

# HERITAGE TRUST OF LINCOLNSHIRE

England & Wales · Charity number 1001463

## Details

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Other names	HERITAGE TRUST OF LINCOLNSHIRE LIMITED, ARCHAEOLOGICAL PROJECT SERVICES, HERITAGE LINCOLNSHIRE
Status	Registered
Legal form	Charitable company
Company number	<a href="#">02554738</a>
Registered	1991-01-09
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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**Address** Heritage Trust of Lincs  
The Old School  
Cameron Street  
Heckington  
Sleaford  
NG34 9RW

**Phone** 01529461499

**Email** [htladmin@heritagelincs.org](mailto:htladmin@heritagelincs.org)

**Website** [www.heritagelincs.org](http://www.heritagelincs.org)

## Activities

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**Objects:** A) TO ADVANCE THE EDUCATION OF THE PUBLIC IN ALL MATTERS RELATING TO THE COUNTY OF LINCOLNSHIRE. B) TO PRESERVE OR INVESTIGATE FOR THE PUBLIC BENEFIT BUILDINGS AND OTHER FEATURES OF HISTORICAL, ARCHITECTURAL, ARCHAEOLOGICAL OR ENVIRONMENTAL INTEREST.

**Activities:** 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, social history and traditional skills, and to promote their preservation and continuity for public enjoyment.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

## Geography

- Lincolnshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,698,362	£2,119,404	£226,345	49
2024-05-31	£1,829,076	£1,872,925	£1,183,377	40
2023-03-31	£1,837,899	£2,029,653	£1,056,866	45
2022-03-31	£2,236,076	£1,934,051	£1,248,620	42
2021-03-31	£2,083,691	£2,027,520	£411,595	34

## Trustees

Name	Role	Appointed
Andrew Simon Clark		2018-11-08
CHARLES PINCHBECK		2015-04-29
David Andrew Stocker		2024-01-26
Julian Free		2020-07-25
June Bingham		2014-01-30
Ursula Frances Rosamond Lidbetter		2023-03-24

**HERITAGE TRUST OF LINCOLNSHIRE**

England & Wales - Charity number 1001463

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# Accounts

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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**

**Contents of the Financial Statements**  
**for the Year Ended 31 March 2025**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 8
Consolidated Statement of Financial Activities	9
Consolidated Balance Sheet	10
Company Balance Sheet	11
Consolidated Cash Flow Statement	12
Notes to the Consolidated Cash Flow Statement	13
Notes to the Consolidated Financial Statements	14 to 25

## 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

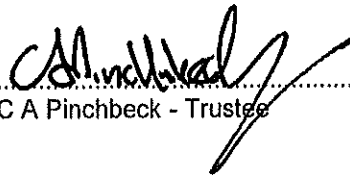
**Trustees**

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, on .....18/12/25..... 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](http://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 £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	5,880	-	5,880	12,560
<b>Charitable activities</b>					
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>-</u>	<u>6,567</u>	<u>12,022</u>
<b>Total</b>		<u>1,317,426</u>	<u>380,936</u>	<u>1,698,362</u>	<u>2,086,531</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	1,000	-	1,000	1,000
<b>Charitable activities</b>					
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>-</u>	<u>5,959</u>	<u>12,570</u>
<b>Total</b>		<u>1,919,926</u>	<u>199,478</u>	<u>2,119,404</u>	<u>2,243,013</u>
<b>NET INCOME/(EXPENDITURE)</b>		(602,500)	181,458	(421,042)	(156,482)
<b>Other recognised gains/(losses)</b>					
Gains on revaluation of fixed assets		-	-	-	80,000
Impairment of fixed assets		<u>(170,000)</u>	<u>-</u>	<u>(170,000)</u>	<u>-</u>
<b>Net movement in funds</b>		<b>(772,500)</b>	<b>181,458</b>	<b>(591,042)</b>	<b>(76,482)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		587,199	230,189	817,388	893,870
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>(185,301)</b></u>	<u><b>411,647</b></u>	<u><b>226,346</b></u>	<u><b>817,388</b></u>

**Heritage Trust of Lincolnshire**

**Consolidated Balance Sheet**  
**31 March 2025**

			31/3/25		31/3/24
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13		326,063		377,964
<b>Investments</b>					
Investment property	14		<u>909,814</u>		<u>1,049,814</u>
			1,235,877		1,427,778
<b>CURRENT ASSETS</b>					
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	
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(928,457)</u>		<u>(1,140,773)</u>	
<b>NET CURRENT ASSETS</b>			<u>(489,221)</u>		<u>(245,224)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			746,656		1,182,554
<b>CREDITORS</b>					
Amounts falling due after more than one year	18		<u>(520,311)</u>		<u>(365,166)</u>
<b>NET ASSETS</b>			<u>226,345</u>		<u>817,388</u>
<b>FUNDS</b>	20				
Unrestricted funds			(185,302)		587,199
Restricted funds			<u>411,647</u>		<u>230,189</u>
<b>TOTAL FUNDS</b>			<u>226,345</u>		<u>817,388</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**

**Company Balance Sheet**  
**31 March 2025**

			31/3/25		31/3/24
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13		317,651		360,641
<b>Investments</b>					
Investments			1		1
Investment property	14		<u>909,814</u>		<u>1,049,814</u>
			1,227,466		1,410,456
 <b>CURRENT ASSETS</b>					
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	
 <b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(898,116)</u>		<u>(1,050,812)</u>	
 <b>NET CURRENT ASSETS</b>			<u>7,650</u>		<u>138,087</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,235,116		1,548,543
 <b>CREDITORS</b>					
Amounts falling due after more than one year	18		<u>(520,311)</u>		<u>(365,166)</u>
 <b>NET ASSETS</b>			<u>714,805</u>		<u>1,183,377</u>
 <b>FUNDS</b>	20				
Unrestricted funds			303,158		953,188
Restricted funds			<u>411,647</u>		<u>230,189</u>
 <b>TOTAL FUNDS</b>			<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 £
<b>Cash flows from operating activities</b>			
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>
<b>Cash flows from investing activities</b>			
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>
<b>Cash flows from financing activities</b>			
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>
<b>Change in cash and cash equivalents in the reporting period</b>			
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

<b>1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		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>
<b>2. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
		31/3/25	31/3/24
		£	£
Cash and cash equivalents		138,868	57,016
		<u>          </u>	<u>          </u>
Total cash and cash equivalents		<u>138,868</u>	<u>57,016</u>
<b>3. ANALYSIS OF CHANGES IN NET DEBT</b>			
	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
<b>Net cash</b>			
Cash at bank	57,016	81,852	138,868
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>57,016</u>	<u>81,852</u>	<u>138,868</u>
<b>Debt</b>			
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>
<b>Total</b>	<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**

<b>2. DONATIONS AND LEGACIES</b>				31/3/25	31/3/24
				£	£
	Donations			2,406	12,560
	Fundraising			3,474	-
	Other			-	-
				<u>5,880</u>	<u>12,560</u>
<b>3. OTHER TRADING ACTIVITIES</b>				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>
<b>4. INVESTMENT INCOME</b>				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>
<b>5. INCOME FROM CHARITABLE ACTIVITIES</b>				31/3/25	31/3/24
				£	£
		Unrestricted	Restricted		
	<b>Heritage development</b>				
	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>
	<b>Community engagement</b>				
	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		
<b>Other Projects</b>				
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>1,000</u>	<u>1,000</u>

**7. CHARITABLE ACTIVITIES COSTS**

			31/3/25 £	31/3/24 £
	Unrestricted	Restricted		
<b>Charitable activities</b>				
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 £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	12,270	290	12,560
<b>Charitable activities</b>			
Heritage development	677,611	-	677,611
Community engagement	85,669	782,062	867,731
Other trading activities	514,888	1,719	516,607
Investment income	<u>12,022</u>	<u>-</u>	<u>12,022</u>
<b>Total</b>	<u>1,302,460</u>	<u>784,071</u>	<u>2,086,531</u>
 <b>EXPENDITURE ON</b>			
Raising funds	1,000	-	1,000
<b>Charitable activities</b>			
Charitable activities	755,320	723,025	1,478,345
Trading activities	751,098	-	751,098
Investment	<u>9,975</u>	<u>2,595</u>	<u>12,570</u>
<b>Total</b>	<u>1,517,393</u>	<u>725,620</u>	<u>2,243,013</u>
 <b>NET INCOME/(EXPENDITURE)</b>			
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>
<b>Net movement in funds</b>	(134,933)	58,451	(76,482)
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	722,132	171,738	893,870
 <b>TOTAL FUNDS CARRIED FORWARD</b>	 <u>587,199</u>	 <u>230,189</u>	 <u>817,388</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 £
<b>COST</b>					
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)
	<u>300,000</u>	<u>121,188</u>	<u>166,963</u>	<u>19,651</u>	<u>607,802</u>
<b>DEPRECIATION</b>					
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)
	<u>-</u>	<u>106,114</u>	<u>155,974</u>	<u>19,651</u>	<u>281,739</u>
<b>NET BOOK VALUE</b>					
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**

	£
<b>FAIR VALUE</b>	
At 1 April 2024	1,080,000
Impairment	(140,000)
At 31 March 2025	<u>940,000</u>
<b>AMORTISATION</b>	
At 1 April 2024 and 31 March 2025	<u>30,186</u>
<b>NET BOOK VALUE</b>	
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**

<b>15. STOCKS</b>		31/3/25	31/3/24
		£	£
Work-in-progress		<u>155,248</u>	<u>398,554</u>
<b>16. DEBTORS - Group</b>		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>
<b>DEBTORS - Company</b>		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
<b>17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - Group</b>		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>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - Company</b>		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
	£	£	£
<b>Unrestricted funds</b>			
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>
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>			
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>
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>			
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>
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>			
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>
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<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.



**HERITAGE TRUST OF LINCOLNSHIRE**

England & Wales - Charity number 1001463

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# Accounts

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# **HERITAGE TRUST OF LINCOLNSHIRE**

(A Company Limited by Guarantee)

## **THIRTY THIRD ANNUAL REPORT AND ACCOUNTS 31 MARCH 2024**

**Registered Office**

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

**Other Trading Names:**

**Heritage Lincolnshire  
Archaeological Project Services**

**Telephone:**

**01529 461499**

**Fax:**

**01529 461001**

**E-mail:**

**info@heritagelincolnshire.org**

**Website:**

**www.heritagelincolnshire.org**

**Registered Number:**

**2554738 (England & Wales)**

**Registered Charity Number**

**1001463**

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

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**CONTENTS**

	Page
Board of Directors and Secretary	2
Professional Advisers	2
Report of the Trustees/Directors	3 - 5
Statement of Trustees/Directors' Responsibilities	6
Independent Auditors' Report	7-8
 <b>Accounts</b>	
Statement of Financial Activities for the year ended 31 March 2024	9
Balance Sheet at 31 March 2024	10
Cash Flow Statement	11-12
Notes to the Financial Statements	16 - 26
Detailed Statement of Financial Activities for the year ended 31 March 2024	27

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

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**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 2023/2024**

Caroline Bingham	(Non-Executive Director)
Andrew Clark	(Non-Executive Director)
Anne Coltman	(Non-Executive Director) Resigned 26.01.24
Simon Erskine Crum	(Non-Executive Director) Resigned 26.01.24
Julian Free (Vice Chair)	(Non-Executive Director)
Charles Pinchbeck (Chair)	(Non-Executive Director)
Dorothy Hancock	(Non-Executive Director) Resigned 28.04.23
Ursula Lidbetter	(Non-Executive Director) Appointed 03.05.23
David Stocker	(Non-Executive Director) Appointed 06.02.24
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 2023

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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 2024, 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 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 county's 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.

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

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#### ACHIEVEMENTS AND PERFORMANCE

This year, despite a challenging financial and economic landscape, Heritage Lincolnshire continued to deliver significant outcomes for heritage and communities across Lincolnshire:

- **Heritage Regeneration Projects:**
  - Progressed the **Greyfriars Lincoln project**, in partnership with the City of Lincoln Council, which will secure the long-term future of this exceptional medieval building.
  - Delivered High Street regeneration projects in partnership with local authorities and the business community, including projects in **Boston, Skegness, and Mablethorpe**, as part of wider government funded regeneration schemes.

#### ACHIEVEMENTS AND PERFORMANCE continued

- **Community and Educational Engagement:**
  - Successfully ran Heritage Open Days, enabling public access to over 100 historic sites across the county.
- **Archaeological and Research Work:**
  - Archaeological Project Services (APS) undertook significant commercial and research-based excavations, reinvesting income to support heritage preservation.
- **Volunteer and Membership Growth:**
  - Membership levels have remained steady, reflected continued and stable support from our local community.

#### 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 also sustainable trading income.

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 POLICY

The Trustees aim to maintain unrestricted reserves at a level that ensures financial resilience and sustainability. As of 31 March 2024, unrestricted reserves stood at £953k, of which £775k 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.

#### Investment policy

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.

## **HERITAGE TRUST OF LINCOLNSHIRE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024**

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#### **SUBSEQUENT EVENTS**

Subsequent to the year-end some concerns were raised by the board in relation to internal financial controls and processes which highlighted some problem areas. The board have taken decisive action and have appointed advisors to assist them with a wholesale review of systems and processes to give them confidence in the underlying financial information they and management are using to review performance. Part of this review identified a potential shortfall in cash and work has been undertaken by the board with their advisors to start to address this to ensure that the charity can be placed on a sure footing.

The board have reviewed the restructuring proposals and forecasts for the year to 31 March 2026 and are content that the restructuring plan is robust. There are risks associated with the plan which may impact on the going concern assessment however, the board are content that these risks can be adequately mitigated and as such have prepared the accounts on a going concern basis.

