

REGISTERED COMPANY NUMBER: 02554738 (England and Wales)
REGISTERED CHARITY NUMBER: 1001463

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 March 2025
for
Heritage Trust of Lincolnshire

Heritage Trust of Lincolnshire

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for the Year Ended 31 March 2025

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Heritage Trust of Lincolnshire

Report of the Trustees for the Year Ended 31 March 2025

The Trustees, who also serve as directors of Heritage Trust of Lincolnshire (the Trust) for the purposes of company law, present their report for the year ended 31 March 2025, together with the audited financial statements. This report complies with the Charities Act 2011 and Companies Act 2006, and follows the principles set out in the Charity SORP (FRS 102).

OUR PURPOSE AND PUBLIC BENEFIT

Charity Commission Charitable objects

- a) to advance the education of the public in all matters relating to the history and heritage of the county of Lincolnshire.
- b) to preserve or investigate for the public benefit buildings and other features of historical, architectural, archaeological or environmental interest.

Vision and Mission

Vision: to preserve and promote Lincolnshire's rich heritage for current and future generations, delivering experiences that blend heritage, community, and creativity.

Mission: to provide accessible opportunities for learning, foster wider engagement, and actively conserve the counties tangible and intangible heritage, fostering a sense of pride and connection.

Heritage Trust of Lincolnshire is a charity first and foremost. Our mission is to advance the public's knowledge, appreciation, and understanding of Lincolnshire's heritage. We do this by preserving and restoring historic buildings, engaging communities in their cultural heritage, and delivering learning programs. Our work directly contributes to the conservation, accessibility, and sustainability of the county's heritage, ensuring that future generations can enjoy and learn from Lincolnshire's historic places.

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit when making decisions on the Trust's activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Trust was founded in 1988 and became a registered charity in 1991. It operates as a charitable company limited by guarantee with no shareholders, ensuring that all income is reinvested into our charitable work. The Board of Trustees provides strategic oversight, while day-to-day operations are managed by the Chief Executive Officer and senior staff.

The Trust's governing document is its Memorandum and Articles of Association.

Board of Trustees and Governance

Trustees are appointed based on their expertise in heritage, business, or community engagement. New trustees receive an induction to understand their role in supporting the charity's mission. 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.

Risk Management

The Trustees regularly assess the major risks facing the charity and ensure systems are in place to manage and mitigate them. A formal risk register is maintained and reviewed at board meetings.

ACHIEVEMENTS AND PERFORMANCE

The year to 31 March 2025 was one of the most significant in the Trust's recent history. What began as a year of continued delivery became, by the autumn, a period of decisive action to address serious financial control issues and restore the charity to a stable footing. By the end of the financial year, Heritage Lincolnshire had completed a full organisational restructure, introduced new financial systems and governance processes, and positioned itself for recovery and renewal.

Heritage Trust of Lincolnshire
Report of the Trustees
for the Year Ended 31 March 2025

Financial and Organisational Reform

In September 2024, the Trustees and Chief Executive identified weaknesses in the charity's financial management. Immediate steps were taken to investigate the causes, supported by external advisers. An overhaul of financial controls followed. New systems for cash flow, reporting, and authorisation were introduced, alongside stronger Board oversight and more regular financial monitoring.

A full organisational restructure was completed by March 2025, aligning the charity's staffing and operations with its strategic and financial capacity. These measures have been critical to restoring confidence and ensuring long-term resilience.

Major Projects and Conservation

Throughout the year, the Trust made substantial progress on the Greyfriars, Lincoln project in partnership with the City of Lincoln Council. Construction advanced and preparations are underway for public opening in 2026-27. The project will secure the long-term future of one of Lincolnshire's most important medieval buildings and create a new space for heritage learning, events, and community use.

Progress also continued on the Town Deal projects in Boston and East Lindsey where the Trust serves as delivery partner for multiple heritage building grants that are revitalising the town centres of South East Lincolnshire.

