objects of the Trust, as stated in its governing document, are:

- To advance the education of the public in all matters relating to the County of Lincolnshire with particular regard to its social history, physical and cultural heritage, archaeology, architecture, traditions, skills and landscapes.
- To preserve, or investigate for the public benefit, buildings and other features of historical, architectural, archaeological and environmental interest.

The Trust has adopted the following **Mission Statement**:

- The Heritage Trust of Lincolnshire is established to advance public understanding, knowledge and appreciation of all matters relating to the cultural and physical heritage of Lincolnshire with particular regard to its archaeology and architecture with their associated landscapes, and natural environments, social history and traditional skills, and to promote their preservation and continuity for public enjoyment.

The Trustees have adopted the above mission statement not only to ensure that the objects of the Trust are met, but also with consideration to the Charity Commission's general guidance on public benefit. In particular, consideration is given to ensure the advancement of culture and heritage within Lincolnshire and the surrounding areas.

ACHIEVEMENTS AND PERFORMANCE

1. Business planning and fundraising strategy

Heritage Lincolnshire completed its business plan for the period 2018-2023 and this was adopted by the Board at an extraordinary meeting in February 2018. The plan included four core themes of

- 1) Education and Engagement;
- 2) Archaeology;
- 3) Heritage Led Regeneration; and
- 4) Charitable Resources and Capacity.

This was initiated in March 2018 and is being monitored by the Senior Management Team and Board of Trustees. A Fundraising and Corporate Sponsorship plan was also adopted, which highlights the strategy for bringing funding into the organisation for projects and core costs.

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE continued

2. Funding

The financial sustainability of the charity depends upon accessing a wide variety of funding sources and staff continue to be proactive in both fundraising and fee earning activities. An annual budget is set, providing targets for consultancy, commercial services, trust and foundation fundraising, and increasing efforts to encourage donations and membership subscriptions.

The focus of fundraising over the past year has been for: the development stage for the restoration of Greyfriars, Lincoln, in partnership with the City of Lincoln Council; Lincolnshire Local Listing Project; The Harlequin complex of buildings and the Town Deal regeneration projects in Boston, Skegness, Mablethorpe and Lincoln. Funding for these projects has been received from the National Lottery Heritage Fund, Architectural Heritage Fund, the Pilgrim Trust and Investors in Lincoln.

Key funding partners such as the National Lottery Heritage Fund, the Architectural Heritage Fund, and Historic England continue to invest in the Trust in recognition of our expertise in historic building conservation, archaeological fieldwork and research and community engagement. A wider range of charitable trusts have also contributed to our work and the level of support we receive within the communities where we are working is also increasing.

3. Summary of achievements

- i. The Chief Executive Officer and the Senior Management Team have worked closely together to manage finances and obtain funding for the trust during the year.
- ii. Heritage Lincolnshire's President, Lord Cormack, has been assisting the organisation greatly in enhancing its profile within Lincolnshire.
- iii. The Heritage Open Days programme in September continued this year there was a rise in bookings of events throughout the festival. Bollingbroke Back in Time took place in the summer and there was an increase in visitors.
- iv. Volunteers were operating as tour guides for the Old Kings Head and Kirton. Due to the pandemic there has been a reduction in the number of volunteers along with volunteering opportunities.
- v. Our digital talks programme has been successful and we have had participants not only from all over the UK but internationally from France and America.
- vi. The Trust's work in heritage led regeneration continues to be in demand and we have been recognised as the most active and effective building preservation trust within the East Midlands. The Trust has continued to mentor and support that it offers to community organisations both within Lincolnshire and throughout the East Midlands. Within Lincolnshire this has included projects in Lincoln, Cleethorpes, Grimsby, Heckington Scampton and Boston within Lincolnshire and we have been involved in projects outside the East Midlands in Chester, Wakefield and Bradford.
- vii. Our new restoration project, Greyfriars Lincoln, has finished the development stage and will be commencing the delivery stage in the next financial year. This project is in partnership with the City of Lincoln Council.

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE continued

4. Summary of achievements continued

- viii. Our archaeologists (APS) have continued to work within Lincolnshire and further afield, offering professional archaeological services to commercial clients. This income has allowed the Trust to reinvest in the team and in the continued professional development of our staff.’
- ix. The Trustees of the Heritage Trust of Lincolnshire recognise and acknowledge that all of the Trust’s achievements are the result of the hard work, enthusiasm and skills of its staff and volunteers and they offer their thanks for their continued commitment to the Trust and its objectives.