#### **PLANS FOR THE FUTURE**

In 2024/25, Heritage Lincolnshire will:

- Continue major projects, including Greyfriars Lincoln and working with heritage-at-risk sites across Lincolnshire.
- Expand our community heritage programs, offering more volunteering and learning opportunities.
- Strengthen our financial sustainability, diversifying income streams to support our charitable objectives.

#### **THANK YOU**

None of our work would be possible without our dedicated staff, volunteers, members, and partners. We extend our sincere thanks to everyone who has supported us in our mission to preserve and celebrate Lincolnshire's heritage.

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2024**

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**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**

**27 March 2025**

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERITAGE TRUST OF LINCOLNSHIRE FOR THE YEAR ENDED 31 MARCH 2024

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#### **Opinion**

We have audited the financial statements of Heritage Trust of Lincolnshire (the 'charitable company') for the year ended 31 March 2024 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 2024 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 2024

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#### **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](http://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

27 March 2025

**HERITAGE TRUST OF LINCOLNSHIRE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 As restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	12,270	290	12,560	9,435
Other trading activities	3	258,884	1,719	260,603	342,467
Investment income	4	10,571	-	10,571	3,686
<b>Income from charitable activities:</b>					
Grants, projects and property management	5	763,280	782,062	1,545,342	1,482,311
<b>Total incoming resources</b>		<b>1,045,005</b>	<b>784,071</b>	<b>1,829,076</b>	<b>1,837,899</b>
<b>EXPENDITURE ON</b>					
<b>Costs of generating funds</b>					
Expenditure on raising funds	6	223,638	-	223,638	245,545
<b>Charitable activities</b>	6	<b>917,427</b>	<b>725,620</b>	<b>1,643,047</b>	<b>1,689,508</b>
<b>Other costs</b>	6	<b>6,240</b>	<b>-</b>	<b>6,240</b>	<b>4,240</b>
<b>Total</b>		<b>1,147,305</b>	<b>725,620</b>	<b>1,872,925</b>	<b>1,939,293</b>
<b>Net income/(expenditure)</b>					
Being:					
<b>Net movement in funds</b>	7	<b>(102,300)</b>	<b>58,451</b>	<b>(43,849)</b>	<b>(101,394)</b>
Unrealised gain on fixed assets		80,000	-	80,000	-
<b>Net movement in funds</b>		<b>(22,300)</b>	<b>58,451</b>	<b>36,151</b>	<b>(101,394)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	22	975,488	171,738	1,147,226	1,248,620
<b>Total funds carried forward</b>		<b>953,188</b>	<b>230,189</b>	<b>1,183,377</b>	<b>1,147,226</b>

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 2024**

			2024		2023 As restated £
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets for charity use	11		360,641		369,588
Investment properties	11		1,049,814		969,814
Heritage assets	12		-		-
Investments	13		1		1
			1,410,456		1,339,403
<b>CURRENT ASSETS</b>					
Stocks and work in progress	14	398,554		217,710	
Debtors	15	744,650		427,118	
Cash at bank and in hand		45,695		652,122	
		1,188,899		1,296,950	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	16	1,050,812		1,369,786	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>					
			138,087		(72,836)
<b>LONG-TERM LIABILITIES</b>					
Creditors: amounts falling due after one year	16		(365,166)		(119,341)
<b>NET ASSETS</b>					
			1,183,377		1,147,226
<b>The Funds of the Charity</b>					
Restricted funds	22		230,189		171,738
Unrestricted funds:-					
General funds			178,324		(80,676)
Designated funds:-					
Building preservation reserve			-		83,008
Legacy reserve			-		278,292
Revaluation reserve			774,864		694,864
<b>Total Charity funds</b>			1,183,377		1,147,226

The financial statements were approved by the Board of Trustees on 27 March 2025 and were signed on its behalf by:

Charles Pinchbeck, Chairman

**HERITAGE TRUST OF LINCOLNSHIRE**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	2023 As restated £
<b>Cashflows from operating activities</b>			
Net cash (used in)/inflow from operating activities	1	(582,634)	707,081
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		(8,146)	(8,660)
Net cash (used in)/provided by investing activities		(590,780)	698,421
<b>Cashflows from financing activities</b>			
New loans in year		-	20,000
Loan repayments in year		(15,647)	(92,402)
HP Repayments in year		-	(2,633)
Net cash provided by/(used in) financing activities		(15,647)	(75,035)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(606,427)</b>	<b>623,386</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>652,122</b>	<b>28,736</b>
<b>Cash and cash equivalents at end of year</b>	2	<b>45,695</b>	<b>652,122</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2024**

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

	<b>2024</b>	2023
	£	As restated £
Net surplus/(deficit) for the reporting period (as per the statement of financial activities)	<b>36,151</b>	(101,394)
Adjustments for:		
Depreciation charges	<b>17,093</b>	21,603
Unrealised profit on revaluation	<b>(80,000)</b>	-
(Increase)/Decrease in WIP	<b>(180,844)</b>	175,501
(Increase) in trade and other debtors	<b>(317,532)</b>	(111,598)
(Decrease)/Increase in trade and other creditors	<b>(57,502)</b>	722,969
Net cash (used in)/ inflow from operating activities	<b>(582,634)</b>	707,081

**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 2024**

	<b>31.3.24</b>	1.4.23
	£	£
Cash and cash equivalents	<b>45,695</b>	652,122
	<b>45,695</b>	652,122

**Year ended 31 March 2023**

	<b>31.3.23</b>	1.4.22
	£	£
Cash and cash equivalents	<b>652,122</b>	28,736
	<b>652,122</b>	28,736

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**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 2024

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#### 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 2024**

**2. DONATIONS AND LEGACIES**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
General donations	6,155	-	6,155	9,170
Gift Aid	20	-	20	20
Fundraising	6,095	-	6,095	-
Heritage Open Day	-	290	290	245
	<u>12,270</u>	<u>290</u>	<u>12,560</u>	<u>9,435</u>

**3. OTHER TRADING INCOME**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Archaeology outside Lincolnshire	248,285	-	248,285	272,209
Publications	955	-	955	1,132
Membership	5,215	-	5,215	5,926
Miscellaneous	4,429	1,719	6,148	63,200
	<u>258,884</u>	<u>1,719</u>	<u>260,603</u>	<u>342,467</u>

**4. INVESTMENT INCOME**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Rents received	6,350	-	6,350	3,600
Interest received	4,221	-	4,221	86
	<u>10,571</u>	<u>-</u>	<u>10,571</u>	<u>3,686</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
<b>Archaeology within Lincolnshire</b>	<b>555,442</b>	<b>-</b>	<b>555,442</b>	<b>708,117</b>
<b>Grants:</b>				
East Lindsey District Council	27,990	-	27,990	16,024
Boston Borough Council	14,363	-	14,363	10,357
North Kesteven District Council	25,142	-	25,142	25,143
South Kesteven District Council	35,400	-	35,400	17,520
Carried forward	<u>658,337</u>	<u>-</u>	<u>658,337</u>	<u>777,161</u>

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES continued**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Brought forward	658,337	-	658,337	777,161
<b>Property Management Projects</b>	<b>19,273</b>	<b>-</b>	<b>19,273</b>	<b>19,273</b>
Boston Town Deal	-	85,495	85,495	86,378
East Lindsey Town Deal	-	109,270	109,270	91,216
Greyfriars, Lincoln	-	12,192	12,192	23,562
Grimsby Viking Festival	-	13,328	13,328	22,523
The Harlequin	-	158,415	158,415	76
Outreach to Ownership	-	18,137	18,137	4,094
Edward Watkin Project	-	17,932	17,932	-
ELDC Levelling Up Fund	-	81,265	81,265	-
UKSPF Kirton	-	9,035	9,035	-
UKSPF Wainfleet	-	1,733	1,733	-
Townscape Heritage Initiative, Boston	-	11,220	11,220	18,307
Spalding Reconnected	-	5,236	5,236	-
Spalding Heritage Strategy	-	9,296	9,296	-
Other projects	85,670	249,508	335,178	439,721
	<u>763,280</u>	<u>782,062</u>	<u>1,545,342</u>	<u>1,482,311</u>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**6. EXPENDITURE**

	Archaeology outside Lincolnshire	Grants and Contributions	Archaeology within Lincolnshire	Projects Un-Restricted	Projects Restricted	Property Management	Miscellaneous	Governance	Total 2024	Total 2023  As restated £
	£	£	£	£	£	£	£	£	£	£
Rent & Rates	56	2,019	124	247	102	87	-	-	2,635	3,115
Light & heat	-	9,157	-	-	-	-	-	-	9,157	8,194
Property repairs	-	9,900	-	75	2,595	-	-	-	12,570	17,535
Salaries	180,610	203,517	404,044	383,913	-	-	-	-	1,172,084	1,308,033
Work in Progress movement	-	-	-	-	-	-	-	-	-	30,304
HR & recruitment	11	5,168	24	-	-	-	-	-	5,203	15,037
Travel & subsistence	2,233	1,708	4,996	4,283	9,359	175	-	-	22,754	26,429
Training	789	4,630	1,767	-	723	-	-	-	7,909	14,434
Materials & supplies	1,589	883	3,556	172	4,955	-	-	-	11,155	100,978
Equipment Hire	8,649	15,772	19,350	113	4,383	-	-	-	48,267	115,267
Equipment repairs & renewals	159	12,559	355	-	645	-	-	-	13,718	16,250
Motor expenses	2,759	847	6,172	-	-	-	-	-	9,778	15,643
Telephone	1,056	6,259	2,363	-	-	-	-	-	9,678	7,731
Printing, postage & stationery	1,077	4,864	2,411	910	5,921	-	-	-	15,183	13,388
Subscriptions	3,508	23,015	7,848	673	55	-	-	-	35,099	30,358
Professional fees	171	11,641	381	60	3,562	-	-	-	15,815	30,002
Specialist fees	9,496	13,130	21,243	11,071	286,267	6,165	-	-	347,372	79,511
Insurance	2,670	12,680	5,974	4,068	381	904	-	-	26,677	23,354
Marketing	-	(653)	-	-	3,173	-	-	-	2,520	2,252
Sundry	1,340	10,067	2,997	3,272	522	-	-	-	18,198	13,344
Bad debts	4,634	-	10,366	-	-	-	-	-	15,000	11,594
Depreciation	2,831	7,929	6,333	-	-	-	-	-	17,093	21,603
Bank charges and interest	-	4,559	-	-	-	-	-	-	4,559	4,794
Hire purchase interest	-	-	-	-	-	-	-	-	-	2,091
Loan interest	-	44,356	-	-	-	-	-	-	44,356	23,962
Gain on sale of FA	-	(95)	-	-	-	-	-	-	(95)	(150)
Auditors' remuneration	-	-	-	-	-	-	-	6,240	6,240	4,240
Management charge- project contribution	-	(403,912)	(5,609)	-	402,977	6,544	-	-	-	-
Provision for doubtful debt	-	-	-	-	-	-	-	-	-	-
	<b>223,638</b>	<b>-</b>	<b>494,695</b>	<b>408,857</b>	<b>725,620</b>	<b>13,875</b>	<b>-</b>	<b>6,240</b>	<b>1,872,925</b>	<b>1,939,293</b>

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**7. NET INCOME/EXPENDITURE**

Net resources are stated after charging:

	<b>2024</b>	2023
	£	£
Auditors' remuneration	<b>6,240</b>	4,240
Depreciation – owned assets	<b>17,093</b>	21,603
	<u><u>          </u></u>	<u><u>          </u></u>

**8. STAFF COSTS**

	<b>2024</b>	2023
	£	£
Wages and salaries	<b>1,030,264</b>	1,148,775
Social security costs	<b>94,222</b>	106,245
Other pension costs	<b>47,598</b>	53,013
	<u><u>          </u></u>	<u><u>          </u></u>
	<b>1,172,084</b>	1,308,033

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

	<b>2024</b>	2023
	Number	Number
Chief Executive	<b>1</b>	1
Project workers	<b>33</b>	38
Finance	<b>2</b>	2
Administration and support	<b>4</b>	4
	<u><u>          </u></u>	<u><u>          </u></u>
	<b>40</b>	45

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 £224,680 (2023: £253,467).

The number of employees and Trustees who received emoluments (excluding pension contributions) in the following range was:

	<b>2024</b>	2023
	Number	Number
Highest paid employee      £70,000 - £80,000	<b>1</b>	-

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no Trustees' remuneration or other benefits for the year ended 31 March 2024, nor for the year ended 31 March 2023.

**Trustees' expenses**

There were no Trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (AS RESTATED)**

	Unrestricted Funds 2023 £	Restricted Funds 2023 As restated £	Total Funds 2023 As restated £
<b>INCOME AND ENDOWMENTS</b>			
Donations and legacies	9,190	245	9,435
Other trading activities	332,898	9,569	342,467
Investment income	3,686	-	3,686
<b>Income from charitable activities:</b>			
Grants, projects and property management	948,943	533,368	1,482,311
<b>Total incoming resources</b>	<b>1,294,717</b>	<b>543,182</b>	<b>1,837,899</b>
<b>EXPENDITURE ON</b>			
<b>Costs of generating funds</b>			
Expenditure on raising funds	245,545	-	245,545
<b>Charitable activities</b>	<b>1,172,241</b>	<b>517,267</b>	<b>1,689,508</b>
<b>Other costs</b>	<b>4,240</b>	<b>-</b>	<b>4,240</b>
<b>Total</b>	<b>1,422,026</b>	<b>517,267</b>	<b>1,939,293</b>
<b>Net income/(expenditure)</b>			
Being:			
<b>Net movement in funds</b>	<b>(127,309)</b>	<b>25,915</b>	<b>(101,394)</b>
<b>Net movement in funds</b>	<b>(127,309)</b>	<b>25,915</b>	<b>(101,394)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	1,102,797	145,823	1,248,620
<b>Total funds carried forward</b>	<b>975,488</b>	<b>171,738</b>	<b>1,147,226</b>

In the financial statements for the year to 31 March 2023, unrestricted expenses were overstated by £17,224 and Cash at bank and in hand was understated by the same amount. This has been corrected in the current year's financial statements.

