

**COMPANY REGISTRATION NUMBER: 01555021**

**CHARITY REGISTRATION NUMBER: 511418**

**Lincolnshire's Lancaster Association Limited**

**Company Limited by Guarantee**

**Unaudited Financial Statements**

**For the year ended**

**31 January 2021**

# **Lincolnshire's Lancaster Association Limited**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 January 2021**

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# **Lincolnshire's Lancaster Association Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

#### **Year ended 31 January 2021**

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 January 2021 .

#### **Reference and administrative details**

<b>Registered charity name</b>	Lincolnshire's Lancaster Association Limited	
<b>Charity registration number</b>		511418
<b>Company registration number</b>		01555021
<b>Principal office and registered office</b>	Unit 4 Wavell Drive Lincoln LN3 4PL	

#### **The trustees**

R C Bainborough	
J S Ball	
T J Allett	
C Corbett	(Resigned 24 February 2020)
J Bainborough	
M Brunton	
D Kavanagh	
P Creswell	(Appointed 10 March 2021)

#### **Independent examiner**

Jonathan Day  
Enterprise House  
38 Tyndall Court  
Commerce Road  
Lynch Wood  
Peterborough  
Cambs  
PE2 6LR

## **Structure, governance and management**

### **Governing document**

The association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 April 1981. The members voted on 22 April 200 in the Annual General Meeting to remove the audit requirement. Due to the level of income of the Association an Independent Examination is performed. It is a registered charity with the Charity Commission. There are currently approximately 5,000 active members each of whom agree to contribute an amount not exceeding £1 in the event of the Association being wound up.

### **Recruitment and Appointment of the Council of Management**

The directors of the company are also the charity trustees for the purposes of charity law and under the Association's Articles are known as members of the Council of Management. Under the articles one third of the Council members retire by rotation at each Annual General Meeting. The Council may appoint any member of the Association as a member of the Council if they are considered to be suitable with a proven interest. This person has to be re-elected at the next AGM.

### **Objectives and activities**

#### **Objects and Activities**

The Association's objects and principal activities are to create interest and raise funds to maintain, preserve, restore and display the Lancaster Bomber 'City of Lincoln' and any other aeroplanes and objects of historical interest associated with the Lancaster or the Royal Air Force for the benefit of the public and as a memorial to Bomber Command personnel during the 1939-1945 War. A fund is being generated in anticipation of any situation if the Lancaster ceases to fly, so that appropriate action can be taken as necessary following a decision by the relevant Government departments. Donations from specific sources and raffle income have been designated initially for use by or payments for the Battle of Britain Memorial Flight at RAF Coningsby, which includes the Lancaster and other World War II aircraft. The council has the power to re-designate surpluses of these donations within unrestricted funds. A wholly owned non-charitable subsidiary trading company L.L.A. (sales) Ltd was formed on 24 May 1995 and sells items relevant to the objects of the Association. The Council of Management remain volunteers and the value of their work is considerable and impossible to quantify financially.

#### **Policy on Reserves**

An objective of the Association is to accumulate as large a fund as possible while meeting the overheads, the preservation of its property and aircraft, the production of the journal and the making of donations to BBMF as required. The Council of Management are confident that a significant fall in income, which it considers to be unlikely, will not prevent the Association meeting its costs and commitments. While unrestricted funds not invested in fixed assets are over £600,000, the Council consider that the nature of the Association and continuous financial monitoring will ensure that the need to deplete reserves will not arise.

#### **Achievements and performance**

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

The sales company has continued to provide items of technical and historical interest at events and by post through the sales brochures, together with trade sales. The donation being made to Lincolnshire's Lancaster Association this year was £Nil due to insufficient profits (2020 - £Nil).

In light of the ongoing situation Covid-19 has created, 2021/22 continues to be a turbulent year. We are thankful that we still continue to receive subscription fees from our loyal members.

**Financial review**

This year subscriptions have decreased by just over £19,000. Subscription fees are managed by Ken Bainborough.

Donations have decreased by just over £69,000.