Commercial and Property Management

During the year, the Trust made the strategic decision to lease The Old King's Head in Kirton. This will secure a sustainable income stream, reduce financial exposure, and ensure the continued preservation and public enjoyment of the building. The charity also began a wider review of its other property holdings to ensure all assets support its charitable objectives. Two surplus properties are now in the process of being sold, and the future of the main office is under active review in 2025-26 to support longer-term financial stability and operational efficiency.

Community and Engagement

In September 2024, the Trust successfully delivered its final Heritage Open Days programme, coordinating public access to historic sites across Lincolnshire and producing an accompanying guidebook. Following a review of costs and impact, the Board agreed that the charity would not continue to lead the countywide programme in future years. While it has played an important role in promoting heritage engagement over many years, the decision enables the Trust to focus resources on activities that generate clearer public benefit and financial return.

Partnership and Development

The Trust strengthened its partnerships across Lincolnshire during the year. Work continued with North East Lincolnshire Council on heritage-led regeneration in Grimsby, including activity within the Kasbah Conservation Area and support for the NEL Heritage Forum. The Trust continued delivery of the National Lottery Heritage Funded Edward Watkin project continuing into 2025-26. These initiatives reflect the Trust's role as a trusted delivery partner connecting heritage with place-based economic renewal.

The charity also maintained close working relationships with English Heritage on the management and conservation of Bolingbroke Castle and Tattershall College, ensuring the continued care of these nationally significant sites. At Bolingbroke, the Friends of Bolingbroke Castle continued to provide valuable volunteer support, helping to care for the site and engage the local community in its heritage.

People and Culture

The progress made during 2024-25 was achieved through the dedication and professionalism of the Trust's staff, volunteers, and trustees. Their collective effort ensured that the charity could face unprecedented challenges with resilience and integrity, emerging stronger and more focused on its charitable purpose.

FINANCIAL REVIEW

The past year saw continued efforts to maintain financial stability amid economic uncertainties. The Trust successfully navigated funding challenges by securing grants from key partners.

The charity has been impacted by trading challenges in the trading company, HTL Enterprises Ltd, stemming from a project that aimed to deliver regeneration of a historical building and sustainable trading income.

Heritage Trust of Lincolnshire
Report of the Trustees
for the Year Ended 31 March 2025

The Board remains focussed on long-term financial resilience, and day-to-day financial management, ensuring that resources are effectively managed to support both immediate priorities and future growth. The Trust's ability to adapt to evolving financial pressures remains central to its success.

RESERVES & INVESTMENT POLICY

The Trustees aim to maintain unrestricted reserves at a level that ensures financial resilience and sustainability. As of 31 March 2025, unrestricted reserves stood at £303k, of which £605k comprises unrealised gains on property revaluation.

During the financial year, the Trust did not make additional contributions to unrestricted reserves. While the aspiration remains to build financial resilience, immediate operational demands required full focus. The Board continues to monitor financial stability and will reassess reserves planning as circumstances allow. The Trust has the authority to invest in any manner deemed appropriate by the Trustees. Investment decisions are based on financial sustainability and risk assessment.

PLANS FOR THE FUTURE

Having completed a period of significant reform during 2024-25, the Trust's focus for 2025-26 is on recovery, delivery, and rebuilding financial resilience. The immediate priority is to consolidate the progress made through stronger governance, clearer financial controls, and a sharper focus on sustainable income generation.

Operationally, work continues to stabilise the organisation's core services and ensure that heritage delivery remains at the heart of everything the Trust does. This includes the management of key assets such as Michaelgate and Greyfriars, Lincoln, preparing for public access and ongoing operation, alongside continued project delivery across the county in partnership with local authorities and funders.

The Trust is progressing the sale of two surplus properties and reviewing the future of its main office to improve financial efficiency. Alongside these measures, the Board and Chief Executive are developing a longer-term strategy to diversify income, strengthen the property portfolio's performance, and ensure the charity's activities are financially and operationally sustainable.