After due consideration of the current situation and of plans for the future regarding The Old King's Head, the trustees decided to reinstate that part of the debt due from the trading company, HTL Enterprises Ltd, which had been written off in the year ended 31 March 2023 and this is now corrected in the current year's financial statements. The amount concerned was £73,136.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**11. TANGIBLE FIXED ASSETS**

	<b>Investment Properties</b>	<b>Land and Building Used by Charity</b>	<b>Motor Vehicles</b>	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2023	1,000,000	330,000	26,645	74,759	156,553	1,587,957
Additions	-	-	-	-	8,146	8,146
Disposals	-	-	-	-	(109)	(109)
Revaluations	80,000	-	-	-	-	80,000
<b>At 31 March 2024</b>	<b>1,080,000</b>	<b>330,000</b>	<b>26,645</b>	<b>74,759</b>	<b>164,590</b>	<b>1,675,994</b>
<b>Depreciation</b>						
At 1 April 2023	30,186	-	26,645	52,543	139,181	248,555
Charge for year	-	-	-	7,777	9,316	17,093
Re disposals	-	-	-	-	(109)	(109)
Re revaluations	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>30,186</b>	<b>-</b>	<b>26,645</b>	<b>60,320</b>	<b>148,388</b>	<b>265,539</b>
<b>Net Book Value</b>						
<b>At 31 March 2024</b>	<b>1,049,814</b>	<b>330,000</b>	<b>-</b>	<b>14,439</b>	<b>16,202</b>	<b>1,410,455</b>
At 31 March 2023	969,814	330,000	-	22,216	17,372	1,339,402

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, 2023, it was valued at £330,000 by J A Swithinbank. Investment properties comprise Mill Hill Cottage held at valuation of £235,000, performed in October 2023 by Robert Bell and Company; the Old King's Head, Kirton, valued at £600,000 by J A Swithinbank on 19 April 2023 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 last 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.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**12. 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.

**13. UNQUOTED INVESTMENTS**

<b>At Cost</b>	<b>2024</b>	2023
	£	£
HTL Enterprises Ltd – 1 ordinary share of £1	<b>1</b>	1

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

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

	<b>2024</b>	2023
	£	As restated £
Turnover	<b>256,004</b>	262,359
Other income	<b>1,451</b>	343
Costs	<b>(370,088)</b>	(397,732)
Operating Profit / (loss)	<b>(112,633)</b>	(135,030)
The shareholders' funds at the end of the year were	<b>(365,989)</b>	(253,356)

**14. STOCKS AND WORK IN PROGRESS**

	<b>2024</b>	2023
	£	£
Work in progress	<b>398,554</b>	239,042
Provision against recoverability	-	(21,332)
	<b>398,554</b>	217,710

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	2023
	£	As restated £
Trade debtors	<b>193,368</b>	193,752
Other debtors and taxes	<b>238,861</b>	75,423
HTL Enterprises Ltd	-	157,943
	<b>432,229</b>	427,118

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**15. DEBTORS continued: AMOUNTS FALLING DUE AFTER ONE YEAR**

	2024	2023
	£	£
HTL Enterprises Ltd	312,421	-
	312,421	-
	312,421	-

**AGGREGATE**

	2024	2023
	£	As restated £
Aggregate debtors	744,650	427,118
	744,650	427,118
	744,650	427,118

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Bank loans and overdrafts	15,948	32,873
Trade creditors	125,236	67,088
Social security and other taxes	48,929	48,705
Other creditors	818,779	883,864
Deferred income	41,920	75,485
The Architectural Heritage Fund loan	-	198,771
LEAP loan	-	63,000
	1,050,812	1,369,786
	1,050,812	1,369,786

Deferred income is analysed below:

	2024	2023
	£	£
AHF Development Trust	578	588
Conservation Consultancy	-	375
Covid Recovery Fund	-	2,016
H @ R Solutions Officer	38,635	-
Little Steeping	450	450
NLHF Covid Recovery Fund	-	4,130
OKH Delivery	-	57,711
Outreach to Ownership	-	6,526
Prepaid donations	2,000	-
Property management	-	3,689
School Visits & Clubs	257	-
Wolds Walking Festival	-	-
	41,920	75,485
	41,920	75,485

Deferred income at 1 April 2023	75,485	99,627
Released from previous accounting periods	(74,457)	(99,627)
Income deferred in the current year	40,892	75,485
	41,920	75,485
Deferred income at 31 March 2024	41,920	75,485

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**16. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2024</b>	<b>2023</b>
	£	£
Bank loans	<b>103,395</b>	119,341
The Architectural Heritage Fund loan	<b>198,771</b>	-
LEAP loan	<b>63,000</b>	-
	<b>365,166</b>	119,341
	<b>365,166</b>	119,341

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, currently there is no interest being charged.

**17. BANK AND OTHER LOANS**

	<b>2024</b>	<b>2023</b>
	£	£
Within one year	<b>15,948</b>	277,420
Between one and two years	<b>215,019</b>	15,946
Between two and five years	<b>85,367</b>	31,368
More than five years	<b>64,780</b>	72,027
	<b>381,114</b>	396,761
	<b>381,114</b>	396,761

**18. SECURED CREDITORS**

	<b>2024</b>	<b>2023</b>
	£	£
Bank loans	<b>119,343</b>	134,990
The Architectural Heritage Fund loan	<b>198,771</b>	198,771
LEAP loan	<b>63,000</b>	63,000
	<b>381,114</b>	396,761
	<b>381,114</b>	396,761

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.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024**

**19. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Non-cancellable operating leases</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<b>10,262</b>	10,262
Between one and five years	<b>28,328</b>	37,943
In more than five years	<b>-</b>	648
	<b>38,590</b>	48,853
	<b>38,590</b>	48,853

**20. 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 2024 there were 40 (2023: 45) members of staff eligible under the scheme rules for inclusion in the scheme. The total pension costs for the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Standard Life	<b>47,598</b>	53,013
	<b>47,598</b>	53,013
	<b>47,598</b>	53,013

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	<b>1,410,456</b>	-	<b>1,410,456</b>
Current Assets	<b>333,297</b>	<b>1,141,280</b>	<b>1,474,577</b>
Total Liabilities	<b>(790,565)</b>	<b>(911,091)</b>	<b>(1,701,656)</b>
	<b>953,188</b>	<b>230,189</b>	<b>1,183,377</b>
Net assets at 31 March 2024	<b>953,188</b>	<b>230,189</b>	<b>1,183,377</b>

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS

	At 1 April 2023 As restated £	Incoming Resources £	Outgoing Resources £	Transfer £	At 31 March 2024 £
<b>Unrestricted funds</b>					
General reserve	(80,676)	1,045,005	(1,147,305)	361,300	178,324
Revaluation reserve	694,864	80,000	-	-	774,864
<b>Designated funds</b>					
Building preservation reserve	83,008	-	-	(83,008)	-
Legacy reserve	278,292	-	-	(278,292)	-
<b>Total Unrestricted and Designated funds</b>	975,488	1,125,005	(1,147,305)	-	953,188

	At 1 April 2023 As restated £	Incoming Resources £	Outgoing Direct £	Resources Transfer £	Project Contribution £	At 31 March 2024 £
<b>Restricted funds</b>						
Donations & legacies	-	290	(290)	-	-	-
Other trading activities	-	1,719	(1,719)	-	-	-
<b>Projects:</b>						
Boston Town Deal	-	85,495	(623)	-	(84,872)	-
East Lindsey Town Deal	-	109,270	(21,638)	-	(87,632)	-
Edward Watkin Project	-	17,932	(3,127)	-	(13,360)	1,445
ELDC Levelling Up Fund	-	81,265	(26,700)	-	(3,140)	51,425
Greyfriars Lincoln	-	12,192	(12,192)	-	-	-
Grimsby Viking Festival	-	13,328	(10,258)	-	(1,962)	1,108
The Harlequin	-	158,415	(158,461)	-	-	(46)
Outreach to Ownership	(3,720)	18,137	(7,613)	-	(4,088)	2,716
Spalding Heritage Strategy	-	9,296	(197)	-	(9,099)	-
Spalding Reconnected	-	5,236	(10)	-	(6,505)	(1,279)
Townscape Heritage Boston	-	11,220	(3,189)	-	(11,320)	(3,289)
UKSPF Kirton	-	9,035	(143)	-	(10,518)	(1,626)
UKSPF Wainfleet	-	1,733	(38)	-	(1,695)	-
Other Restricted Projects	175,458	249,508	(76,445)	-	(168,786)	179,735
<b>Total Restricted funds</b>	171,738	784,071	(322,643)	-	(402,977)	230,189
<b>Total Funds</b>	1,147,226	1,909,076	(1,469,948)	-	(402,977)	1,183,377

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**23. 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 is that of hotel and hospitality services. Costs incurred on behalf of HTL Enterprises Ltd amount to £Nil (2023: £Nil).

In the year to 31 March 2024, a member of Key Management Personnel rented one of the Charity's properties for approximately half the commercial rent.

**24. 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 2024**

	2024	2023
	£	As restated £
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Various donations	12,560	9,435
<b>Activities for generating funds</b>		
Archaeology outside Lincolnshire	248,285	272,209
Publications	955	1,132
Membership	5,215	5,926
Miscellaneous	6,148	63,200
<b>Investment income</b>		
Rent received	6,350	3,600
Deposit account interest	4,221	86
<b>Incoming resources from charitable activities</b>		
Archaeology within Lincolnshire	555,442	708,117
Grants	102,896	69,044
Projects	867,731	685,877
Property Management	19,273	19,273
<b>Total incoming resources</b>	<b>1,829,076</b>	<b>1,837,899</b>
<b>RESOURCES EXPENDED</b>		
Rent & rates	2,635	3,115
Light & heat	9,157	8,194
Property repairs	12,570	17,535
Salaries	1,172,084	1,308,033
Work in Progress movement	-	30,304
HR & recruitment	5,203	15,037
Travel & subsistence	22,754	26,429
Training	7,909	14,434
Materials & supplies	11,155	100,978
Equipment hire	48,267	115,267
Equipment repairs & renewals	13,718	16,250
Motor expenses	9,778	15,643
Telephone	9,678	7,731
Printing, postage & stationery	15,183	13,388
Subscriptions	35,099	30,358
Professional fees	15,815	30,002
Specialist fees	347,372	79,511
Insurance	26,677	23,354
Marketing	2,520	2,252
Sundry	18,198	13,344
Bad debts	15,000	11,594
Depreciation	17,093	21,603
Bank charges and interest	4,559	4,794
Hire purchase interest	-	2,091
Loan interest	44,356	23,962
Gain on disposal of fixed asset	(95)	(150)
Auditors' remuneration	6,240	4,240
Provision for doubtful debt	-	-
<b>Total resources expended</b>	<b>1,872,925</b>	<b>1,939,293</b>
<b>Net (deficit)/surplus</b>	<b>(43,849)</b>	<b>(101,394)</b>

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

**HERITAGE TRUST OF LINCOLNSHIRE**

England & Wales - Charity number 1001463

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# Accounts

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**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**

**Telephone:**

**01529 461499**

**Fax:**

**01529 461001**

**E-mail:**

**info@heritagelincolnshire.org**

**Website:**

**www.heritagelincolnshire.org**

**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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**CONTENTS**

	Page
Board of Directors and Secretary	2
Professional Advisers	2
Advisory and Liaison Committee Members	3
Buildings Advisory Committee	3
Report of the Trustees/Directors	4 - 7
Income and Grants from Local and National Agencies	8
Statement of Trustees/Directors' Responsibilities	9
Independent Auditors' Report	10 - 11
 <b>Accounts</b>	
Statement of Financial Activities for the year ended 31 March 2023	12
Balance Sheet at 31 March 2023	13
Cash Flow Statement	14 - 15
Notes to the Financial Statements	16 - 28
Detailed Statement of Financial Activities for the year ended 31 March 2023	29

**HERITAGE TRUST OF LINCOLNSHIRE**

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

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**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

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#### 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
<b>In attendance:</b>	
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

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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

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#### **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

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#### 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

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#### 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**

<b>Source</b>	<b>2022/23</b>	<b>2021/22</b>
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
	<b>842,664</b>	<b>1,038,578</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

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

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**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

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#### **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

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#### **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](http://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 £
<b>INCOME AND ENDOWMENTS FROM</b>					
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
<b>Income from charitable activities:</b>					
Grants, projects and property management	5	948,943	533,368	1,482,311	1,731,257
<b>Total incoming resources</b>		<u>1,294,717</u>	<u>543,182</u>	<u>1,837,899</u>	<u>2,236,076</u>
<b>EXPENDITURE ON</b>					
<b>Costs of generating funds</b>					
Expenditure on raising funds	6	245,545	-	245,545	188,812
<b>Charitable activities</b>	6	1,189,465	590,403	1,779,868	1,668,259
<b>Other costs</b>	6	4,240	-	4,240	76,980
<b>Total</b>		<u>1,439,250</u>	<u>590,403</u>	<u>2,029,653</u>	<u>1,934,051</u>
<b>Net income/(expenditure)</b>					
Being:					
<b>Net movement in funds</b>	7	(144,533)	(47,221)	(191,754)	302,025
Unrealised gain on fixed assets		-	-	-	535,000
<b>Net movement in funds</b>		(144,533)	(47,221)	(191,754)	837,025
<b>Reconciliation of funds</b>					
Total funds brought forward	21	1,102,797	145,823	1,248,620	411,595
<b>Total funds carried forward</b>		<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 £
<b>FIXED ASSETS</b>					
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>
<b>CURRENT ASSETS</b>					
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>	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	14	1,369,785		444,431	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<b>(163,195)</b>		<b>293,036</b>
<b>LONG-TERM LIABILITIES</b>					
Creditors: amounts falling due after one year	15		<b>(119,341)</b>		<b>(396,761)</b>
<b>NET ASSETS</b>			<b>1,056,866</b>		<b>1,248,620</b>
<b>The Funds of the Charity</b>					
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
<b>Total Charity funds</b>			<b>1,056,866</b>		<b>1,248,620</b>