The annual draw took place and raised £6,366 (2020 - £3,411)

During the year there were donations to the BBMF of £1,280 (2020 - £2,250), Riflo Engineering Limited of £6,060 (2020 - £Nil) and other donations of £602 (2020- £2,500). Reserves have decreased by almost £11,000.

No income tax was recovered from HM Revenue & Customs through Gift Aid for the fourth year running. Investment income decreased to £76 (2020 - £181) as the term deposit has now matured.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 31 January 2022 and signed on behalf of the board of trustees by:

R C Bainborough

Trustee

# **Lincolnshire's Lancaster Association Limited**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Trustees of Lincolnshire's Lancaster Association Limited**

#### **Year ended 31 January 2021**

I report to the trustees on my examination of the financial statements of Lincolnshire's Lancaster Association Limited ('the charity') for the year ended 31 January 2021.

#### **Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act. **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Jonathan Day Independent Examiner

Enterprise House 38 Tyndall Court Commerce Road Lynch Wood Peterborough Cambs PE2 6LR

31 January 2022

# Lincolnshire's Lancaster Association Limited

## Company Limited by Guarantee

### Statement of Financial Activities

(including income and expenditure account)

Year ended 31 January 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
<b>Income and endowments</b>				
Donations and legacies	5	17,400	17,400	86,431
Other trading activities	6	46,797	46,797	69,907
Investment income	7	76	76	181
		-----	-----	-----
<b>Total income</b>		64,273	64,273	156,519
		-----	-----	-----
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	8	20,031	20,031	22,333
Expenditure on charitable activities	9,10	55,035	55,035	74,975
		-----	-----	-----
<b>Total expenditure</b>		75,066	75,066	97,308
		-----	-----	-----
<b>Net (expenditure)/income and net movement in funds</b>		( 10,793)	( 10,793)	59,211
		-----	-----	-----
<b>Reconciliation of funds</b>				
Total funds brought forward		1,031,231	1,031,231	972,020
		-----	-----	-----
<b>Total funds carried forward</b>		1,020,438	1,020,438	1,031,231
		-----	-----	-----

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# Lincolnshire's Lancaster Association Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 January 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	14	5,976	6,848
Tangible fixed assets	15	326,015	347,398
Investments	16	2	2
		-----	-----
		331,993	354,248
<b>Current assets</b>			
Debtors	17	24,256	37,751
Cash at bank and in hand		668,011	641,418
		-----	-----
		692,267	679,169
<b>Creditors: amounts falling due within one year</b>	18	3,822	2,186
		-----	-----
<b>Net current assets</b>		688,445	676,983
		-----	-----
<b>Total assets less current liabilities</b>		1,020,438	1,031,231
		-----	-----
<b>Net assets</b>		1,020,438	1,031,231
		-----	-----
<b>Funds of the charity</b>			
Unrestricted funds		1,020,438	1,031,231
		-----	-----
<b>Total charity funds</b>	19	1,020,438	1,031,231
		-----	-----

For the year ending 31 January 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 31 January 2022 , and are signed on behalf of the board by:

R C Bainborough  
Trustee

J Bainborough  
Trustee

# **Lincolnshire's Lancaster Association Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

#### **Year ended 31 January 2021**

##### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 4, Wavell Drive, Lincoln, LN3 4PL.

##### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

##### **3. Accounting policies**

###### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

###### **Going concern**

There are no material uncertainties about the charity's ability to continue.

###### **Consolidation**

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the charity and its subsidiary undertakings comprise a small group.

###### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There have been no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the financial statements. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. No key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been made.

### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment. Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income: - income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. - legacy income is recognised when receipt is probable and entitlement is established. - income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers. - income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates: - expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods. - expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. - other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Website - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% reducing balance and 25% straight line

Motor vehicles - 25% reducing balance

### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

### **Financial instruments**

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at amortised cost. Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

### **4. Limited by guarantee**

The association is a company limited by guarantee formed in 1981 and registered as a charity. The liability of each member is restricted to £1. The Association is exempt from Corporation Tax as long as its income is used for charitable purposes.