Financial outcome

The financial analysis for the year follows this report. It will be noted that overall the Trust’s incoming resources for the year have decreased by 7.6% since 2021/22 this was after adjusting for the previous year’s income including the donation of a property valued at £245,000. Expenditure has increased by 4.9%. This resulted in a deficit for the year. The Board of Trustees has continued to scrutinise overhead expenditure and to make savings where possible and all of the charity’s resources are carefully managed in consultation with our funding partners and advisors. For further information on the financial results of the year see pages 12 to 29.

Reserves policy

Heritage Trust of Lincolnshire aims to maintain its available unrestricted reserves before pension liabilities at a level to ensure continued financial resilience and sustainability. Our aim is to strike an appropriate balance between maintaining reserves to ensure a sustainable financial future and spending the charity’s funds to further its charitable purposes for public benefit. As at 31 March 2023, the charity had unrestricted reserves of £958k (2021/2 £1,103k) of which £778k (2020/1: £778k) comprises designated funds and unrealised gains on the revaluation of properties owned by the charity.

The Trustees’ continually review and update the financial risks with which the charity operates. This assessment of risks sets the level of available unrestricted reserves that the charity aims to maintain to manage cashflow, maintain liquidity; provide for known or likely future opportunities and liabilities; and manage financial risks effectively (including to give the charity time to adjust to any significant financial shock).

On the basis of that analysis, the Trustees’ policy is to accumulate at least £420k in available unrestricted reserves and as at 31 March 2023 we need to accumulate a further £240k to meet the £420k level set by our own policy. However, as at 31 March 2023, there are restricted funds of £98k which are available for the ongoing servicing of projects, including the payment of salaries. The reserves policy is reviewed and updated annually as part of the process of preparation of the statutory accounts.

The Trustees, therefore, have put in place robust plans to grow unrestricted reserves and will continue to set realistic budgets to generate surpluses to enable accumulation of a level of available unrestricted reserves to meet the policy requirement taking into account any future fluctuations in the assessed requirement.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees see fit. Monies received in advance are sometimes placed on short term deposits depending on cash flow and potential returns.

HERITAGE TRUST OF LINCOLNSHIRE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Income and Grants from local and national organisations for the Financial Year ending 31 March 2023

Source	2022/23	2021/22
Architectural Heritage Fund	41,418	55,670
Alford Windmill Trust	4,705	-
Aslackby PCC	1,727	-
Bain Valley Group	-	5,040
Bergne-Coupland Trust	2,000	2,000
Birmingham Jewellery Quarter	-	3,000
Boson Borough Council	116,676	170,157
Boston District Archaeology IAS	-	1,709
Boston Preservation Trust	800	-
Bourne Arts and Community Trust	17,020	3,913
Bourne Town Hall	-	3,975
Bourne United Chaities	1,773	-
Centenary Methodist Church	-	3,685
Cheshire West and Cheshire Council	13,420	-
City of Bradford Metropolitan District Council	1,900	-
City of Lincoln Council	5,217	40,639
East Lindsey District Council	222,747	18,667
English Heritage	15,420	15,420
Headley Trust	-	7,500
Heart of Hastings	-	813
Heckington Windmill Trust	1,662	-
Heritage Trust Network	4,140	-
Historic England	65,584	15,800
Lincolnshire County Council	13,238	77,127
Membership Subscriptions	6,734	5,598
Mount Zion Apolistic Church	-	4,145
National Lottery Heritage Fund	148,918	480,543
National Trust	5,280	-
North Kesteven District Council	31,726	25,080
North East Lincolnshire Council	7,975	32,423
North Lincolnshire Council	-	22,962
Nottinghamshire City Council	4,800	14,850
Our Big Picture	1,987	1,987
Pilgrim Trust	15,000	-
School for Social Heritage	4,500	-
St John the Baptist Church	2,917	-
South Holland District Council	1,000	1,000
South Kesteven District Council	30,061	19,125
VESR (Visitor Economy, Services and Retail Group)	22,576	3,750
Wakefield Council	29,243	-
West Lindsey District Council	500	-
Worksop Priory and Gatehouse Community Trust	-	2,000
	842,664	1,038,578

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of Heritage Trust of Lincolnshire for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD



.....
Charles Pinchbeck, Chairman

Date: 29 November 2023

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERITAGE TRUST OF LINCOLNSHIRE FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Heritage Trust of Lincolnshire (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 23 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

HERITAGE TRUST OF LINCOLNSHIRE

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERITAGE TRUST OF LINCOLNSHIRE FOR THE YEAR ENDED 31 MARCH 2023

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:


We have enquired of those charged with governance around actual and potential litigation and claims.

We have reviewed financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

We have enquired of staff engaged in the completion of VAT, tax and compliance work to identify any instances of non-compliance with laws and regulations.