The financial statements were approved by the Board of Trustees on 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 £
<b>Cashflows from operating activities</b>			
Net cash (used in)/inflow from operating activities	1	689,857	81,875
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		(8,660)	(36,142)
Net cash (used in)/provided by investing activities		681,197	45,733
<b>Cashflows from financing activities</b>			
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
<b>Change in cash and cash equivalents in the reporting period</b>		<b>606,162</b>	<b>82,587</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>28,736</b>	<b>(53,851)</b>
<b>Cash and cash equivalents at end of year</b>	2	<b>634,898</b>	<b>28,736</b>

**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**

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

**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**

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

**Year ended 31 March 2022**

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

## HERITAGE TRUST OF LINCOLNSHIRE

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

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#### 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**

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**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
<b>Grants:</b>				
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
<b>Property Management</b>	<b>19,273</b>	<b>-</b>	<b>19,273</b>	<b>19,273</b>
<b>Projects</b>				
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
	<b>948,943</b>	<b>533,368</b>	<b>1,482,311</b>	<b>1,731,257</b>

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	-
	<b>69,044</b>	<b>-</b>	<b>69,044</b>	<b>50,240</b>

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
	<b>245,545</b>	<b>-</b>	<b>638,753</b>	<b>543,995</b>	<b>590,403</b>	<b>6,717</b>	<b>-</b>	<b>4,240</b>	<b>2,029,653</b>	<b>1,934,051</b>

**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
	£	£	£	£	£	£
<b>Cost</b>						
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	-	-	-	-	-	-
<b>At 31 March 2023</b>	<b>1,000,000</b>	<b>330,000</b>	<b>26,645</b>	<b>74,759</b>	<b>156,553</b>	<b>1,587,957</b>
<b>Depreciation</b>						
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	-	-	-	-	-	-
<b>At 31 March 2023</b>	<b>30,186</b>	<b>-</b>	<b>26,645</b>	<b>52,543</b>	<b>139,181</b>	<b>248,555</b>
<b>Net Book Value</b>						
<b>At 31 March 2022</b>	<b>969,814</b>	<b>330,000</b>	<b>-</b>	<b>22,216</b>	<b>17,372</b>	<b>1,339,402</b>
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>1</u>	<u>1</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	<u>(397,732)</u>	<u>(200,104)</u>
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	<u>(21,332)</u>	<u>(21,332)</u>
	<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
	<u>119,341</u>	<u>396,761</u>

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
	<u>333,761</u>	<u>406,162</u>

**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
	<u>396,761</u>	<u>469,162</u>

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	-	-
	<u>-</u>	<u>2,633</u>
	<u><u>-</u></u>	<u><u>2,633</u></u>
	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
	<u>48,853</u>	<u>47,310</u>
	<u><u>48,853</u></u>	<u><u>47,310</u></u>

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	<u>53,013</u>	<u>44,270</u>

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)
	<u>958,264</u>	<u>98,602</u>	<u>1,056,866</u>
Net assets at 31 March 2023	<u><u>958,264</u></u>	<u><u>98,602</u></u>	<u><u>1,056,866</u></u>

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 £
<b>Unrestricted funds</b>					
General reserve	46,633	1,294,717	(1,439,250)	-	(97,900)
Revaluation reserve	694,864	-	-	-	694,864
<b>Designated funds</b>					
Building preservation reserve	83,008	-	-	-	83,008
Legacy reserve	278,292	-	-	-	278,292
<b>Total Unrestricted and Designated funds</b>	<b>1,102,797</b>	<b>1,294,717</b>	<b>(1,439,250)</b>	<b>-</b>	<b>958,264</b>

	At 1 April 2022 £	Incoming Resources £	Outgoing Direct £	Resources Transfer £	Project Contribution £	At 31 March 2023 £
<b>Restricted funds</b>						
Donations & legacies	-	245	(245)	-	-	-
Other trading activities	-	9,569	(9,569)	-	-	-
<b>Projects:</b>						
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
<b>Total Restricted funds</b>	<b>145,823</b>	<b>543,182</b>	<b>(147,008)</b>	<b>-</b>	<b>(443,395)</b>	<b>98,602</b>
<b>Total Funds</b>	<b>1,248,620</b>	<b>1,837,899</b>	<b>(1,586,258)</b>	<b>-</b>	<b>(443,395)</b>	<b>1,056,866</b>

## HERITAGE TRUST OF LINCOLNSHIRE

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

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#### 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
	£	£
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Various donations	9,435	7,025
Legacy	-	245,000
<b>Activities for generating funds</b>		
Archaeology outside Lincolnshire	272,209	217,731
Publications	1,132	1,688
Membership	5,926	5,598
Miscellaneous	63,200	24,177
<b>Investment income</b>		
Rent received	3,600	3,600
Deposit account interest	86	-
<b>Incoming resources from charitable activities</b>		
Archaeology within Lincolnshire	708,117	736,127
Grants	69,044	50,240
Projects	685,877	925,617
Property Management	19,273	19,273
<b>Total incoming resources</b>	<b>1,837,899</b>	<b>2,236,076</b>
<b>RESOURCES EXPENDED</b>		
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
<b>Total resources expended</b>	<b>2,029,653</b>	<b>1,934,051</b>
<b>Net (deficit)/surplus</b>	<b>(191,754)</b>	<b>302,025</b>

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

**HERITAGE TRUST OF LINCOLNSHIRE**

England & Wales - Charity number 1001463

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# Accounts

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# **HERITAGE TRUST OF LINCOLNSHIRE**

(A Company Limited by Guarantee)

## **TWENTY NINTH ANNUAL REPORT AND ACCOUNTS**

**31 MARCH 2022**

**Registered Office**

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

**Other Trading Names:**

**Heritage Lincolnshire  
Archaeological Project Services**

**Telephone:**

**01529 461499**

**Fax:**

**01529 461001**

**E-mail:**

**info@heritagelincolnshire.org**

**Website:**

**www.heritagelincolnshire.org**

**Registered Number:**

**2554738 (England & Wales)**

**Registered Charity Number**

**1001463**

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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**CONTENTS**

	Page
Board of Directors and Secretary	2
Professional Advisers	2
Advisory and Liaison Committee Members	3
Buildings Advisory Committee	3
Report of the Trustees/Directors	4 - 7
Income and Grants from Local and National Agencies	8
Statement of Trustees/Directors' Responsibilities	9
Independent Auditors' Report	10 - 11
<b>Accounts</b>	
Statement of Financial Activities for the year ended 31 March 2022	12
Balance Sheet at 31 March 2022	13
Cash Flow Statement	14 - 15
Notes to the Financial Statements	16 - 28
Detailed Statement of Financial Activities for the year ended 31 March 2022	29

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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**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 2021/2022**

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 (Vice Chairman)	(Non-Executive Director) Chairman from 30.11.22
Dorothy Hancock	(Non-Executive Director)

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

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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 2022. 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.

<b>Risk</b>	<b>Level of risk to charity</b>	<b>Mitigation strategy</b>	<b>Revised level of risk</b>
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 2022

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#### **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 2022

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#### 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, and the Pilgrim Trust.

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. We had a successful bid to the Culture Recovery Fund which was administered by the National Lottery Heritage Fund.
- ii. Heritage Lincolnshire's President, Lord Cormack, has been assisting the organisation greatly in enhancing its profile within Lincolnshire.
- iii. Our annual programme of events was affected again this year by the pandemic. The Heritage Open Days programme in September continued this year despite a drop in bookings and there were over 100 events throughout the festival. Bollingbroke Back in Time took place in the summer but the event was smaller with fewer visitors permitted.
- iv. Volunteers are 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. Our Heritage at Risk Solutions Officer, funded in part by Historic England, has allowed Heritage Lincolnshire to expand the level of mentoring and support that it offers to community organisations both within Lincolnshire and throughout the East Midlands. Within Lincolnshire this has included projects in Caistor, Cleethorpes, Scrivelsby, Heckington and Boston.
- vii. Our new restoration project, Greyfriars Lincoln, is in the development stage due to be completed early 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 2022

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#### 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. The study of Long Barrow monuments within Lincolnshire is now almost completed and a report will be published shortly on the survival of these Neolithic structures, giving us further information on the prehistoric landscape of the County. A new publication has also been produced on 'A Millennium of Salt-making: Prehistoric and Romano-British Salt Production in Fenland Lincolnshire.'
- 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 increased by 7% since 2020/21 but the current year's incoming resources include the donation of a property valued at £245,000. If this is excluded, incoming resources have decreased by 4%. Expenditure has decreased by 8%. This resulted in a surplus on the year, which is due to the hard work and dedication of the team throughout the period. 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 2022, the charity had unrestricted reserves of £1,103k (2020/1 £411k) of which £778k (2020/1: £243k) 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 £480k in available unrestricted reserves and as at 31 March 2022 we need to accumulate a further £400k to meet the £480k level set by our own policy. However, as at 31 March 2022, there are restricted funds of £146k 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 2022**

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**Income and Grants from local and national organisations for the Financial Year ending 31 March 2022**

<b>Source</b>	<b>2021/22</b>	<b>2020/21</b>
Architectural Heritage Fund	55,670	54,827
Alive Church	-	2,500
Bain Valley Group	5,040	-
Bergne-Coupland Trust	2,000	2,000
Birmingham Jewellery Quarter	3,000	-
Boson Borough Council	170,157	103,579
Boston District Archaeology IAS	1,709	-
Boston Preservation Trust	-	300
Bourne Arts and Community Trust	3,913	-
Bourne Town Hall	3,975	-
Centenary Methodist Church	3,685	-
City of Lincoln Council	40,639	-
Co-Operative Society	-	1,425
East Lindsey District Council	18,667	5,963
English Heritage	15,420	12,720
Environment Agency	-	9,300
Headley Trust	7,500	-
Heart of Hastings	813	-
Historic England	15,800	-
Lincolnshire County Council	77,127	12,714
Membership Subscriptions	5,598	4,374
Mount Zion Apolistic Church	4,145	-
National Lottery Heritage Fund	480,543	922,268
North Kesteven District Council	25,080	29,080
North East Lincolnshire Council	32,423	1,000
North Lincolnshire Council	22,962	14,722
Nottinghamshire City Council	14,850	4,950
Nottingham Trent University	-	4,400
Our Big Picture	1,987	-
St Swithin's PCC	-	450
South Holland District Council	1,000	1,200
South Kesteven District Council	19,125	25,961
VESR (Visitor Economy, Services and Retail Group)	3,750	-
Worksop Priory and Gatehouse Community Trust	2,000	6,600
	<b>1,038,578</b>	<b>1,220,333</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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**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**

**26 January 2023**

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERITAGE TRUST OF LINCOLNSHIRE FOR THE YEAR ENDED 31 MARCH 2022

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#### **Opinion**

We have audited the financial statements of Heritage Trust of Lincolnshire (the 'charitable company') for the year ended 31 March 2022 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 2022 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 2022

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#### **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](http://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: 26 January 2023

**HERITAGE TRUST OF LINCOLNSHIRE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	251,503	522	252,025	4,817
Other trading activities	3	245,910	3,284	249,194	210,069
Investment income	4	3,600	-	3,600	3,150
<b>Income from charitable activities:</b>					
Grants, projects and property management	5	803,472	927,785	1,731,257	1,865,655
<b>Total incoming resources</b>		<b>1,304,485</b>	<b>931,591</b>	<b>2,236,076</b>	<b>2,083,691</b>
<b>EXPENDITURE ON</b>					
<b>Costs of generating funds</b>					
Expenditure on raising funds	6	188,812	-	188,812	211,230
<b>Charitable activities</b>	6	<b>882,378</b>	<b>785,881</b>	<b>1,668,259</b>	<b>1,812,590</b>
<b>Other costs</b>	6	<b>76,980</b>	<b>-</b>	<b>76,980</b>	<b>3,700</b>
<b>Total</b>		<b>1,148,170</b>	<b>785,881</b>	<b>1,934,051</b>	<b>2,027,520</b>
<b>Net income/(expenditure)</b>					
Being:					
<b>Net movement in funds</b>	7	<b>156,315</b>	<b>145,710</b>	<b>302,025</b>	<b>56,171</b>
Unrealised gain on fixed assets		535,000	-	535,000	-
<b>Net movement in funds</b>		<b>691,315</b>	<b>145,710</b>	<b>837,025</b>	<b>56,171</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	21	411,482	113	411,595	355,424
<b>Total funds carried forward</b>		<b>1,102,797</b>	<b>145,823</b>	<b>1,248,620</b>	<b>411,595</b>

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 2022**

	Notes	£	2022 £	£	2021 £
<b>FIXED ASSETS</b>					
Tangible fixed assets for charity use	10		382,531		333,755
Investment properties	10		969,814		224,814
Heritage assets	11		-		-
			1,352,345		558,569
<b>CURRENT ASSETS</b>					
Stocks and work in progress	12	393,211		334,690	
Debtors	13	315,520		349,717	
Cash at bank and in hand		28,736		1,397	
		737,467		685,804	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	14	444,431		(418,781)	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>					
			293,036		267,023
<b>LONG-TERM LIABILITIES</b>					
Creditors: amounts falling due after one year	15		(396,761)		(413,997)
<b>NET ASSETS</b>					
			1,248,620		411,595
<b>The Funds of the Charity</b>					
Restricted funds	21		145,823		113
Unrestricted funds:-					
General funds			46,633		62,183
Designated funds:-					
Building preservation reserve			83,008		83,008
Legacy reserve			278,292		106,427
Revaluation reserve			694,864		159,864
<b>Total Charity funds</b>			1,248,620		411,595