**5. Donations and legacies**

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
<b>Donations</b>				
Donations	17,400	17,400	86,431	86,431

**6. Other trading activities**

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Subscriptions	40,431	40,431	59,820	59,820
Members day administration contributions	—	—	6,676	6,676
Annual draw	6,366	6,366	3,411	3,411
	46,797	46,797	69,907	69,907

**7. Investment income**

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	76	76	181	181

**8. Costs of raising donations and legacies**

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies - Gifts	20,031	20,031	22,333	22,333

**9. Expenditure on charitable activities by fund type**

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Activity type 1	7,942	7,942	13,245	13,245
Support costs	47,093	47,093	61,730	61,730
	55,035	55,035	74,975	74,975

**10. Expenditure on charitable activities by activity type**

	Activities undertaken directly £	Support costs £	<b>Total funds 2021 £</b>	Total fund 2020 £
Activity type 1	7,942	—	7,942	13,245
Governance costs	—	47,093	47,093	61,730
	7,942	47,093	55,035	74,975

## 11. Net (expenditure)/income

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

	2021	2020
	£	£
Amortisation of intangible assets	872	872
Depreciation of tangible fixed assets	21,383	27,562
	-----	-----

## 12. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,274	1,320
	-----	-----

## 13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

## 14. Intangible assets

	Patents, trademarks and licences	Intangible asset user defined 1	Total
	£	£	£
<b>Cost</b>			
At 1 February 2020 and 31 January 2021	4,000	4,358	8,358
	---	---	---
<b>Amortisation</b>			
At 1 February 2020	-	1,510	1,510
Charge for the year	-	872	872
	---	---	---
At 31 January 2021	-	2,382	2,382
	---	---	---
<b>Carrying amount</b>			
At 31 January 2021	4,000	1,976	5,976
	---	---	---
At 31 January 2020	4,000	2,848	6,848
	---	---	---

## 15. Tangible fixed assets

	Freehold property	Fixtures and fittings	Motor vehicles	Equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 February 2020 and 31 January 2021	208,198	62,604	109,083	54,743	434,628
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 1 February 2020	-	48,022	39,208	-	87,230
Charge for the year	-	3,914	17,469	-	21,383
	-----	-----	-----	-----	-----
At 31 January 2021	-	51,936	56,677	-	108,613
	-----	-----	-----	-----	-----
<b>Carrying amount</b>					
At 31 January 2021	208,198	10,668	52,406	54,743	326,015
	-----	-----	-----	-----	-----
At 31 January 2020	208,198	14,582	69,875	54,743	347,398
	-----	-----	-----	-----	-----

## 16. Investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 February 2020 and 31 January 2021	2
	----
<b>Impairment</b>	
At 1 February 2020 and 31 January 2021	-
	----
<b>Carrying amount</b>	
At 31 January 2021	2
	----
At 31 January 2020	2
	----

All investments shown above are held at valuation.

## 17. Debtors

	2021	2020
	£	£
Amounts owed by group undertakings	15,931	28,530
Prepayments and accrued income	8,325	9,221
	-----	-----
	24,256	37,751
	-----	-----

## 18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,722	-
Accruals and deferred income	2,100	2,186
	-----	-----
	3,822	2,186
	-----	-----

## 19. Analysis of charitable funds

### Unrestricted funds

	At 1 February 2020	Income	Expenditure	At 31 January 2021
	£	£	£	£
General funds	1,031,231	64,273	(75,066)	1,020,438
	-----	-----	-----	-----
	At 1 February 2019	Income	Expenditure	At 31 January 2020
	£	£	£	£
General funds	972,020	156,519	(97,308)	1,031,231
	-----	-----	-----	-----

## 20. Related parties

The company is provided with subscription management and administration services by Mr K Bainborough, Mt R Bainborough's son. During the year services invoiced amounted to £10,428 (2020 - £10,220). No balance was due at the year end.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.