Looking ahead, the Trust will continue to build on its reputation as Lincolnshire's leading heritage development trust - working collaboratively with partners, developing skills and capacity within the sector, and ensuring that the county's heritage continues to play a vital role in shaping its communities and places.

SUBSEQUENT EVENTS

Since the year end, the Trust has continued to implement the financial and organisational recovery measures established in 2024-25. The sale of two properties is progressing, and preparatory work for the opening of Greyfriars, Lincoln continues in partnership with the City of Lincoln Council. No events have occurred since 31 March 2025 that would require adjustment to, or disclosure within, these financial statements.

THANK YOU

The Trustees wish to record their sincere thanks to the staff, volunteers, partners, and members who have supported Heritage Lincolnshire through an exceptionally demanding year. Their professionalism, commitment, and care for Lincolnshire's heritage have enabled the charity to recover, rebuild, and continue delivering its mission for the public benefit.

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'.

Heritage Trust of Lincolnshire

Report of the Trustees
for the Year Ended 31 March 2025

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.

STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02554738 (England and Wales)

Registered Charity number

1001463

Registered office

The Old School
Cameron Street
Heckington
SLEAFORD
Lincolnshire
NG34 9RW

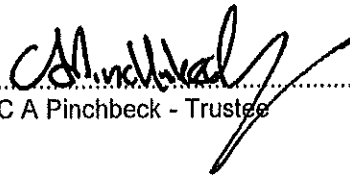
Trustees

J C Bingham
A S Clark
J R Free
U F R Lidbetter
C A Pinchbeck
D A Stocker

Heritage Trust of Lincolnshire

Report of the Trustees
for the Year Ended 31 March 2025

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on18/12/25..... and signed on the board's behalf by:


.....
C A Pinchbeck - Trustee

**Report of the Independent Auditors to the Members of
Heritage Trust of Lincolnshire Limited**

Opinion

We have audited the financial statements of Heritage Trust of Lincolnshire Limited (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2025 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 group's affairs as at 31 March 2025 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 group 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 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 group and the parent 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.

**Report of the Independent Auditors to the Members of
Heritage Trust of Lincolnshire Limited**

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent 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.

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 group and the parent 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 group or the parent 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 an auditor's report 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the group is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

**Report of the Independent Auditors to the Members of
Heritage Trust of Lincolnshire Limited**

We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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.

Use of our report

This report is made solely to the group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the groups's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Other Matter

The consolidated financial statements incorporate the financial information of subsidiary company, HTL Enterprises Ltd, which was not audited because once inter-group balances are eliminated the balance sheet is immaterial to the group financial statements. Our group audit procedures, performed in accordance with International Standards on Auditing (UK), included specific work at the group level to ensure that the aggregate of all uncorrected and undetected misstatements, including those related to this unaudited component, does not exceed the materiality for the financial statements as a whole. Our opinion on the consolidated financial statements is not modified in respect of this matter.



James Sewell BA (Hons) FCA CTA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

18 December 2025

Heritage Trust of Lincolnshire

Consolidated Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31/3/25 Total funds £	31/3/24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,880	-	5,880	12,560
Charitable activities					
Heritage development	5	682,078	113,426	795,504	677,611
Community engagement		193,012	267,510	460,522	867,731
Other trading activities	3	429,889	-	429,889	516,607
Investment income	4	<u>6,567</u>	-	<u>6,567</u>	<u>12,022</u>
Total		<u>1,317,426</u>	<u>380,936</u>	<u>1,698,362</u>	<u>2,086,531</u>
EXPENDITURE ON					
Raising funds	6	1,000	-	1,000	1,000
Charitable activities					
Charitable activities	7	1,147,813	199,478	1,347,291	1,478,345
Trading activities		765,154	-	765,154	751,098
Investment		<u>5,959</u>	-	<u>5,959</u>	<u>12,570</u>
Total		<u>1,919,926</u>	<u>199,478</u>	<u>2,119,404</u>	<u>2,243,013</u>
NET INCOME/(EXPENDITURE)		(602,500)	181,458	(421,042)	(156,482)
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	-	-	80,000
Impairment of fixed assets		<u>(170,000)</u>	-	<u>(170,000)</u>	-
Net movement in funds		(772,500)	181,458	(591,042)	(76,482)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>587,199</u>	<u>230,189</u>	<u>817,388</u>	<u>893,870</u>
TOTAL FUNDS CARRIED FORWARD		<u>(185,301)</u>	<u>411,647</u>	<u>226,346</u>	<u>817,388</u>