The financial statements were approved by the Board of Trustees on 26 January 2023 and were signed on its behalf by:

Charles Pinchbeck, Chairman

**HERITAGE TRUST OF LINCOLNSHIRE**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Cashflows from operating activities</b>			
Net cash (used in)/inflow from operating activities	1	<b>81,875</b>	(133,822)
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		<b>(36,142)</b>	(16,446)
Net cash (used in)/provided by investing activities		<b>45,733</b>	(150,268)
<b>Cashflows from financing activities</b>			
New loans in year		<b>189,000</b>	82,771
Loan repayments in year		<b>(145,476)</b>	(4,848)
Capital repayments in year		-	-
HP Repayments in year		<b>(6,670)</b>	(9,581)
Net cash provided by/(used in) financing activities		<b>36,854</b>	68,342
<b>Change in cash and cash equivalents in the reporting period</b>		<b>82,587</b>	(81,926)
<b>Cash and cash equivalents at beginning of year</b>	2	<b>(53,851)</b>	28,075
<b>Cash and cash equivalents at end of year</b>	2	<b>28,736</b>	(53,851)

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

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

	<b>2022</b>	2021
	£	£
Net (deficit)/surplus for the reporting period (as per the statement of financial activities)	<b>837,025</b>	56,171
Adjustments for:		
Depreciation charges	<b>22,366</b>	15,470
Unrealised profit on revaluation	<b>(535,000)</b>	-
Value of donated property	<b>(245,000)</b>	-
(Increase) in stocks	<b>(58,521)</b>	(164,735)
Decrease/(Increase) in trade and other debtors	<b>34,197</b>	(124,943)
Increase in trade and other creditors	<b>26,808</b>	84,215
	<b>81,875</b>	(133,822)
	<b>81,875</b>	(133,822)

**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 2022**

	<b>31.3.22</b>	1.4.21
	£	£
Cash and cash equivalents	<b>2,789</b>	1,397
Bank overdrafts	<b>25,947</b>	(55,248)
	<b>28,736</b>	(53,851)
	<b>28,736</b>	(53,851)

**Year ended 31 March 2021**

	<b>31.3.21</b>	1.4.20
	£	£
Cash and cash equivalents	<b>1,397</b>	28,612
Bank overdrafts	<b>(55,248)</b>	(537)
	<b>(53,851)</b>	28,075
	<b>(53,851)</b>	28,075

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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 2022

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#### 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 2022**

**2. DONATIONS AND LEGACIES**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
General donations	6,483	20	6,503	2,476
Gift Aid	20	-	20	-
Legacy	245,000	-	245,000	-
Heritage Open Day	-	502	502	2,341
	<b>251,503</b>	<b>522</b>	<b>252,025</b>	<b>4,817</b>

**3. OTHER TRADING INCOME**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Archaeology outside Lincolnshire	217,731	-	217,731	196,586
Publications	1,552	136	1,688	2,130
Membership	5,598	-	5,598	4,374
Miscellaneous	21,029	3,148	24,177	6,979
	<b>245,910</b>	<b>3,284</b>	<b>249,194</b>	<b>210,069</b>

**4. INVESTMENT INCOME**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Rents received	3,600	-	3,600	3,150
Interest received	-	-	-	-
	<b>3,600</b>	<b>-</b>	<b>3,600</b>	<b>3,150</b>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Archaeology within Lincolnshire	736,127	-	736,127	317,269
HMRC CJRS	-	-	-	137,011
Grants				
RPA	-	-	-	1,204
Boston Borough Council	9,360	-	9,360	9,360
North Kesteven District Council	24,080	-	24,080	24,080
South Kesteven District Council	16,800	-	16,800	16,800
	<b>786,367</b>	<b>-</b>	<b>786,367</b>	<b>505,724</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Brought forward	786,367	-	786,367	505,724
<b>Property Management Projects</b>	<b>19,273</b>	<b>-</b>	<b>19,273</b>	<b>19,273</b>
AHF Development Trusts	-	29,947	29,947	-
Birmingham Jewellery Quarter D'ment	-	3,000	3,000	-
Black Sluice I D B	-	1,050	1,050	9,300
Boston Town Deal	-	73,730	73,730	4,000
Centenary Methodist Church, Boston	-	3,685	3,685	-
Conservation consultancy BBC	-	26,578	26,578	17,500
Covid recovery fund	-	36,751	36,751	326,814
East Lindsey Town Deal	-	42,626	42,626	4,000
Fydell House	-	5,670	5,670	3,225
Greyfriars, Lincoln	-	53,704	53,704	18,801
Grimsby Viking Festival	-	3,750	3,750	-
The Harlequin	-	20,375	20,375	-
Isle of Axholme	-	24,886	24,886	14,722
Layers of History	-	-	-	91,705
Local Listing Project	-	53,001	53,001	-
Mount Zion, Nottingham	-	4,145	4,145	-
NHLF Covid Recovery Fund	-	126,535	126,535	-
Old King's Head, Kirton	-	226,200	226,200	728,831
Outreach to Ownership	-	3,646	3,646	-
Scrivelsby Church	-	14,048	14,048	1,200
Townscape Heritage Initiative, Boston	-	45,940	45,940	39,304
Other projects	(2,168)	128,518	126,350	81,256
	<u>803,472</u>	<u>927,785</u>	<u>1,731,257</u>	<u>1,865,655</u>

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

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Boston Borough Council	9,360	-	9,360	9,360
North Kesteven District Council	24,080	-	24,080	24,080
South Kesteven District Council	16,800	-	16,800	16,800
DEFRA (Stewardship Scheme)	-	-	-	1,204
	<u>50,240</u>	<u>-</u>	<u>50,240</u>	<u>51,444</u>

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022

6. EXPENDITURE

	Archaeology outside Lincolnshire £	Grants and Contributions £	Archaeology within Lincolnshire £	Projects Un-Restricted £	Projects Restricted £	Property Management £	Miscellaneous £	Governance £	Total 2022 £	Total 2021 £
Rent & Rates	171	1,292	549	-	84	99	-	-	2,195	1,366
Light & heat	-	6,475	-	148	5,819	-	-	-	12,442	8,508
Property repairs	-	6,471	-	-	-	-	-	-	6,471	16,298
Salaries	136,549	201,171	437,875	377,375	-	-	-	-	1,152,970	852,443
Subcontractors	-	-	-	-	-	-	-	-	-	-
Work in Progress movement	(1,379)	-	(4,420)	-	(17,527)	-	-	-	(23,326)	5,517
HR & recruitment	118	3,066	380	-	369	-	-	-	3,933	4,060
Travel & subsistence	4,762	375	15,270	2,942	5,404	82	-	-	28,835	6,376
Training	47	4,827	152	-	1,485	-	-	-	6,511	1,535
Materials & supplies	1,776	3,713	5,694	246	240,896	60	-	-	252,385	755,658
Equipment Hire	31,015	12,543	99,456	89	3,293	-	-	-	146,396	69,239
Equipment repairs & renewals	175	9,550	563	-	1,784	-	-	-	12,072	1,155
Motor expenses	2,573	1,589	8,250	-	-	-	-	-	12,412	10,376
Telephone	710	4,293	2,278	-	-	-	-	-	7,281	3,430
Printing, postage & stationery	923	509	2,960	1,019	11,533	-	-	-	16,944	3,223
Subscriptions	1,904	14,186	6,105	1,772	483	-	-	-	24,450	28,278
Professional fees	10	8,916	32	2,353	67,240	-	-	-	78,551	7,838
Specialist fees	1,784	(1,658)	5,720	-	5,044	5,294	-	-	16,184	143,208
Insurance	1,349	7,384	4,326	3,424	993	300	-	-	17,776	28,143
Marketing	539	805	1,728	200	5,692	-	-	-	8,964	14,145
Sundry	2,130	3,030	6,830	3,354	6,594	69	-	-	22,007	21,395
Bad debts	940	11,990	3,013	-	-	-	-	-	15,943	15,715
Depreciation	2,409	12,233	7,724	-	-	-	-	-	22,366	15,470
Bank charges and interest	-	4,967	-	-	133	-	-	-	5,100	2,918
Hire purchase interest	307	447	983	-	-	-	-	-	1,737	1,714
Loan interest	-	6,472	-	-	-	-	-	-	6,472	5,812
Auditors' remuneration	-	-	-	-	-	-	-	3,845	3,845	3,700
Management charge- project contribution	-	(324,646)	-	(121,916)	446,562	-	-	-	-	-
Provision for doubtful debt	-	-	-	-	-	-	73,135	-	73,135	-
	<b>188,812</b>	<b>-</b>	<b>605,468</b>	<b>271,006</b>	<b>785,881</b>	<b>5,904</b>	<b>73,135</b>	<b>3,845</b>	<b>1,934,051</b>	<b>2,027,520</b>

**HERITAGE TRUST OF LINCOLNSHIRE**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7. NET INCOME/EXPENDITURE**

Net resources are stated after charging:

	<b>2022</b>	2021
	£	£
Auditors' remuneration	<b>3,845</b>	3,700
Depreciation – owned assets	<b>15,705</b>	8,809
Depreciation – assets on finance lease	<b>6,661</b>	6,661
	<u><u>          </u></u>	<u><u>          </u></u>

**8. STAFF COSTS**

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>1,020,591</b>	751,748
Social security costs	<b>88,109</b>	64,904
Other pension costs	<b>44,270</b>	35,791
	<u><u>          </u></u>	<u><u>          </u></u>
	<b>1,152,970</b>	852,443
	<u><u>          </u></u>	<u><u>          </u></u>

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

	<b>2022</b>	2021
	Number	Number
Chief Executive	<b>1</b>	1
Project workers	<b>35</b>	27
Finance	<b>2</b>	2
Administration and support	<b>4</b>	4
	<u><u>          </u></u>	<u><u>          </u></u>
	<b>42</b>	34
	<u><u>          </u></u>	<u><u>          </u></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 £265,025 (2021: £249,939).

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 2022 nor for the year ended 31 March 2021.

**Trustees' expenses**

There were no Trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. TANGIBLE FIXED ASSETS**

	<b>Investment Properties</b>	<b>Land and Building Used by Charity</b>	<b>Motor Vehicles</b>	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2021	255,000	295,000	26,645	48,039	138,721	763,405
Additions	245,000	-	-	26,720	9,422	281,142
Disposals	-	-	-	-	-	-
Revaluations	500,000	35,000	-	-	-	535,000
<b>At 31 March 2022</b>	<b>1,000,000</b>	<b>330,000</b>	<b>26,645</b>	<b>74,759</b>	<b>148,143</b>	<b>1,579,547</b>
<b>Depreciation</b>						
At 1 April 2021	30,186	-	15,922	36,989	121,739	204,836
Charge for year	-	-	6,661	7,777	7,928	22,366
Re disposals	-	-	-	-	-	-
Re revaluations	-	-	-	-	-	-
<b>At 31 March 2022</b>	<b>30,186</b>	<b>-</b>	<b>22,583</b>	<b>44,766</b>	<b>129,667</b>	<b>227,202</b>
<b>Net Book Value</b>						
<b>At 31 March 2022</b>	<b>969,814</b>	<b>330,000</b>	<b>4,062</b>	<b>29,993</b>	<b>18,476</b>	<b>1,352,345</b>
At 31 March 2021	224,814	295,000	10,723	11,050	16,982	558,569

Included in the net book value of £1,352,345 (2021: £558,569) is £4,062 (2021: £10,723) 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 2022**

**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**

<b>At Cost</b>	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
HTL Enterprises Ltd – 1 ordinary share of £1	<b>nil</b>	nil

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

The financial results were as follows:

Summary Profit and Loss Account:

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Turnover	<b>104,614</b>	-
Costs	<b>199,479</b>	22,837
Operating Profit / (loss)	<b>(94,865)</b>	(22,837)
Profit / (Loss) Absorbed	<b>(94,865)</b>	(22,837)
The shareholders' funds at the end of the year were	<b>(117,701)</b>	(22,836)

**12. STOCKS AND WORK IN PROGRESS**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Work in progress	<b>414,543</b>	364,690
Provision against recoverability	<b>(21,332)</b>	(30,000)
	<b>393,211</b>	334,690

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Trade debtors	<b>264,907</b>	225,344
Other debtors and taxes	<b>50,613</b>	93,364
HTL Enterprises Ltd	<b>73,135</b>	31,009
Provision for doubtful debt	<b>(73,135)</b>	-
	<b>315,520</b>	349,717

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	72,401	69,557
Trade creditors	149,262	248,401
Social security and other taxes	92,933	16,963
Obligations under finance leases and hire purchase contracts	2,633	6,635
Other creditors	27,575	20,384
Deferred income	99,627	56,841
	<b>444,431</b>	<b>418,781</b>
	<b>444,431</b>	<b>418,781</b>

Deferred income is analysed below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
AHF Development Trust	29,868	29,827
Boston Borough Council	1,149	1,149
Boston Town Deal	10,637	-
Conservation Consultancy	-	5,578
Covid Recovery Fund	29,002	-
HTL Volunteer 500	271	-
Layers of History	-	10
Legacies	1,000	-
Little Steeping	450	450
NLHF Covid Recovery Fund	7,335	-
OKH Celebrate	-	270
Outreach to Ownership	10,354	-
Prepaid donations	1,385	3,410
Property management	3,689	3,689
Schools Club	-	3,994
South Lincs Walking Festival	-	4,116
Tupholme – Survey and Repairs	4,348	4,348
Wolds Walking Festival	139	-
	<b>99,627</b>	<b>56,841</b>
	<b>99,627</b>	<b>56,841</b>
Deferred income at 1 April 2021	<b>56,841</b>	68,116
Released from previous accounting periods	<b>(56,841)</b>	(42,532)
Income deferred in the current year	<b>99,627</b>	31,257
	<b>99,627</b>	<b>56,841</b>
	<b>99,627</b>	<b>56,841</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022**