We have audited the risk of management override of controls, including review of journal entries and large or unusual transactions, evaluating the rationale of any significant transactions outside the normal charitable activities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.


Nicola Lenton (Senior Statutory Auditor)
for and on behalf of Dexter & Sharpe Audit Services Ltd
(Statutory Auditor)
Rollestone House
Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

Date: 29 November 2023

HERITAGE TRUST OF LINCOLNSHIRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	9,190	245	9,435	252,025
Other trading activities	3	332,898	9,569	342,467	249,194
Investment income	4	3,686	-	3,686	3,600
Income from charitable activities:					
Grants, projects and property management	5	948,943	533,368	1,482,311	1,731,257
Total incoming resources		<u>1,294,717</u>	<u>543,182</u>	<u>1,837,899</u>	<u>2,236,076</u>
EXPENDITURE ON					
Costs of generating funds					
Expenditure on raising funds	6	245,545	-	245,545	188,812
Charitable activities	6	1,189,465	590,403	1,779,868	1,668,259
Other costs	6	4,240	-	4,240	76,980
Total		<u>1,439,250</u>	<u>590,403</u>	<u>2,029,653</u>	<u>1,934,051</u>
Net income/(expenditure)					
Being:					
Net movement in funds	7	(144,533)	(47,221)	(191,754)	302,025
Unrealised gain on fixed assets		-	-	-	535,000
Net movement in funds		(144,533)	(47,221)	(191,754)	837,025
Reconciliation of funds					
Total funds brought forward	21	1,102,797	145,823	1,248,620	411,595
Total funds carried forward		<u>958,264</u>	<u>98,602</u>	<u>1,056,866</u>	<u>1,248,620</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended arise from continuing activities.

HERITAGE TRUST OF LINCOLNSHIRE

BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible fixed assets for charity use	10		369,588		382,531
Investment properties	10		969,814		969,814
Heritage assets	11		-		-
			<u>1,339,402</u>		<u>1,352,345</u>
CURRENT ASSETS					
Stocks and work in progress	12	217,710		393,211	
Debtors	13	353,982		315,520	
Cash at bank and in hand		634,898		28,736	
		<u>1,206,590</u>		<u>737,467</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	14	1,369,785		444,431	
NET CURRENT ASSETS/(LIABILITIES)			(163,195)		293,036
LONG-TERM LIABILITIES					
Creditors: amounts falling due after one year	15		(119,341)		(396,761)
NET ASSETS			1,056,866		1,248,620
The Funds of the Charity					
Restricted funds	21		98,602		145,823
Unrestricted funds:-					
General funds			(97,900)		46,633
Designated funds:-					
Building preservation reserve			83,008		83,008
Legacy reserve			278,292		278,292
Revaluation reserve			694,864		694,864
Total Charity funds			1,056,866		1,248,620

The financial statements were approved by the Board of Trustees on ~~21 November 22~~ 21 November 23 and were signed on its behalf by:

Charles Pinchbeck, Chairman

HERITAGE TRUST OF LINCOLNSHIRE

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cashflows from operating activities			
Net cash (used in)/inflow from operating activities	1	689,857	81,875
Cashflows from investing activities			
Purchase of tangible fixed assets		(8,660)	(36,142)
Net cash (used in)/provided by investing activities		681,197	45,733
Cashflows from financing activities			
New loans in year		20,000	189,000
Loan repayments in year		(92,402)	(145,476)
HP Repayments in year		(2,633)	(6,670)
Net cash provided by/(used in) financing activities		(75,035)	36,854
Change in cash and cash equivalents in the reporting period		606,162	82,587
Cash and cash equivalents at beginning of year	2	28,736	(53,851)
Cash and cash equivalents at end of year	2	634,898	28,736

HERITAGE TRUST OF LINCOLNSHIRE

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (deficit)/surplus for the reporting period (as per the statement of financial activities)	(191,754)	837,025
Adjustments for:		
Depreciation charges	21,603	22,366
Unrealised profit on revaluation	-	(535,000)
Value of donated property	-	(245,000)
Decrease/(Increase) in stocks	175,501	(58,521)
(Increase)/Decrease in trade and other debtors	(38,462)	34,197
Increase in trade and other creditors	722,969	26,808
	<hr/>	<hr/>
Net cash (used in) inflow from operating activities	689,857	81,875
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2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	652,122	28,736
Bank overdrafts	(17,224)	-
	<hr/>	<hr/>
	634,898	28,736
	<hr/> <hr/>	<hr/> <hr/>

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	28,736	1,397
Bank overdrafts	-	(55,248)
	<hr/>	<hr/>
	28,736	(53,851)
	<hr/> <hr/>	<hr/> <hr/>

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparation and assessment of going concern

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 2017)', 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, as modified by the revaluation of land and buildings.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

In the opinion of the Trustees there are no major judgemental or estimation matters affecting the accounts. An important matter requiring an element of judgement relates to the recognition of income. Income is recognised in an accounting period in accordance with the stage of completion of a project based on the direct and apportioned costs incurred, which requires certain judgements and estimates.

Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the trust.
- Designated funds are unrestricted funds earmarked by the Trustees for a particular purpose.
- Restricted funds are subject to the restrictions on their expenditure imposed by the donor. Expenditure that meets these criteria is charged to the fund.

Income

Income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are accrued for when received.
- Grant income is recognised as the Trust becomes unconditionally entitled to the grant. Where the Charity is not unconditionally entitled to the income as at the balance sheet date the income is shown as deferred income in the balance sheet until any performance conditions are met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Expenditure

Expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Expenditure on raising funds comprise those costs associated with field archaeology and project funding activities.
- Costs of charitable expenditure comprise those costs incurred by the Trust in the delivery of its activities and services in the furtherance of its principal activities and include both direct and indirect costs.
- Other costs include those costs associated with meeting the constitutional and statutory requirements of the charity.
- Support costs relating to charitable activities have been apportioned to projects based on management's estimate of the level of support costs required and incurred by each project.

HERITAGE TRUST OF LINCOLNSHIRE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES continued

Tangible fixed assets

Fixed assets are shown in the balance sheet at historic cost, or in the case where fixed assets have been donated at valuation at the time of acquisition, and are depreciated at rates sufficient to write off each asset over its estimated useful life.

Freehold property	- not depreciated
Plant & machinery	- 5 years straight line
Fixtures and fittings	- 4 years straight line
Motor vehicles	- 4 years straight line

The freehold property is not depreciated as the estimated residual value is such to make any depreciation immaterial. This is a departure from the requirements of the Companies Act 2006 – true and fair view override.

Investment properties

Investment properties are stated at fair value. Any surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities

Heritage assets

If the charity receives any heritage assets by way of donation, it is policy to capitalise these in the balance sheet. If a value is known or easy to obtain, then this will be the cost. It is the charity's policy to maintain these assets in a steady state of repair. Due to their historic nature, the Trustees do not therefore consider it appropriate to charge depreciation on these assets. Expenditure on these assets is recognised in the Statement of Financial Activities as it is incurred.

The charity holds two assets of historical importance. These were donated several years ago and have never had a value placed on them, as due to their nature it is difficult to determine a value. See note 11.

Stocks and work in progress

Work in progress is included at the cost to date.

The value of the cost of publications is written off in the year of publication. The value of any stock of books is ignored for the purposes of these accounts.

Taxation

The Charity is exempt from corporation tax on its charitable activities.

Pension costs and other post-retirement benefits

The Trust has a Pension Scheme based on a money purchase policy through Standard Life for eligible employees and contributions are charged to the Statement of Financial Activities as they become payable.

Leasing and hire purchase commitments

Assets under hire purchase contracts and finance leases are capitalised as tangible assets and are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Operating Leases

Rentals paid under operating leases are charged on a straight line basis over the term of the lease.

Financial instruments

Basic financial assets and liabilities are initially recognised at transaction price and subsequently carried at amortised cost using the effective interest method.

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
General donations	9,170	-	9,170	6,503
Gift Aid	20	-	20	20
Legacy	-	-	-	245,000
Heritage Open Day	-	245	245	502
	<u>9,190</u>	<u>245</u>	<u>9,435</u>	<u>252,025</u>

3. OTHER TRADING INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Archaeology outside Lincolnshire	272,209	-	272,209	217,731
Publications	1,107	25	1,132	1,688
Membership	5,926	-	5,926	5,598
Miscellaneous	53,656	9,544	63,200	24,177
	<u>332,898</u>	<u>9,569</u>	<u>342,467</u>	<u>249,194</u>

4. INVESTMENT INCOME

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Rents received	3,600	-	3,600	3,600
Interest received	86	-	86	-
	<u>3,686</u>	<u>-</u>	<u>3,686</u>	<u>3,600</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Archaeology within Lincolnshire	708,117	-	708,117	736,127
Grants:				
East Lindsey District Council	16,024	-	16,024	-
Boston Borough Council	10,357	-	10,357	9,360
North Kesteven District Council	25,143	-	25,143	24,080
South Kesteven District Council	17,520	-	17,520	16,800
Carried forward	<u>777,161</u>	<u>-</u>	<u>777,161</u>	<u>786,367</u>