Heritage Trust of Lincolnshire

Consolidated Balance Sheet
31 March 2025

			31/3/25		31/3/24
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	13		326,063		377,964
Investments					
Investment property	14		<u>909,814</u>		<u>1,049,814</u>
			1,235,877		1,427,778
 CURRENT ASSETS					
Stocks	15	155,248		398,554	
Debtors	16	145,120		439,979	
Cash at bank		<u>138,868</u>		<u>57,016</u>	
		439,236		895,549	
 CREDITORS					
Amounts falling due within one year	17	<u>(928,457)</u>		<u>(1,140,773)</u>	
 NET CURRENT ASSETS			<u>(489,221)</u>		<u>(245,224)</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES			746,656		1,182,554
 CREDITORS					
Amounts falling due after more than one year	18		<u>(520,311)</u>		<u>(365,166)</u>
 NET ASSETS			<u>226,345</u>		<u>817,388</u>
 FUNDS	20				
Unrestricted funds			(185,302)		587,199
Restricted funds			<u>411,647</u>		<u>230,189</u>
 TOTAL FUNDS			<u>226,345</u>		<u>817,388</u>

The financial statements were approved by the Board of Trustees and authorised for issue on18/12/25..... and were signed on its behalf by:


.....
C A Pinchbeck - Trustee

Heritage Trust of Lincolnshire

Company Balance Sheet
31 March 2025

			31/3/25		31/3/24
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	13		317,651		360,641
Investments					
Investments			1		1
Investment property	14		<u>909,814</u>		<u>1,049,814</u>
			1,227,466		1,410,456
 CURRENT ASSETS					
Stocks	15	155,248		398,554	
Debtors	16	620,012		744,650	
Cash at bank		<u>130,506</u>		<u>45,695</u>	
		905,766		1,188,899	
 CREDITORS					
Amounts falling due within one year	17	<u>(898,116)</u>		<u>(1,050,812)</u>	
 NET CURRENT ASSETS			<u>7,650</u>		<u>138,087</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES			1,235,116		1,548,543
 CREDITORS					
Amounts falling due after more than one year	18		<u>(520,311)</u>		<u>(365,166)</u>
 NET ASSETS			<u>714,805</u>		<u>1,183,377</u>
 FUNDS	20				
Unrestricted funds			303,158		953,188
Restricted funds			<u>411,647</u>		<u>230,189</u>
 TOTAL FUNDS			<u>714,805</u>		<u>1,183,377</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18/12/25 and were signed on its behalf by:



C A Pinchbeck - Trustee

Heritage Trust of Lincolnshire

Consolidated Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	31/3/25 £	31/3/24 £
Cash flows from operating activities			
Cash generated from operations	1	32,210	(526,421)
Interest paid		<u>(5,141)</u>	<u>(44,356)</u>
Net cash used in operating activities		<u>27,069</u>	<u>(570,777)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,340)	(13,644)
Sale of tangible fixed assets		<u>350</u>	<u>95</u>
Net cash used in investing activities		<u>(3,990)</u>	<u>(13,549)</u>
Cash flows from financing activities			
New loans in year		81,000	-
Loan repayments in year		<u>(22,227)</u>	<u>(15,647)</u>
Net cash provided by/(used in) financing activities		<u>58,773</u>	<u>(15,647)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period	2	<u>57,016</u>	<u>656,989</u>
Cash and cash equivalents at the end of the reporting period	2	<u>138,868</u>	<u>57,016</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31/3/25	31/3/24	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(591,042)	(156,482)	
Adjustments for:			
Depreciation charges	26,241	27,168	
Impairment	170,000	-	
Profit on disposal of fixed assets	(350)	(95)	
Interest paid	5,141	44,356	
Decrease/(increase) in stocks	243,306	(180,844)	
Decrease/(increase) in debtors	285,029	(167,021)	
Decrease in creditors	<u>(106,115)</u>	<u>(93,503)</u>	
Net cash provided by/(used in) operations	<u>32,210</u>	<u>(526,421)</u>	
 2. ANALYSIS OF CASH AND CASH EQUIVALENTS			
	31/3/25	31/3/24	
	£	£	
Cash and cash equivalents	138,868	57,016	
	<u>138,868</u>	<u>57,016</u>	
 3. ANALYSIS OF CHANGES IN NET DEBT			
	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank	57,016	81,852	138,868
	<u>57,016</u>	<u>81,852</u>	<u>138,868</u>
Debt			
Debts falling due within 1 year	(15,948)	4,387	(11,561)
Debts falling due after 1 year	<u>(365,166)</u>	<u>(155,145)</u>	<u>(520,311)</u>
	<u>(381,114)</u>	<u>(150,758)</u>	<u>(531,872)</u>
Total	<u>(324,098)</u>	<u>(68,906)</u>	<u>(393,004)</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2025

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 2019)', 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

The structure of the accounts has been amended this year so that the financial performance and position of the charity and its subsidiary are clearer.

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

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds; it is probable that the income will be received and the amount can be measured reliably. 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 probably that those conditions will be fulfilled in the reporting period.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

- Expenditure on raising funds comprises 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 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 Consolidated Financial Statements - continued for the Year Ended 31 March 2025

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 and 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 property

Investment property is stated at fair value. Any aggregate 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 change 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.

Stocks

Work in progress is valued at 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 purpose 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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 statement of financial activities so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Financial Instruments

Basic financial instruments 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 Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

2. DONATIONS AND LEGACIES				31/3/25	31/3/24
				£	£
	Donations			2,406	12,560
	Fundraising			3,474	-
	Other			-	-
				<u>5,880</u>	<u>12,560</u>
3. OTHER TRADING ACTIVITIES				31/3/25	31/3/24
				£	£
	Archaeology outside Lincs			215,886	248,285
	Publications			810	955
	Membership			4,523	5,215
	Miscellaneous			28,474	6,148
	Commercial trading			<u>180,196</u>	<u>256,004</u>
				<u>429,889</u>	<u>516,607</u>
4. INVESTMENT INCOME				31/3/25	31/3/24
				£	£
	Rents received			6,567	7,801
	Interest received			-	<u>4,221</u>
				<u>6,567</u>	<u>12,022</u>
5. INCOME FROM CHARITABLE ACTIVITIES				31/3/25	31/3/24
				£	£
		Unrestricted	Restricted		
	Heritage development				
	The Harlequin	-	113,426	113,426	158,415
	Town Deal	62,832	-	62,832	-
	Archaeology & planning advice in Lincolnshire	565,784	-	565,784	499,923
	Property management	53,462	-	53,462	19,273
		<u>682,078</u>	<u>113,426</u>	<u>795,504</u>	<u>677,611</u>
	Community engagement				
	Edward Watkin project	-	154,495	154,495	17,932
	Other projects	193,012	113,015	306,027	849,799
		<u>193,012</u>	<u>267,510</u>	<u>460,522</u>	<u>867,731</u>
	Aggregate amounts	<u>875,090</u>	<u>380,936</u>	<u>1,256,026</u>	<u>1,545,342</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