**15. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2022</b>	<b>2021</b>
	£	£
Bank loans	<b>134,990</b>	149,558
Obligations under finance leases and hire purchase contracts	-	2,668
The Architectural Heritage Fund loan	<b>198,771</b>	198,771
LEAP loan	<b>63,000</b>	63,000
	<b>396,761</b>	413,997
	<b>396,761</b>	413,997

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**

	<b>2022</b>	<b>2021</b>
	£	£
Within one year	<b>72,401</b>	14,309
Between one and two years	<b>214,417</b>	15,401
Between two and five years	<b>40,404</b>	47,840
More than five years	<b>78,940</b>	285,088
	<b>406,162</b>	362,638
	<b>406,162</b>	362,638

**17. SECURED CREDITORS**

	<b>2022</b>	<b>2021</b>
	£	£
Bank loans	<b>207,391</b>	219,115
Obligations under finance leases and hire purchase contracts	-	9,303
The Architectural Heritage Fund loan	<b>198,771</b>	198,771
LEAP loan	<b>63,000</b>	63,000
	<b>469,162</b>	490,189
	<b>469,162</b>	490,189

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 2022**

**18. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	2,633	6,635
Between one and five years	-	2,668
	2,633	9,303
	2,633	9,303
	<b>Non-cancellable operating leases</b>	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	7,777	-
Between one and five years	31,108	-
In more than five years	8,425	-
	47,310	-
	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 2022 there were 42 (2021: 34) members of staff eligible under the scheme rules for inclusion in the scheme. The total pension costs for the year was as follows:

	2022	2021
	£	£
Standard Life	44,270	35,791
	44,270	35,791

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible Fixed Assets	1,352,346	-	1,352,346
Current Assets	425,177	369,498	794,675
Total Liabilities	(674,726)	(223,675)	(898,401)
	1,102,797	145,823	1,248,620
Net assets at 31 March 2022	1,102,797	145,823	1,248,620

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS

	At 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Transfer £	At 31 March 2022 £
<b>Unrestricted funds</b>					
General reserve	62,183	1,059,485	(1,075,035)	-	46,633
Revaluation reserve	159,864	535,000	-	-	694,864
<b>Designated funds</b>					
Building preservation reserve	83,008	-	-	-	83,008
Legacy reserve	106,427	245,000	(73,135)	-	278,292
<b>Total Unrestricted and Designated funds</b>	411,482	1,839,485	(1,148,170)	-	1,102,797

	At 1 April 2021 £	Incoming Resources £	Outgoing Direct £	Resources Transfer £	Project Contribution £	At 31 March 2022 £
<b>Restricted funds</b>						
Donations & legacies	-	522	(522)	-	-	-
Other trading activities	-	3,284	(3,284)	-	-	-
<b>Projects:</b>						
AHF Development Trusts	-	29,947	(120)	-	(29,827)	-
Birmingham Jewellery Quarter	-	3,000	-	-	-	3,000
Black Sluice	-	1,050	(2,009)	-	-	(959)
Boston Town Deal	-	73,730	(2,505)	-	(71,225)	-
Centenary Methodist Church	-	3,685	(765)	-	-	2,920
Conservation Consultancy	-	26,578	(53)	-	(26,525)	-
Covid Recovery Fund	-	36,751	(10,031)	-	(26,720)	-
East Lindsey Town Deal	-	42,626	(1,352)	-	(41,274)	-
Fydell House	-	5,670	(27)	-	-	5,643
Greyfriars Lincoln	-	53,704	(19,702)	-	(34,002)	-
Grimsby Viking Festival	-	3,750	(4)	-	-	3,746
The Harlequin	-	20,375	(15,148)	-	-	5,227
Isle of Axholme	-	24,886	(2,100)	-	-	22,786
Local Listing Project	-	53,001	(596)	-	(51,405)	1,000
Mount Zion, Nottingham	-	4,145	-	-	-	4,145
NHLF Covid Recovery Fund	-	126,535	(40,086)	-	(78,311)	8,138
Old King's Head, Kirton	-	226,200	(226,200)	-	-	-
Outreach to Ownership	-	3,646	-	-	(3,646)	-
Scrivelsby Church	-	14,048	(3,481)	-	-	10,567
Townscape Heritage Boston	-	45,940	(924)	-	(45,016)	-
Other Restricted Projects	113	128,518	(10,410)	-	(38,611)	79,610
<b>Total Restricted funds</b>	113	931,591	(339,319)	-	(446,562)	145,823
<b>Total Funds</b>	411,595	2,771,076	(1,487,489)	-	(446,562)	1,248,620

## HERITAGE TRUST OF LINCOLNSHIRE

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2022

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#### 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 £73,135 (2021: £39,010).

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 is £57,000. The loan is expected to be repaid in full in the year to 31 March 2023.

#### 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 2022**

	2022	2021
	£	£
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Various donations	7,025	4,817
Legacy	245,000	-
<b>Activities for generating funds</b>		
Archaeology outside Lincolnshire	217,731	196,586
Publications	1,688	2,130
Membership	5,598	4,374
Miscellaneous	24,177	6,979
<b>Investment income</b>		
Rent received	3,600	3,150
Deposit account interest	-	-
<b>Incoming resources from charitable activities</b>		
Archaeology within Lincolnshire	736,127	317,269
Grants	50,240	51,444
Projects	925,617	1,340,658
Property Management	19,273	19,273
HMRC JRS	-	137,011
<b>Total incoming resources</b>	<b>2,236,076</b>	<b>2,083,691</b>
<b>RESOURCES EXPENDED</b>		
Rent & rates	2,195	1,366
Light & heat	12,442	8,508
Property repairs	6,471	16,298
Salaries	1,152,970	852,443
Subcontractors	-	-
Work in Progress movement	(23,326)	5,517
HR & recruitment	3,933	4,060
Travel & subsistence	28,835	6,376
Training	6,511	1,535
Materials & supplies	252,385	755,658
Equipment hire	146,396	69,239
Equipment repairs & renewals	12,072	1,155
Motor expenses	12,412	10,376
Telephone	7,281	3,430
Printing, postage & stationery	16,944	3,223
Subscriptions	24,450	28,278
Professional fees	78,551	7,838
Specialist fees	16,184	143,208
Insurance	17,776	28,143
Marketing	8,964	14,145
Sundry	22,007	21,395
Bad debts	15,943	15,715
Depreciation	22,366	15,470
Bank charges and interest	5,100	2,918
Hire purchase interest	1,737	1,714
Loan interest	6,472	5,812
Auditors' remuneration	3,845	3,700
Provision for doubtful debt	73,135	-
<b>Total resources expended</b>	<b>1,934,051</b>	<b>2,027,520</b>
<b>Net (deficit)/surplus</b>	<b>302,025</b>	<b>56,171</b>

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

**HERITAGE TRUST OF LINCOLNSHIRE**

England & Wales - Charity number 1001463

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# Accounts

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# **HERITAGE TRUST OF LINCOLNSHIRE**

(A Company Limited by Guarantee)

## **TWENTY NINTH ANNUAL REPORT AND ACCOUNTS**

**31 MARCH 2021**

**Registered Office**

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

**Other Trading Names:**

**Heritage Lincolnshire  
Archaeological Project Services**

**Telephone:**

**01529 461499**

**Fax:**

**01529 461001**

**E-mail:**

**info@heritagelincolnshire.org**

**Website:**

**www.heritagelincolnshire.org**

**Registered Number:**

**2554738 (England & Wales)**

**Registered Charity Number**

**1001463**

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**CONTENTS**

	Page
Board of Directors and Secretary	2
Professional Advisers	2
Advisory and Liaison Committee Members	3
Buildings Advisory Committee	3
Report of the Trustees/Directors	4 - 7
Income and Grants from Local and National Agencies	8
Statement of Trustees/Directors' Responsibilities	9
Independent Auditors' Report	10 - 11
<b>Accounts</b>	
Statement of Financial Activities for the year ended 31 March 2021	12
Balance Sheet at 31 March 2021	13
Cash Flow Statement	14 - 15
Notes to the Financial Statements	16 - 29
Detailed Statement of Financial Activities for the year ended 31 March 2021	30

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**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 2020/2021**

Michael Ashton (Chairman)	(Non-Executive Director)	
Caroline Bingham	(Non-Executive Director)	
Andrew Clark	(Non-Executive Director)	
Anne Coltman	(Non-Executive Director)	
Francis Dymoke	(Non-Executive Director)	
Simon Erskine Crum	(Non-Executive Director)	
Julian Free	(Non-Executive Director)	Appointed April 2020
Richard Johnson	(Non-Executive Director)	Resigned November 2020
Charles Pinchbeck (Vice Chairman)	(Non-Executive Director)	
Dorothy Hancock	(Non-Executive Director)	

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 2021**

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**The Advisory & Liaison Committee**

There were no meetings of the Advisory and Liaison Committee in the year to 31 March 2021.

**The Buildings Advisory Committee**

Ms M Anderson	Consultant Architect
Mrs A Coltman (Committee Chairman)	The Board of Management
Mr P Herbert	Accountant
Mrs J Howard	Local Historian
Mr S Squires	Conservation Specialist
Mr P Thompson	Quantity Surveyor
Mr E Wreglesworth	Estate Agent
Mr M Gilbert	Chartered Surveyor
<b>In attendance:</b>	
Mr G Pickup	Chief Executive Officer
Mr M Bentley	Conservation Project Manager
Mrs K Moore	Heritage at Risk Solutions Officer

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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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 2021. 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.

<b>Risk</b>	<b>Level of risk to charity</b>	<b>Mitigation strategy</b>	<b>Revised level of risk</b>
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 2021

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#### **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 her 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 2018-2021 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 2021

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#### 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 restoration of the Old King's Head, a Grade II listed building in Kirton, near Boston. Following the confirmation of a grant of £1.98 million from the National Lottery Heritage Fund, a further £400,000 is needed to meet the target of £2.4 million. Funding was received from the Lincolnshire Economic Action Partnership, the Garfield Weston Foundation, and the H B Allen Charitable Trust.

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 in 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 obtaining significant funding for the trust during the pandemic. We had a successful bid to the Culture Recovery Fund which was administered by the National Lottery Heritage Fund.
- ii. Heritage Lincolnshire's President Lord Cormack has been assisting the organisation greatly in enhancing its profile within Lincolnshire.
- iii. Our annual programme of events has been affected by the pandemic and many events have been postponed to 2021. The Heritage Open Days programme in September continued this year despite a drop in bookings, there were over 150 events throughout the festival.
- iv. Volunteering opportunities with Heritage Lincolnshire, due to the pandemic, have reduced this year. We have plans for many volunteer opportunities, including tour guiding for the Old Kings Head..
- 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. Our Heritage at Risk Solutions Officer, funded in part by Historic England, has allowed Heritage Lincolnshire to expand the level of mentoring and support that it offers to community organisations both within Lincolnshire and throughout the East Midlands. Within Lincolnshire this has included projects in Caistor, Cleethorpes, Scrivelsby, Heckington and Boston.
- vii. The restoration project at the Old King's Head in Kirton is in completion stage of the transformation into a 4\* B&B and café, encouraging more visitors to this area of the County, following 3 years of fundraising and project development. Our new restoration project, Greyfriars Lincoln, is in the development stage.

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### 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. The study of Long Barrow monuments within Lincolnshire is now almost completed and a report will be published shortly on the survival of these Neolithic structures, giving us further information on the prehistoric landscape of the County. A new publication has also been produced on 'A Millennium of Salt-making: Prehistoric and Romano-British Salt Production in Fenland Lincolnshire.'
- 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 14% since 2019/20 and expenditure decreased by 18%. This resulted in a surplus on the year, which is due to the hard work and dedication of the team throughout the period. The Board of Trustees has continued to scrutinise overhead expenditure and to make savings where possible and all of the charities 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 30.

##### 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 2021, the charity had available £168k in unrestricted reserves (2019/20 £112k) and £243k in restricted reserves (2019/20 £243k).