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Brought forward	777,161	-	777,161	786,367
Property Management	19,273	-	19,273	19,273
Projects				
AHF Development Trusts	-	29,280	29,280	29,947
Boston Town Deal	-	86,378	86,378	73,730
Centenary Methodist Church, Boston	-	-	-	3,685
Covid recovery fund	-	7,229	7,229	36,751
East Lindsey Town Deal	-	91,216	91,216	42,626
Fydell House	-	12,727	12,727	5,670
Greyfriars, Lincoln	-	23,562	23,562	53,704
Grimsby Viking Festival	-	22,523	22,523	3,750
The Harlequin	-	76	76	20,375
Historic England Engagement Project	-	23,625	23,625	-
Isle of Axholme	-	-	-	24,886
Local Listing Project	-	-	-	53,001
NHLF Covid Recovery Fund	-	20,864	20,864	126,535
Old King's Head, Kirton	-	7,541	7,541	226,200
Outreach to Ownership	-	4,094	4,094	3,646
Townscape Heritage Initiative, Boston	-	18,307	18,307	45,940
Other projects	152,509	185,946	338,455	175,171
	948,943	533,368	1,482,311	1,731,257

Grants received, included in the above, are as follows:

	Unrestricted Funds 2022 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Boston Borough Council	10,357	-	10,357	9,360
North Kesteven District Council	25,143	-	25,143	24,080
South Kesteven District Council	17,520	-	17,520	16,800
East Lindsey District Council	16,024	-	16,024	-
	69,044	-	69,044	50,240

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

6. EXPENDITURE

	Archaeology outside Lincolnshire	Grants and Contributions	Archaeology within Lincolnshire	Projects Un-Restricted	Projects Restricted	Property Management	Miscellaneous	Governance	Total 2023	Total 2022
	£	£	£	£	£	£	£	£	£	£
Rent & Rates	200	1,893	520	-	377	125	-	-	3,115	2,195
Light & heat	-	7,950	-	244	-	-	-	-	8,194	12,442
Property repairs	-	5,395	-	12,140	-	-	-	-	17,535	6,471
Salaries	174,066	177,428	452,811	503,728	-	-	-	-	1,308,033	1,152,970
Work in Progress movement	8,415	-	21,889	-	-	-	-	-	30,304	(23,326)
HR & recruitment	252	14,130	655	-	-	-	-	-	15,037	3,933
Travel & subsistence	2,423	1,253	6,305	4,506	11,931	11	-	-	26,429	28,835
Training	1,210	7,297	3,146	-	2,781	-	-	-	14,434	6,511
Materials & supplies	2,481	559	6,453	68	91,417	-	-	-	100,978	252,385
Equipment Hire	27,111	13,734	70,527	225	3,670	-	-	-	115,267	146,396
Equipment repairs & renewals	494	11,809	1,286	135	2,526	-	-	-	16,250	12,072
Motor expenses	3,697	2,113	9,616	217	-	-	-	-	15,643	12,412
Telephone	1,036	4,000	2,695	-	-	-	-	-	7,731	7,281
Printing, postage & stationery	1,447	2,013	3,765	773	5,390	-	-	-	13,388	16,944
Subscriptions	2,179	19,271	5,669	1,808	1,431	-	-	-	30,358	24,450
Professional fees	-	14,424	-	5,718	9,860	-	-	-	30,002	78,551
Specialist fees	9,516	38,893	24,755	7,895	9,785	5,891	-	-	96,735	16,184
Insurance	2,157	10,508	5,610	4,212	285	582	-	-	23,354	17,776
Marketing	79	1,028	205	-	940	-	-	-	2,252	8,964
Sundry	694	1,796	1,805	2,326	6,615	108	-	-	13,344	22,007
Bad debts	4,165	69,730	10,835	-	-	-	-	-	84,730	15,943
Depreciation	3,658	8,428	9,517	-	-	-	-	-	21,603	22,366
Bank charges and interest	-	4,794	-	-	-	-	-	-	4,794	5,100
Hire purchase interest	265	1,137	689	-	-	-	-	-	2,091	1,737
Loan interest	-	23,962	-	-	-	-	-	-	23,962	6,472
Gain on sale of FA	-	(150)	-	-	-	-	-	-	(150)	-
Auditors' remuneration	-	-	-	-	-	-	-	4,240	4,240	3,845
Management charge- project contribution	-	(443,395)	-	-	443,395	-	-	-	-	-
Provision for doubtful debt	-	-	-	-	-	-	-	-	-	73,135
	245,545	-	638,753	543,995	590,403	6,717	-	4,240	2,029,653	1,934,051