			31/3/25	31/3/24
			£	£
	Unrestricted	Restricted		
Other Projects				
Heritage Skills	-	64,134	64,134	-
Hussey Tower	-	27,388	27,388	-
Michaelgate	-	21,493	21,493	-
Other projects	193,012	-	193,012	849,799
	<u>193,012</u>	<u>113,015</u>	<u>306,027</u>	<u>849,799</u>
6. RAISING FUNDS				
Raising donations and legacies			31/3/25	31/3/24
			£	£
Events			1,000	1,000
			<u> </u>	<u> </u>
7. CHARITABLE ACTIVITIES COSTS				
			31/3/25	31/3/24
			£	£
	Unrestricted	Restricted		
Charitable activities				
Wages and salaries	806,403	103,223	909,626	742,179
Hire and plant & equipment (inc repairs)	83,047	-	83,047	45,010
Motor expenses	3,642	-	3,642	-
Specialist fees	40,886	-	40,886	347,372
Bad debts	829	-	829	-
Marketing	2,490	-	2,490	-
Training	3,293	-	3,293	-
Allocation of support costs	207,223	96,255	303,478	343,784
	<u>1,147,813</u>	<u>199,478</u>	<u>1,347,291</u>	<u>1,478,345</u>
Other trading activities			31/3/25	31/3/24
			£	£
Wages and salaries			285,860	475,889
Hire and plant & equipment (inc repairs)			37,252	28,505
Motor expenses			1,515	-
Specialist fees			208,115	3,112
Bad debts			11,044	15,000
Marketing			4,525	7,578
Training			4,112	12,320
Allocation of support costs			212,731	208,694
			<u>765,154</u>	<u>751,098</u>
Investment management costs			31/3/25	31/3/24
			£	£
Property repairs			<u>5,959</u>	<u>12,750</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

8. SUPPORT COSTS

	31/3/25	31/3/24
	£	£
Wages and salaries	150,000	150,000
Insurance	25,397	26,677
Office costs	37,257	36,653
Bank charges	10,256	10,299
Professional fees	20,712	27,258
Depreciation	25,890	27,073
Loan interest	5,141	44,356
Motor and travel	28,096	32,532
Subscriptions	46,940	35,099
Other	166,520	162,531
	<u>516,208</u>	<u>552,478</u>

Support costs are apportioned on the following basis:

Trading	17.21% (2024: 14.43%)
Charitable activities	82.79% (2024: 85.57%)

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/25	31/3/24
	£	£
Auditors' remuneration	6,750	6,240
Depreciation - owned assets	26,241	27,168
Hire of plant and machinery	31,480	48,642
Other operating leases	21,189	13,718
Surplus on disposal of fixed assets	<u>(350)</u>	<u>(95)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

11. STAFF COSTS

	31/3/25	31/3/24
	£	£
Wages and salaries	<u>1,345,486</u>	<u>1,368,068</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

The average monthly number of employees during the year was as follows:

	31/3/25	31/3/24
Chief Executive	1	1
Project workers	33	33
Finance	2	2
Administration and support	4	4
Trading	<u>9</u>	<u>13</u>
	49	53

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31/3/25	31/3/24
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>-</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The Trust considers its key management personnel to comprise the Trustees, the Chief Executive office and four senior managers. The total employment benefits, including pensions contributions of the key management personnel were £178,813 (2024: £224,680).