The Trustees' continually review and update the financial risks in 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 £465k in available unrestricted reserves and as at 31 March 2021 we need to accumulate a further £297k to meet the £465k level set by our own policy. This 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 2021**

**Income and Grants from local and national organisations for the Financial Year ending 31 March 2021**

<b>Source</b>	<b>2020/21</b>	<b>2019/20</b>
Architectural Heritage Fund	54,827	-
Alive Church	2,500	-
Ancaster Trust	-	1,000
Aslackby Trust	-	1,000
Bergne-Coupland Trust	2,000	2,000
Boson Borough Council	103,579	71,353
Boston Hanse Group	-	1,450
Boston Preservation Trust	300	20,025
Breckland County Council	-	4,000
Caistor & District Community Trust	-	4,500
Co-Operative Society	1,425	3,356
East Lindsey District Council	5,963	2,825
English Heritage	12,720	-
Environment Agency	9,300	-
EU Leader Fund	-	98,307
Fenland District Council	-	428
Garfileld Weston	-	75,000
Horncastle History & Heritage Society	-	2,400
National Lottery Heritage Fund	922,268	1,224,454
Historic England	-	13,986
Invest SK	-	500
Lincolnshire County Council	12,714	45,561
Membership Subscriptions	4,374	3,875
North Kesteven District Council	29,080	25,580
North East Lincolnshire Council	1,000	16,000
North Lincolnshire Council	14,722	32,765
Nottinghamshire City Council	4,950	3,850
Nottingham Trent University	4,400	-
Pilgrim Trust	-	15,000
St Swithin's PCC	450	-
Sneath's Mill Trust	-	3,000
South Holland District Council	1,200	2,000
South Kesteven District Council	25,961	16,800
West Lindsey District Council	-	2,550
Worksop Priory and Gatehouse Community Trust	6,600	1,000
	<b>1,220,333</b>	<b>1,694,565</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit 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;
- 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**

.....  
**Michael Ashton, Chairman**

**27<sup>th</sup> January 2022**

## HERITAGE TRUST OF LINCOLNSHIRE

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERITAGE TRUST OF LINCOLNSHIRE FOR THE YEAR ENDED 31 MARCH 2021

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#### Opinion

We have audited the financial statements of Heritage Trust of Lincolnshire (the “Charity”) for the year ended 31 March 2021 which comprise Annual Report and Accounts 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity’s affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 22 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### 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 auditor’s report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees’ report (incorporating the strategic report and the directors’ report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees’ report (incorporating the directors’ report) have 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 2021

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#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees 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 they 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 Charity'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 Charity 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Mrs Nicola Michelle Lenton FCCA (Senior Statutory Auditor)**  
**For and on behalf of Dexter & Sharpe Audit Services Limited (Statutory Auditor)**  
**Rollestone House**  
**Bridge Street**  
**Horncastle**  
**Lincolnshire**  
**LN9 5HZ**

**27<sup>th</sup> January 2022**

**HERITAGE TRUST OF LINCOLNSHIRE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	4,817	-	4,817	24,119
Other trading activities	3	210,069	-	210,069	209,937
Investment income	4	3,150	-	3,150	1,800
<b>Income from charitable activities:</b>					
Grants, projects and property management	5	524,997	1,340,658	1,865,655	2,198,232
<b>Total incoming resources</b>		<b>743,033</b>	<b>1,340,658</b>	<b>2,083,691</b>	<b>2,434,088</b>
<b>EXPENDITURE ON</b>					
<b>Costs of generating funds</b>					
Expenditure on raising funds	6	211,230	-	211,230	198,053
<b>Charitable activities</b>	6	471,932	1,340,658	1,812,590	2,282,933
<b>Other costs</b>	6	3,700	-	3,700	3,840
<b>Total</b>		<b>686,862</b>	<b>1,340,658</b>	<b>2,027,520</b>	<b>2,484,826</b>
<b>Net income/(expenditure)</b>					
Being:					
<b>Net movement in funds</b>	7	56,171	-	56,171	(50,738)
Unrealised gain on fixed assets		-	-	-	-
<b>Net movement in funds</b>		<b>56,171</b>	<b>-</b>	<b>56,171</b>	<b>(50,738)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		355,311	113	355,424	406,162
<b>Total funds carried forward</b>		<b>411,482</b>	<b>113</b>	<b>411,595</b>	<b>355,424</b>

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 2021**

	Notes	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible fixed assets for charity use	10		333,755		332,779
Investment properties	10		224,814		224,814
Heritage assets	11		-		-
			558,569		557,593
<b>CURRENT ASSETS</b>					
Stocks and work in progress	12	334,690		169,955	
Debtors	13	349,717		224,774	
Cash at bank and in hand		1,397		28,612	
		685,804		423,341	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	14	(418,781)		(273,270)	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>					
			267,023		150,071
<b>LONG-TERM LIABILITIES</b>					
Creditors: amounts falling due after one year	15		(413,997)		(352,240)
<b>NET ASSETS</b>					
			411,595		355,424
<b>The Funds of the Charity</b>					
Restricted funds	20		113		113
Unrestricted funds:-					
General funds			62,183		6,012
Designated funds:-					
Building preservation reserve			83,008		83,008
Legacy reserve			106,427		106,427
Revaluation reserve			159,864		159,864
<b>Total Charity funds</b>			411,595		355,424

The financial statements were approved by the Board of Trustees on 27<sup>th</sup> January 2022 and were signed on its behalf by:

Michael Ashton, Chairman

**HERITAGE TRUST OF LINCOLNSHIRE**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Cashflows from operating activities</b>			
Net cash (used in)/inflow from operating activities	1	(133,822)	(157,680)
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		(16,446)	(19,855)
Net cash (used in)/provided by investing activities		(150,268)	(177,535)
<b>Cashflows from financing activities</b>			
New loans in year		82,771	66,000
Loan repayments in year		(4,848)	(4,625)
Capital repayments in year		-	-
HP Repayments in year		(9,581)	(10,928)
Net cash provided by/(used in) financing activities		68,342	50,447
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(81,926)</b>	<b>(127,088)</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>28,075</b>	155,163
<b>Cash and cash equivalents at end of year</b>	2	<b>(53,851)</b>	28,075

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net (deficit)/surplus for the reporting period (as per the statement of financial activities)	<b>56,171</b>	(50,738)
Adjustments for:		
Depreciation charges	<b>15,470</b>	12,682
Profit on sale of tangible fixed assets	-	-
(Increase) in stocks	<b>(164,735)</b>	(36,891)
(Increase)/Decrease in trade and other debtors	<b>(124,943)</b>	(19,807)
(Decrease)/Increase in trade and other creditors	<b>84,215</b>	(69,296)
	<hr/> <b>(133,822)</b> <hr/>	<hr/> (157,680) <hr/>

**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 2021**

	<b>31.3.21</b>	1.4.20
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b>1,397</b>	<b>28,612</b>
Bank overdrafts	<b>(55,248)</b>	<b>(537)</b>
	<hr/> <b>(53,851)</b> <hr/>	<hr/> <b>28,075</b> <hr/>

**Year ended 31 March 2020**

	<b>31.3.20</b>	1.4.19
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b>28,612</b>	155,163
Bank overdrafts	<b>(537)</b>	-
	<hr/> <b>28,075</b> <hr/>	<hr/> 155,163 <hr/>

## HERITAGE TRUST OF LINCOLNSHIRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 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 2021

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#### 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
Fixtures and fittings	- 4 years

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 10.

##### **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 2021**

**2. DONATIONS AND LEGACIES**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
General donations	2,476	-	2,476	11,294
Legacy	-	-	-	-
Heritage Open Day	2,341	-	2,341	12,825
	4,817	-	4,817	24,119

**3. OTHER TRADING INCOME**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Archaeology outside Lincolnshire	196,586	-	196,586	200,418
Publications	2,130	-	2,130	1,723
Membership	4,374	-	4,374	4,370
Miscellaneous	6,979	-	6,979	3,426
	210,069	-	210,069	209,937

**4. INVESTMENT INCOME**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Rents received	3,150	-	3,150	1,800
Interest received	-	-	-	-
	3,150	-	3,150	1,800

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Archaeology within Lincolnshire	317,269	-	317,269	322,349
HMRC CJRS	137,011	-	137,011	-
<b>Grants</b>				
RPA	1,204	-	1,204	293
Boston Borough Council	9,360	-	9,360	9,360
North Kesteven District Council	24,080	-	24,080	24,080
South Kesteven District Council	16,800	-	16,800	16,800
	505,724	-	505,724	372,882

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. INCOME RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Brought forward	505,724	-	505,724	372,882
<b>Property Management Projects</b>	<b>19,273</b>	<b>-</b>	<b>19,273</b>	<b>23,088</b>
Administration & Business Planning	-	9,770	9,770	9,838
Alive Church Lincoln	-	2,500	2,500	-
Aurora Wellbeing	-	-	-	8,050
Black Sluice I D B	-	9,300	9,300	-
Boston Cemetery consultancy	-	1,750	1,750	1,950
Boston Hanse HLF evaluation	-	1,750	1,750	3,495
Boston Heritage Trail	-	2,083	2,083	-
Boston Sessions House	-	-	-	2,261
Boston Town Deal	-	4,000	4,000	-
Boston Visit	-	6,000	6,000	-
Bulwell Hall Nottingham	-	-	-	3,850
Caistor Co-op	-	-	-	5,250
Conservation consultancy BBC	-	17,500	17,500	11,022
Covid recovery fund	-	326,814	326,814	-
East Lindsey Town Deal	-	4,000	4,000	-
Fydell House	-	3,225	3,225	16,925
G.R.O.W.	-	2,812	2,812	16,346
Grantham Trump	-	8,891	8,891	-
Greyfriars, Lincoln	-	18,801	18,801	3,860
Heritage @Risk Solutions	-	-	-	56,101
Heritage Skills	-	835	835	302
Heritage Stewards	-	-	-	3,330
HES website	-	8,000	8,000	-
Holbeach Cemetery Chapel	-	764	764	82
HOLTOPS	-	-	-	1,800
Holy Trinity Tattershall	-	1,750	1,750	5,373
HTL Volunteer 500	-	-	-	1,000
Isle of Axholme	-	14,722	14,722	32,707
Kirton – Old King’s Head	-	728,831	728,831	1,325,040
Layers of History	-	91,705	91,705	127,571
Lincolnshire Extensive Urban Survey	-	1,879	1,879	8,840
Lincolnshire Long Barrow Programme	-	-	-	13,986
Lincs CC deposits	-	5,382	5,382	618
NKDC Heritage Strategy	-	4,000	4,000	-
Nottingham City Council	-	4,950	4,950	-
Nottingham Trent University	-	4,400	4,400	-
Carried forward	<b>524,997</b>	<b>1,286,414</b>	<b>1,811,411</b>	<b>2,055,567</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES continued**

	<b>Unrestricted Funds 2021 £</b>	<b>Restricted Funds 2021 £</b>	<b>Total Funds 2021 £</b>	<b>Total Funds 2020 £</b>
Brought forward	524,997	1,286,414	1,811,411	2,055,567
Petersons smokehouse	-	-	-	10,000
Resilient Heritage Fund	-	-	-	7,950
Saltmaking in Lincolnshire	-	-	-	295
Schools Visits & Clubs	-	4,000	4,000	6,623
Scrivelsby Church	-	1,200	1,200	2,500
Shodfriars	-	-	-	4,250
Sneath's Mill	-	-	-	1,600
South Lincs Walking Festival	-	208	208	20,986
South Ormsby Estate	-	962	962	2,937
St Barnabas Nottingham	-	-	-	6,355
Swaffham HS	-	-	-	4,000
Temple Bruer	-	-	-	375
The Mills Heritage Open Day	-	1,970	1,970	-
Townscape Heritage Boston	-	39,304	39,304	50,743
Watsons Yard Horncastle	-	-	-	3,975
Wisbech Townscape workshop	-	-	-	428
Wolds Walking Festival	-	-	-	13,348
Worksop Priory	-	6,600	6,600	6,300
	<b>524,997</b>	<b>1,340,658</b>	<b>1,865,655</b>	<b>2,198,232</b>

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

	<b>Unrestricted Funds 2021 £</b>	<b>Restricted Funds 2021 £</b>	<b>Total Funds 2021 £</b>	<b>Total Funds 2020 £</b>
Lincolnshire County Council	-	-	-	45,561
Boston Borough Council	9,360	-	9,360	71,353
East Lindsey District Council	-	-	-	2,825
North East Lincolnshire District Council	-	-	-	16,000
North Kesteven District Council	24,080	-	24,080	25,580
North Lincolnshire Council	-	-	-	32,765
South Holland District Council	-	-	-	2,000
South Kesteven District Council	16,800	-	16,800	16,800
West Lindsey District Council	-	-	-	2,550
DEFRA (Stewardship Scheme)	1,204	-	1,204	293
	<b>51,444</b>	<b>-</b>	<b>51,444</b>	<b>215,727</b>

HERITAGE TRUST OF LINCOLNSHIRE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021

6. EXPENDITURE

	Archaeology outside Lincolnshire £	Grants and Contributions £	Archaeology within Lincolnshire £	Projects Un-Restricted £	Projects Restricted £	Property Management £	Miscellaneous £	Governance £	Total 2021 £	Total 2020 £
Rent & Rates	275	522	445	-	-	124	-	-	1,366	3,444
Light & heat	-	6,790	-	-	1,718	-	-	-	8,508	7,610
Property repairs	-	-	-	-	9,118	-	7,180	-	16,298	10,030
Salaries	153,440	460,319	238,684	-	-	-	-	-	852,443	885,789
Subcontractors	-	-	-	-	-	-	-	-	-	-
Work in Progress movement	(3,763)	-	(6,072)	-	15,352	-	-	-	5,517	(53,297)
HR & recruitment	147	3,676	237	-	-	-	-	-	4,060	6,274
Travel & subsistence	1,825	1,019	2,945	260	289	38	-	-	6,376	20,075
Training	119	1,225	191	-	-	-	-	-	1,535	4,452
Materials & supplies	2,287	845	3,690	671	748,165	-	-	-	755,658	1,105,348
Equipment Hire	25,196	3,353	40,660	30	-	-	-	-	69,239	53,659
Equipment repairs & renewals	284	412	459	-	-	-	-	-	1,155	4,766
Motor expenses	3,970	-	6,406	-	-	-	-	-	10,376	13,931
Telephone	845	1,191	1,363	-	31	-	-	-	3,430	3,362
Printing, postage & stationery	1,469	(621)	2,371	4	-	-	-	-	3,223	23,620
Subscriptions	3,745	18,139	6,045	349	-	-	-	-	28,278	23,129
Professional fees	16	7,456	26	-	-	340	-	-	7,838	4,565
Specialist fees	6,386	9,672	10,304	3,557	105,053	8,236	-	-	143,208	240,280
Insurance	1,924	7,956	3,105	-	14,780	378	-	-	28,143	24,490
Marketing	179	337	288	-	13,341	-	-	-	14,145	26,405
Sundry	2,750	11,320	4,438	1,638	1,208	41	-	-	21,395	24,677
Bad debts	6,013	-	9,702	-	-	-	-	-	15,715	15,000
Depreciation	3,467	6,407	5,596	-	-	-	-	-	15,470	12,682
Bank charges and interest	-	2,918	-	-	-	-	-	-	2,918	2,892
Hire purchase interest	656	-	1,058	-	-	-	-	-	1,714	1,863
Loan interest	-	5,812	-	-	-	-	-	-	5,812	15,940
Auditors' remuneration	-	-	-	-	-	-	-	3,700	3,700	3,840
Management charge- project contribution	-	(431,603)	-	-	431,603	-	-	-	-	-
	<b>211,230</b>	<b>117,145</b>	<b>331,941</b>	<b>6,509</b>	<b>1,340,658</b>	<b>9,157</b>	<b>7,180</b>	<b>3,700</b>	<b>2,027,520</b>	<b>2,484,826</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**7. NET INCOME/EXPENDITURE**

Net resources are stated after charging:

	<b>2021</b>	2020
	£	£
Auditors' remuneration	<b>3,700</b>	3,840
Depreciation – owned assets	<b>8,809</b>	6,021
Depreciation – assets on finance lease	<b>6,661</b>	6,661
	<b>6,661</b>	6,661

**8. STAFF COSTS**

	<b>2021</b>	2020
	£	£
Wages and salaries	<b>751,748</b>	786,996
Social security costs	<b>64,904</b>	61,967
Other pension costs	<b>35,791</b>	36,826
	<b>852,443</b>	885,789

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

	<b>2021</b>	2020
	Number	Number
Chief Executive	<b>1</b>	1
Project workers	<b>27</b>	30
Finance	<b>2</b>	2
Administration and support	<b>4</b>	4
	<b>34</b>	37

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 £249,939 (2020: £214,372).