HERITAGE TRUST OF LINCOLNSHIRE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

7. NET INCOME/EXPENDITURE

Net resources are stated after charging:

	2023	2022
	£	£
Auditors' remuneration	4,240	3,845
Depreciation – owned assets	21,603	15,705
Depreciation – assets on finance lease	-	6,661
	<u>21,603</u>	<u>26,211</u>

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,148,775	1,020,591
Social security costs	106,245	88,109
Other pension costs	53,013	44,270
	<u>1,308,033</u>	<u>1,152,970</u>

The average number of employees, full and part time, during the year was as follows:

	2023	2022
	Number	Number
Chief Executive	1	1
Project workers	38	35
Finance	2	2
Administration and support	4	4
	<u>45</u>	<u>42</u>

The Trust considers its key management personnel to comprise the Trustees, the Chief Executive officer and four senior managers. The total employment benefits, including pension contributions of the key management personnel were £253,467 (2022: £265,025).

No employee received emoluments of more than £60,000.

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 March 2023, nor for the year ended 31 March 2022.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

HERITAGE TRUST OF LINCOLNSHIRE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

10. TANGIBLE FIXED ASSETS

	Investment Properties	Land and Building Used by Charity	Motor Vehicles	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	1,000,000	330,000	26,645	74,759	148,143	1,579,547
Additions	-	-	-	-	8,660	8,660
Disposals	-	-	-	-	(250)	(250)
Revaluations	-	-	-	-	-	-
At 31 March 2023	1,000,000	330,000	26,645	74,759	156,553	1,587,957
Depreciation						
At 1 April 2022	30,186	-	22,583	44,766	129,667	227,202
Charge for year	-	-	4,062	7,777	9,764	21,603
Re disposals	-	-	-	-	(250)	(250)
Re revaluations	-	-	-	-	-	-
At 31 March 2023	30,186	-	26,645	52,543	139,181	248,555
Net Book Value						
At 31 March 2022	969,814	330,000	-	22,216	17,372	1,339,402
At 31 March 2022	969,814	330,000	4,062	29,993	18,476	1,352,345

Included in the net book value of £1,352,345 (2022: £1,352,345) is £Nil (2022: £4,062) of assets held under finance lease or hire purchase contracts.

The Old School property at Heckington was valued at market value of £295,000 by Tony Gravel, Banks Long & Co on 27 January 2018. On 19 April, 2022, it was valued at £330,000 by J A Swithinbank. Investment properties comprise Mill Hill Cottage held at valuation of £124,814, performed in January 2005 by Turner, Evans and Stevens; the Old King's Head, Kirton, valued at £600,000 by J A Swithinbank on 19 April 2022 and a cottage at 27 High Street, Tattershall, bequeathed to the Charity on 10 June 2021 and valued at £245,000 by Robert Bell & Company. The Old Kings Head was acquired in 2016 and this was funded by a £100,000 loan from the Architectural Heritage Fund. Prior to this year's revaluation, the Old King's Head was held at the value of the £100,000 acquisition.

When acquired, The Old King's Head was in a very poor condition but has since been restored with the help of a grant received from the National Lottery Heritage Fund and fundraising by the Charity. The costs of refurbishment have been recognised in the Statement of Financial Activities as a restricted project cost. The refurbishment costs have not been capitalised as part of the asset.

At this stage the Charity plans to repay the Architectural Heritage Fund loan by taking out a commercial mortgage on the property.

HERITAGE TRUST OF LINCOLNSHIRE

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

11. HERITAGE ASSETS

The charity holds two assets of historical importance – Holbeach Bunker and Tupholme Abbey.

Tupholme Abbey, which is classed as a Scheduled Ancient Monument, was originally transferred from Lincolnshire County Council in 1991 at a Nil value.

The Holbeach Bunker, a R.O.C. Monitoring Post, was transferred to the Trust by Nicholas Lane in 2001 at a Nil value.

Unquoted investments

At Cost	2023	2022
	£	£
HTL Enterprises Ltd – 1 ordinary share of £1	<u><u>1</u></u>	<u><u>1</u></u>

The charity owns the whole of the issued share capital being 1 ordinary subscriber share of £1 issued at par. The intercompany accounts are shown in debtors.