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	12,270	290	12,560
Charitable activities			
Heritage development	677,611	-	677,611
Community engagement	85,669	782,062	867,731
Other trading activities			
Investment income	514,888	1,719	516,607
	<u>12,022</u>	<u>-</u>	<u>12,022</u>
Total	<u>1,302,460</u>	<u>784,071</u>	<u>2,086,531</u>
EXPENDITURE ON			
Raising funds	1,000	-	1,000
Charitable activities			
Charitable activities	755,320	723,025	1,478,345
Trading activities	751,098	-	751,098
Investment	9,975	2,595	12,570
	<u>1,517,393</u>	<u>725,620</u>	<u>2,243,013</u>
Total	<u>1,517,393</u>	<u>725,620</u>	<u>2,243,013</u>
NET INCOME/(EXPENDITURE)			
Other recognised gains/(losses)	(214,933)	58,451	(156,482)
Gains on revaluation of fixed assets	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Net movement in funds	(134,933)	58,451	(76,482)
RECONCILIATION OF FUNDS			
Total funds brought forward	722,132	171,738	893,870
	<u>587,199</u>	<u>230,189</u>	<u>817,388</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>587,199</u></u>	<u><u>230,189</u></u>	<u><u>817,388</u></u>

Heritage Trust of Lincolnshire

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025**

13. TANGIBLE FIXED ASSETS - Group	Land and Building Used by Charity £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2024	330,000	119,221	164,590	26,645	640,456
Additions	-	1,967	2,373	-	4,340
Impairment	(30,000)	-	-	-	(30,000)
Disposals	-	-	-	(6,994)	(6,994)
At 31 March 2025	<u>300,000</u>	<u>121,188</u>	<u>166,963</u>	<u>19,651</u>	<u>607,802</u>
DEPRECIATION					
At 1 April 2024	-	87,459	148,388	26,645	262,492
Charge for year	-	18,655	7,586	-	26,241
Eliminated on disposal	-	-	-	(6,994)	(6,994)
At 31 March 2025	<u>-</u>	<u>106,114</u>	<u>155,974</u>	<u>19,651</u>	<u>281,739</u>
NET BOOK VALUE					
At 31 March 2025	<u>300,000</u>	<u>15,074</u>	<u>10,989</u>	<u>-</u>	<u>326,063</u>
At 31 March 2024	<u>330,000</u>	<u>31,762</u>	<u>16,202</u>	<u>-</u>	<u>377,964</u>
14. INVESTMENT PROPERTY					£
FAIR VALUE					
At 1 April 2024					1,080,000
Impairment					(140,000)
At 31 March 2025					<u>940,000</u>
AMORTISATION					
At 1 April 2024 and 31 March 2025					<u>30,186</u>
NET BOOK VALUE					
At 31 March 2025					<u>909,814</u>
At 31 March 2024					<u>1,049,814</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

15. STOCKS		31/3/25	31/3/24
		£	£
Work-in-progress		<u>155,248</u>	<u>398,554</u>
16. DEBTORS - Group		31/3/25	31/3/24
		£	£
Amounts falling due within one year:			
Trade debtors		131,320	193,368
Other debtors		<u>13,800</u>	<u>246,611</u>
		<u>145,120</u>	<u>439,979</u>
DEBTORS - Company		31/3/25	31/3/24
		£	£
Amounts falling due within one year:			
Trade debtors		131,320	193,368
Other debtors		<u>11,962</u>	<u>238,861</u>
		<u>143,282</u>	<u>432,229</u>
Amounts falling due after more than one year:			
Other debtors		<u>476,730</u>	<u>312,421</u>
Aggregate amounts		620,012	744,650
17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - Group		31/3/25	31/3/24
		£	£
Bank loans and overdrafts (see note 20)		11,561	15,948
Trade creditors		120,049	133,391
Social security and other taxes		76,907	63,005
Other creditors		433,488	886,509
Accruals and deferred income		<u>286,452</u>	<u>41,920</u>
		<u>928,457</u>	<u>1,140,773</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - Company		31/3/25	31/3/24
		£	£
Bank loans and overdrafts (see note 20)		11,561	15,948
Trade creditors		119,443	125,236
Social security and other taxes		54,324	48,929
Other creditors		426,336	818,779
Accruals and deferred income		<u>286,452</u>	<u>41,920</u>
		<u>898,116</u>	<u>1,050,812</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR – Group and Company

	31/3/25	31/3/24
	£	£
Bank loans (see note 19)	93,555	103,395
Other creditors	81,000	-
Social security and other taxes	91,985	-
The Architectural Heritage Fund loan	198,771	198,771
LEAP loan	<u>55,000</u>	<u>63,000</u>
	<u>520,311</u>	<u>365,166</u>

Included in other creditors are amounts the charity is holding on behalf of two Town Boards for use in Town Deal projects. These amounts are separately identifiable and will be paid to grant recipients of the Town Deal programme when projects have been agreed and delivered.