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 2021 nor for the year ended 31 March 2020.

**Trustees' expenses**

There were no Trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. TANGIBLE FIXED ASSETS**

	Investment Properties	Land and Building Used by Charity	Motor Vehicles	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2020	255,000	295,000	26,645	37,224	134,440	748,309
Additions	-	-	-	12,165	4,281	16,446
Disposals	-	-	-	(1,350)	-	(1,350)
Transfer	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>255,000</b>	<b>295,000</b>	<b>26,645</b>	<b>48,039</b>	<b>138,721</b>	<b>763,405</b>
<b>Depreciation</b>						
At 1 April 2020	30,186	-	9,261	37,022	114,247	190,716
Charge for year	-	-	6,661	1,317	7,492	15,470
Re disposals	-	-	-	(1,350)	-	(1,350)
Transfer	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>30,186</b>	<b>-</b>	<b>15,922</b>	<b>36,989</b>	<b>121,739</b>	<b>204,836</b>
<b>Net Book Value</b>						
<b>At 31 March 2021</b>	<b>224,814</b>	<b>295,000</b>	<b>10,723</b>	<b>11,050</b>	<b>16,982</b>	<b>558,569</b>
At 31 March 2020	224,814	295,000	17,384	202	20,193	557,593

Included in the net book value of £558,569 (2020: £557,593) is £10,723 (2020: £17,384) 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. Investment properties comprise Mill Hill Cottage £124,814 held at valuation performed in January 2005 by Turner, Evans and Stevens and £100,000 for the historic property the Old King's Head, Kirton. The Old Kings Head was acquired in 2016 and this was funded by a £100,000 loan from the Architectural Heritage Fund.

The Old King's Head is vacant and in a very poor condition. A grant has been received from the National Lottery Heritage Fund to develop plans for its restoration. The costs of refurbishment are being recognised in the Statement of Financial Activities as a restricted project cost. The refurbishment costs have not been capitalised as part of the asset.

The Charity intends to fundraise for the full restoration of the Old King's Head and the costs of this are expected to significantly exceed the market value of the property on completion. At this stage the Charity plans to repay the Architectural Heritage Fund loan by taking out a commercial mortgage on the property. The project is expected to take approximately four years to complete.

The Trustees have completed an annual assessment of their properties as required by FRS102 and do not consider that the value of the properties have changed sufficiently in the period to warrant any change in the valuation contained within the accounts.

## HERITAGE TRUST OF LINCOLNSHIRE

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2021

#### 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	2021	2020
	£	£
HTL Enterprises Ltd – 1 ordinary share of £1	nil	nil

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

The financial results were as follows:

Summary Profit and Loss Account:

	2021	2020
	£	£
Turnover	-	-
Costs	22,837	-
Operating Profit / (loss)	(22,837)	-
Gift Aid to Blackfriars Arts Centre Ltd	-	-
Profit / (Loss) Absorbed	(22,837)	-
The shareholders' funds at the end of the year were	(22,836)	-

#### 12. STOCKS AND WORK IN PROGRESS

	2021	2020
	£	£
Work in progress	364,690	184,955
Provision against recoverability	(30,000)	(15,000)
	334,690	169,955

#### 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	225,344	101,353
Other debtors and taxes	93,364	123,421
HTL Enterprises Ltd	31,009	-
	349,717	224,774

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Bank loans and overdrafts	69,557	5,384
Trade creditors	248,401	161,572
Social security and other taxes	16,963	15,266
Obligations under finance leases and hire purchase contracts	6,635	9,512
Other creditors	20,384	13,420
Deferred income	56,841	68,116
	<b>418,781</b>	<b>273,270</b>
	<b>418,781</b>	<b>273,270</b>

Deferred income is analysed below:

	2021	2020
	£	£
AHF Development Trust	29,827	-
Boston Borough Council	1,149	-
Conservation Consultancy	5,578	5,578
G.R.O.W.	-	2,085
Holbeach Cemetery Chapel	-	763
Layers of History	10	-
Lincs CC deposit	-	5,382
Little Steeping	450	450
OKH Celebrate	270	-
Old King's Head	-	26,351
Prepaid donations	3,410	3,410
Property management	3,689	5,461
Schools Club	3,994	7,994
South Lincs Walking Festival	4,116	4,324
The Mills Heritage Open Days Projects	-	1,970
Tupholme – Survey and Repairs	4,348	4,348
	<b>56,841</b>	<b>68,116</b>
	<b>56,841</b>	<b>68,116</b>
Deferred income at 1 April 2020	<b>68,116</b>	222,957
Released from previous accounting periods	<b>(42,532)</b>	(164,788)
Income deferred in the current year	<b>31,257</b>	9,947
	<b>56,841</b>	<b>68,116</b>
	<b>56,841</b>	<b>68,116</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**15. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	<b>149,558</b>	113,868
Obligations under finance leases and hire purchase contracts	<b>2,668</b>	9,372
The Architectural Heritage Fund loan	<b>198,771</b>	166,000
LEAP loan	<b>63,000</b>	63,000
	<b>413,997</b>	352,240
	<b>413,997</b>	352,240

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**

	<b>2021</b>	<b>2020</b>
	£	£
Within one year	<b>14,309</b>	4,847
Between one and two years	<b>15,401</b>	5,142
Between two and five years	<b>47,840</b>	16,994
More than five years	<b>285,088</b>	257,732
	<b>362,638</b>	284,715
	<b>362,638</b>	284,715

**17. SECURED CREDITORS**

	<b>2021</b>	<b>2020</b>
	£	£
Bank loans	<b>219,115</b>	119,252
Obligations under finance leases and hire purchase contracts	<b>9,303</b>	18,884
The Architectural Heritage Fund loan	<b>198,771</b>	166,000
LEAP loan	<b>63,000</b>	63,000
	<b>490,189</b>	367,136
	<b>490,189</b>	367,136

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 2021**

**18. 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 2021 there were 34 (2020: 37) members of staff eligible under the scheme rules for inclusion in the scheme. The total pension costs for the year was as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Standard Life	<b>35,791</b>	36,826

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
	£	£	£
Tangible Fixed Assets	<b>558,569</b>	-	<b>558,569</b>
Current Assets	<b>685,691</b>	<b>113</b>	<b>685,804</b>
Total Liabilities	<b>(832,778)</b>	-	<b>(832,778)</b>
Net assets at 31 March 2021	<b>411,482</b>	<b>113</b>	<b>411,595</b>

**20. MOVEMENT IN FUNDS**

	At 1 April 2020	Incoming Resources	Outgoing Resources	Transfer	At 31 March 2021
	£	£	£	£	£
<b>Unrestricted funds</b>					
General reserve	6,012	<b>743,033</b>	<b>686,862</b>	-	<b>62,183</b>
Revaluation reserve	159,864	-	-	-	<b>159,864</b>
<b>Designated funds</b>					
Building preservation reserve	83,008	-	-	-	<b>83,008</b>
Legacy reserve	106,427	-	-	-	<b>106,427</b>
<b>Total Unrestricted and Designated funds</b>	<b>355,311</b>	<b>743,033</b>	<b>686,862</b>	-	<b>411,482</b>

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

**20. MOVEMENT IN FUNDS continued**

	At 1 April 2020 £	Incoming Resources £	Outgoing Direct £	Resources Transfer £	Project Contribution £	At 31 March 2021 £
<b>Restricted funds</b>						
Administration & Business Planning	-	9,770	4,000	-	5,770	-
Black Sluice	-	9,300	-	-	9,300	-
Bolingbroke Moat	113	-	-	-	-	113
Boston Hanse HLF evaluation	-	1,750	-	-	1,750	-
Boston Visit	-	6,000	-	-	6,000	-
Boston cemetery consultancy	-	1,750	-	-	1,750	-
Boston Heritage Trail	-	2,083	-	-	2,083	-
Boston Town Deal	-	4,000	-	-	4,000	-
East Lindsey Town Deal	-	4,000	-	-	4,000	-
Alive Church, Lincoln	-	2,500	-	-	2,500	-
Conservation Consultancy	-	17,500	-	-	17,500	-
Covid Recovery Fund	-	326,814	151,217	-	175,597	-
Nottingham CC	-	4,950	-	-	4,950	-
Nottingham Trent University	-	4,400	-	-	4,400	-
NKDC Heritage Strategy	-	4,000	-	-	4,000	-
Fydell House	-	3,225	-	-	3,225	-
Grantham Trump	-	8,891	-	-	8,891	-
Greyfriars Lincoln	-	18,801	192	-	18,609	-
G.R.O.W.	-	2,812	2,812	-	-	-
Heritage Skills	-	835	-	-	835	-
Holbeach Cemetry Chapel	-	764	1	-	763	-
Holy Trinity Tattershall	-	1,750	-	-	1,750	-
Isle of Axholme	-	14,722	-	-	14,722	-
Kirton-OKH	-	728,831	703,679	-	25,152	-
Layers of History	-	91,705	35,177	-	56,528	-
H.E.S. Website	-	8,000	-	-	8,000	-
Lincs CC Deposits	-	5,382	5,382	-	-	-
Lincoln Extensive Urban	-	1,879	-	-	1,879	-
Schools Visits & Clubs	-	4,000	4,000	-	-	-
Scrivelsby Church	-	1,200	-	-	1,200	-
South Lincs Walking Festival	-	208	208	-	-	-
South Ormsby Estate	-	962	-	-	962	-
The Mills Heritage Open Day	-	1,970	1,970	-	-	-
Townscape Heritage Boston	-	39,304	417	-	38,887	-
Worksop Priory	-	6,600	-	-	6,600	-
<b>Total Restricted funds</b>	113	1,340,658	909,055	-	431,603	113
<b>Total Funds</b>	355,424	2,083,691	1,595,917	-	431,603	411,595

**HERITAGE TRUST OF LINCOLNSHIRE**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

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**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 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 £39,010 (2020: £658.55).

**22. 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.

**23. SUBSEQUENT EVENTS**

During the year to 31<sup>st</sup> March 2021 the charity was bequeathed a property on High Street, Tattershall, with an estimated value of £245,000 - £270,000. As the probate was not completed before the year end the property's title did not transfer to the charity until the following year. The property will therefore be accounted for in the accounts to 31<sup>st</sup> March 2022.

**HERITAGE TRUST OF LINCOLNSHIRE**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Various donations	4,817	24,119
Legacy	-	-
<b>Activities for generating funds</b>		
Archaeology outside Lincolnshire	196,586	200,418
Publications	2,130	1,723
Membership	4,374	4,370
Miscellaneous	6,979	3,426
<b>Investment income</b>		
Rent received	3,150	1,800
Deposit account interest	-	-
<b>Incoming resources from charitable activities</b>		
Archaeology within Lincolnshire	317,269	322,349
Grants	51,444	50,533
Projects	1,340,658	1,802,262
Property Management	19,273	23,088
HMRC JRS	137,011	-
<b>Total incoming resources</b>	<b>2,083,691</b>	<b>2,434,088</b>
<b>RESOURCES EXPENDED</b>		
Rent & rates	1,366	3,444
Light & heat	8,508	7,610
Property repairs	16,298	10,030
Salaries	852,443	885,789
Subcontractors	-	-
Work in Progress movement	5,517	(53,297)
HR & recruitment	4,060	6,274
Travel & subsistence	6,376	20,075
Training	1,535	4,452
Materials & supplies	755,658	1,105,348
Equipment hire	69,239	53,659
Equipment repairs & renewals	1,155	4,766
Motor expenses	10,376	13,931
Telephone	3,430	3,362
Printing, postage & stationery	3,223	23,620
Subscriptions	28,278	23,129
Professional fees	7,838	4,565
Specialist fees	143,208	240,280
Insurance	28,143	24,490
Marketing	14,145	26,405
Sundry	21,395	24,677
Bad debts	15,715	15,000
Depreciation	15,470	12,682
Bank charges and interest	2,918	2,892
Hire purchase interest	1,714	1,863
Loan interest	5,812	15,940
Auditors' remuneration	3,700	3,840
<b>Total resources expended</b>	<b>2,027,520</b>	<b>2,484,826</b>
<b>Net (deficit)/surplus</b>	<b>56,171</b>	<b>(50,738)</b>

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