The financial results were as follows:
Summary Profit and Loss Account:

	2023	2022
	£	£
Turnover	262,359	104,614
Other income	73,478	-
Costs	(397,732)	(200,104)
Operating Profit / (loss)	<u>(61,895)</u>	<u>(95,490)</u>
Profit / (Loss) Absorbed	<u>-</u>	<u>(95,490)</u>
The shareholders' funds at the end of the year were	<u>(180,221)</u>	<u>(118,326)</u>

12. STOCKS AND WORK IN PROGRESS

	2023	2022
	£	£
Work in progress	239,042	414,543
Provision against recoverability	(21,332)	(21,332)
	<u>217,710</u>	<u>393,211</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	193,752	264,907
Other debtors and taxes	75,422	50,613
HTL Enterprises Ltd	84,808	73,135
Provision for doubtful debt	-	(73,135)
	<u>353,982</u>	<u>315,520</u>

HERITAGE TRUST OF LINCOLNSHIRE
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	32,873	72,401
Trade creditors	67,088	149,262
Social security and other taxes	48,705	92,933
Obligations under finance leases and hire purchase contracts	-	2,633
Other creditors	883,863	27,575
Deferred income	75,485	99,627
The Architectural Heritage Fund loan	198,771	-
LEAP loan	63,000	-
	<u>1,369,785</u>	<u>444,431</u>

Deferred income is analysed below:

	2023	2022
	£	£
AHF Development Trust	588	29,868
Boston Borough Council	-	1,149
Boston Town Deal	-	10,637
Conservation Consultancy	375	-
Covid Recovery Fund	2,016	29,002
HTL Volunteer 500	-	271
Legacies	-	1,000
Little Steeping	450	450
NLHF Covid Recovery Fund	4,130	7,335
OKH Delivery	57,711	-
Outreach to Ownership	6,526	10,354
Prepaid donations	-	1,385
Property management	3,689	3,689
Tupholme – Survey and Repairs	-	4,348
Wolds Walking Festival	-	139
	<u>75,485</u>	<u>99,627</u>
Deferred income at 1 April 2022	99,627	56,841
Released from previous accounting periods	(99,627)	(56,841)
Income deferred in the current year	75,485	99,627
Deferred income at 31 March 2023	<u>75,485</u>	<u>99,627</u>

HERITAGE TRUST OF LINCOLNSHIRE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

15. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023	2022
	£	£
Bank loans	119,341	134,990
Obligations under finance leases and hire purchase contracts	-	-
The Architectural Heritage Fund loan	-	198,771
LEAP loan	-	63,000
	119,341	396,761

The Architectural Heritage Fund loan is repayable up to 48 months from initial drawdown, at an interest rate of 6.5% per annum.

The bank loan is repayable over 20 years at an interest rate of 4.96%.

The LEAP loan is repayable after 5 years at an interest rate of Bank of England base rate plus 2%.

16. BANK LOANS

	2023	2022
	£	£
Within one year	214,420	72,401
Between one and two years	15,946	214,417
Between two and five years	31,368	40,404
More than five years	72,027	78,940
	333,761	406,162

17. SECURED CREDITORS

	2023	2022
	£	£
Bank loans	134,990	207,391
The Architectural Heritage Fund loan	198,771	198,771
LEAP loan	63,000	63,000
	396,761	469,162

The Architectural Heritage Fund loan is secured on the property being financed by the loan.

The LEAP loan is secured on the property being financed by the loan.

The bank loan is secured on the properties owned by the Charity.

The hire purchase contracts are secured against the asset for which they provided the original finance.

HERITAGE TRUST OF LINCOLNSHIRE

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	-	2,633
Between one and five years	-	-
	-	2,633
	-	2,633
	Non-cancellable operating leases	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	10,262	7,777
Between one and five years	37,943	31,108
In more than five years	648	8,425
	48,853	47,310
	48,853	47,310

19. PENSION SCHEME

The Trust operates a Pension Scheme provided by Standard Life. The Trusts costs are the equivalent of 5% of Qualifying Members' Pay. At 31 March 2023 there were 45 (2022: 42) members of staff eligible under the scheme rules for inclusion in the scheme. The total pension costs for the year was as follows:

	2023	2022
	£	£
Standard Life	53,013	44,270
	53,013	44,270

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible Fixed Assets	1,339,402	-	1,339,402
Current Assets	146,327	246,667	392,994
Total Liabilities	(527,465)	(148,065)	(675,530)
	958,264	98,602	1,056,866
Net assets at 31 March 2023	958,264	98,602	1,056,866

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

21. MOVEMENT IN FUNDS

	At 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Transfer £	At 31 March 2023 £
Unrestricted funds					
General reserve	46,633	1,294,717	(1,439,250)	-	(97,900)
Revaluation reserve	694,864	-	-	-	694,864
Designated funds					
Building preservation reserve	83,008	-	-	-	83,008
Legacy reserve	278,292	-	-	-	278,292
Total Unrestricted and Designated funds	1,102,797	1,294,717	(1,439,250)	-	958,264