19. LOANS – Group and Company

An analysis of the maturity of loans is given below:

	31/3/25	31/3/24
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>11,561</u>	<u>15,948</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>428,326</u>	<u>365,166</u>

20. MOVEMENT IN FUNDS - Group

	At 1.4.24	Net movement in funds	At 31.3.25
	£	£	£
Unrestricted funds			
General Reserve	(187,666)	(602,500)	(790,166)
Revaluation Reserve	774,864	(170,000)	604,864
	<u>587,198</u>	<u>(772,500)</u>	<u>(185,302)</u>
Restricted funds			
The Harlequin	(46)	77,874	77,828
Edward Watkin Project	1,445	36,327	37,772
Other Projects	<u>228,790</u>	<u>67,257</u>	<u>296,047</u>
	<u>230,189</u>	<u>181,458</u>	<u>411,647</u>
TOTAL FUNDS	<u>817,387</u>	<u>(591,042)</u>	<u>226,345</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2025

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Reserve	1,262,426	(1,864,926)	(602,500)
Impairment	-	(170,000)	(170,000)
	<u>1,262,426</u>	<u>(2,034,926)</u>	<u>(772,500)</u>
Restricted funds			
The Harlequin	113,427	(35,553)	77,874
Edward Watkin Project	154,494	(118,167)	36,327
Other Projects	113,015	(45,758)	67,257
	<u>380,936</u>	<u>(199,478)</u>	<u>181,458</u>
TOTAL FUNDS	<u>1,643,362</u>	<u>(2,234,404)</u>	<u>(591,042)</u>

MOVEMENT IN FUNDS - Company

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General Reserve	178,324	(480,030)	(301,706)
Revaluation Reserve	774,864	(170,000)	604,864
	<u>953,188</u>	<u>(650,030)</u>	<u>303,158</u>
Restricted funds			
The Harlequin	(46)	77,874	77,828
Edward Watkin Project	1,445	36,327	37,772
Other Projects	228,790	67,257	296,047
	<u>230,189</u>	<u>181,458</u>	<u>411,647</u>
TOTAL FUNDS	<u>1,183,377</u>	<u>(468,572)</u>	<u>714,805</u>

Heritage Trust of Lincolnshire

Notes to the Consolidated Financial Statements - continued for the Year Ended 31 March 2025

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Reserve	1,080,763	(1,560,793)	(480,030)
Impairment	-	(170,000)	(170,000)
	<u>1,080,763</u>	<u>(1,730,793)</u>	<u>(650,030)</u>
Restricted funds			
The Harlequin	113,427	(35,553)	77,874
Edward Watkin Project	154,494	(118,167)	36,327
Other Projects	<u>113,015</u>	<u>(45,758)</u>	<u>67,257</u>
	<u>380,936</u>	<u>(199,478)</u>	<u>181,458</u>
TOTAL FUNDS	<u>1,461,699</u>	<u>(1,930,271)</u>	<u>(468,572)</u>

21. 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 these 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 is that of hotel and hospitality services. Costs incurred on behalf of HTL Enterprises Ltd amount to £237,445 (2024: £154,478). Included in other debtors as at 31 March 2025 was a balance of £476,730 (2024: £239,285) owed by HTL Enterprises Ltd.

In the year to 31 March 2025, a member of Key Management Personnel rented one of the Charity's properties for approximately half the commercial rent.