	At 1 April 2022 £	Incoming Resources £	Outgoing Direct £	Resources Transfer £	Project Contribution £	At 31 March 2023 £
Restricted funds						
Donations & legacies	-	245	(245)	-	-	-
Other trading activities	-	9,569	(9,569)	-	-	-
Projects:						
AHF Development Trusts	-	29,280	(280)	-	(29,000)	-
Boston Town Deal	-	86,378	(1,705)	-	(84,673)	-
Centenary Methodist Church	2,920	-	-	-	(2,920)	-
Covid Recovery Fund	-	7,229	(7,229)	-	-	-
East Lindsey Town Deal	-	91,216	(3,788)	-	(87,428)	-
Fydell House	5,643	12,727	(2,124)	-	(16,246)	-
Greyfriars Lincoln	-	23,562	(23,562)	-	-	-
Grimsby Viking Festival	3,746	22,523	(1,056)	-	(25,213)	-
The Harlequin	5,227	76	(104)	-	(5,199)	-
Historic England Engagement Project	1,830	23,625	(148)	-	(25,307)	-
Isle of Axholme	22,786	-	(26)	-	(22,760)	-
Local Listing Project	1,000	-	(214)	-	(786)	-
NHLF Covid Recovery Fund	8,138	20,864	(20,864)	-	(8,138)	-
Old King's Head, Kirton	-	7,541	(7,541)	-	-	-
Outreach to Ownership	-	4,094	(7,814)	-	-	(3,720)
Townscape Heritage Boston	-	18,307	(1,239)	-	(17,068)	-
Other Restricted Projects	94,533	185,946	(59,500)	-	(118,657)	102,322
Total Restricted funds	145,823	543,182	(147,008)	-	(443,395)	98,602
Total Funds	1,248,620	1,837,899	(1,586,258)	-	(443,395)	1,056,866

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2023

22. RELATED PARTY DISCLOSURES

The Charity has a close working relationship with the local authorities in Lincolnshire, the area in which it conducts its charitable activities. This includes having representation on the Heritage Trust of Lincolnshire Advisory and Liaison Committee. These organisations provide funding which has been included within the financial statements as 'Incoming resources from charitable activities'.

Heritage Trust of Lincolnshire owns the whole of the issued share capital of HTL Enterprises Ltd. The company's principal activity will be hospitality. HTL Enterprises will lease the property on completion of the Old King's Head refurbishment project at market value from Heritage Trust of Lincolnshire. Costs incurred on behalf of HTL Enterprises Ltd amount to £Nil (2022: £73,135).

During the year to 31 March 2022, in the face of delays in expected funding, a member of Key Management Personnel extended a cash flow loan to the charity. The balance as at 31 March 2023 is £Nil (2022: £57,000).

23. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

HERITAGE TRUST OF LINCOLNSHIRE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
INCOMING RESOURCES		
Voluntary income		
Various donations	9,435	7,025
Legacy	-	245,000
Activities for generating funds		
Archaeology outside Lincolnshire	272,209	217,731
Publications	1,132	1,688
Membership	5,926	5,598
Miscellaneous	63,200	24,177
Investment income		
Rent received	3,600	3,600
Deposit account interest	86	-
Incoming resources from charitable activities		
Archaeology within Lincolnshire	708,117	736,127
Grants	69,044	50,240
Projects	685,877	925,617
Property Management	19,273	19,273
Total incoming resources	1,837,899	2,236,076
RESOURCES EXPENDED		
Rent & rates	3,115	2,195
Light & heat	8,194	12,442
Property repairs	17,535	6,471
Salaries	1,308,033	1,152,970
Work in Progress movement	30,304	(23,326)
HR & recruitment	15,037	3,933
Travel & subsistence	26,429	28,835
Training	14,434	6,511
Materials & supplies	100,978	252,385
Equipment hire	115,267	146,396
Equipment repairs & renewals	16,250	12,072
Motor expenses	15,643	12,412
Telephone	7,731	7,281
Printing, postage & stationery	13,388	16,944
Subscriptions	30,358	24,450
Professional fees	30,002	78,551
Specialist fees	96,735	16,184
Insurance	23,354	17,776
Marketing	2,252	8,964
Sundry	13,344	22,007
Bad debts	84,730	15,943
Depreciation	21,603	22,366
Bank charges and interest	4,794	5,100
Hire purchase interest	2,091	1,737
Loan interest	23,962	6,472
Gain on disposal of fixed asset	(150)	-
Auditors' remuneration	4,240	3,845
Provision for doubtful debt	-	73,135
Total resources expended	2,029,653	1,934,051
Net (deficit)/surplus	(191,754)	302,025

This page does not form part of the statutory financial statements.