

THE LINCOLNSHIRE FOUNDATION
A Company Limited by Guarantee
Company No. 3116507
Registered Charity No.1050048

FINANCIAL STATEMENTS
for the year ended
31st March 2000



STREETS
&Co.

TAXATION SERVICES

THE LINCOLNSHIRE FOUNDATION

Accounts for the year ended 31st March 2000

TRUSTEES/DIRECTORS

Mrs. P.G. Keeling (Chair))
Professor R.P. King)
Sir. J.P. Mason)
Mrs. S.A.L. Price)
R.J.D. Procter) Resigned April 2000
D.G. Rossington)
Lord Yarborough)

Professor K. Bardon

K A Bray)
N J Camamile) Appointed April 2000
J B Jackson)

COMPANY SECRETARY

P. McFarland Resigned April 2000
R Graham Appointed April 2000

REGISTERED OFFICE

Vice Chancellor's Office
University of Lincolnshire & Humberside
Lincoln University Campus,
Brayford Pool,
Lincoln.
LN6 7TS

AUDITORS

Streets & Co.,
Tower House,
Lucy Tower Street,
Lincoln.
LN1 1XW

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THE LINCOLNSHIRE FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2000

The Trustees/Directors submit their report and financial statements for the year ended 31st March 2000.

Legal & Administrative Information

The Lincolnshire Foundation is a registered charity, number 1050048, and a registered company number 3116507. Its governing documents are its Memorandum and Articles of Association.

The Company is Limited by Guarantee and does not have a share capital.

Results

Two major grants made during the year resulted in expenditure exceeding income for the year by £255,218.

Grants made during the year consisted of:

St Francis School	£120,000
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to enable it to become a specialist school, giving disadvantaged persons access to higher education and in particular to the county's new university in Lincoln.

The University of Lincolnshire and Humberside	£150,000
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specifically to contribute towards the test kitchen in the new science building.

Principal Activities

The Foundation was incorporated on the 20th October 1995, and its principal object is to advance education in and around the ancient county of Lincolnshire, in particular by supporting and promoting the continued development of and the pursuit of academic excellence at the University of Lincolnshire and Humberside.

Chairman's Report

The Annual General Meeting held in December 1999 did not endorse the Trustees' proposal to wind up the Foundation. At a subsequent meeting a minimum number of new Trustees were appointed and the majority of the original Trustees resigned.

The new Trustees wish to record their appreciation of the work of the retiring members in successfully supporting the establishment and extension of the University campus in Lincoln and the establishment of a specialist access centre.

Since the year end the Trustees have been concerned with re-establishing an administrative framework, and promotion of the Foundation, and have also offered the first modest Foundation Prizes to Lincoln campus graduates.

Trustees/Directors

The names of the directors acting during the year under review are listed on the first page of the accounts, as are the names of those appointed in April 2000.

Mr K A Bray was appointed by the University of Lincolnshire and Humberside (in accordance with Article 32) to replace Professor R P King. Mr Bray subsequently stood down and has been replaced by Mrs R Parker. Mr N J Camamile and Mr J B Jackson retire in accordance with Article 42 at the 4th Annual General Meeting, and both, being eligible, offer themselves for re-election.

THE LINCOLNSHIRE FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2000 (CONTINUED)

Membership Shareholdings

The Company is a Company Limited by Guarantee having no share capital; each member of the Company has undertaken to contribute an amount not exceeding one pound to meet the liabilities of the Company in the event that it should be wound up.

Trustees' Responsibilities

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 Company and of the profit or loss of the Company for that year. 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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

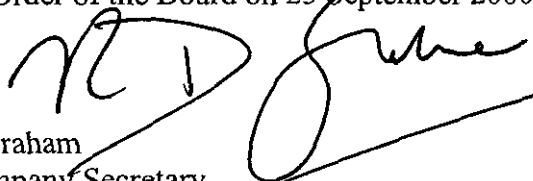
Auditors

The auditors, Messrs. Streets & Co. are willing to accept office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

Exemption Statement

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board on 25 September 2000


R Graham
Company Secretary

REPORT OF THE AUDITORS TO THE TRUSTEES OF THE LINCOLNSHIRE FOUNDATION

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described in the Trustees' Report, the Trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31st March 2000 and of the deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



STREETS & CO.
Registered Auditor
Chartered Accountants
Tower House
Lucy Tower Street
LINCOLN LN1 1XW

3 October 2000

THE LINCOLNSHIRE FOUNDATION

Statement of Financial Activities for the year ended 31st March 2000

	Notes	2000 General Fund £	Restricted Fund £	Total £	1999 Total £
INCOME AND EXPENDITURE					
Incoming Resources					
Donations		11,759	-	11,759	12,421
Investment Income		<u>5,849</u>	<u>-</u>	<u>5,849</u>	<u>8,096</u>
Total Incoming Resources	1	17,608	-	17,608	20,517
Resources Expended					
Direct Charitable Expenditure:					
Grants		95,410	174,590	270,000	9,000
Other Expenditure:					
Fundraising and Publicity	2	-	-	-	38
Management and Administration of the Charity	3	<u>2,826</u>	<u>-</u>	<u>2,826</u>	<u>14,838</u>
Total Resources Expended		98,236	174,590	272,826	23,876
<hr/>					
Net Outgoing Resources		(80,628)	(174,590)	(255,218)	(3,359)
Loss on Realisation of Investments		-	(7,519)	(7,519)	-
Unrealised Gains on Investment Assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>22,320</u>
Net Movement in Funds		(80,628)	(182,109)	(262,737)	18,961
Funds at 1st April 1999		116,830	182,109	298,939	279,978
Re-designation of Funds		<u>(21,500)</u>	<u>21,500</u>	<u>-</u>	<u>-</u>
Funds at 31st March 2000		<u>14,702</u>	<u>21,500</u>	<u>36,202</u>	<u>298,939</u>

THE LINCOLNSHIRE FOUNDATION

Income and Expenditure Account for the year ended 31st March 2000

	Notes	2000 £	1999 £
Gross Income		17,608	20,517
Total Expenditure		<u>272,826</u>	<u>23,876</u>
Net Expenditure for the year before investment asset disposals		(255,218)	(3,359)
Gain on disposal of fixed asset investments	4	<u>24,590</u>	<u>-</u>
Net Expenditure for the year		<u>(230,628)</u>	<u>(3,359)</u>

Continuing Activities

All the Company's activities are continuing during the above two financial periods.

THE LINCOLNSHIRE FOUNDATION

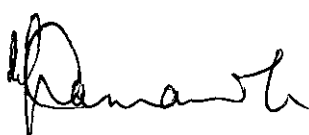
Balance Sheet as at 31st March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Investments	4	=	<u>182,109</u>
CURRENT ASSETS			
Trade Debtors	5	5,625	3,771
Cash at Bank and in Hand		<u>31,736</u>	<u>115,703</u>
		37,361	119,474
CREDITORS: Amounts falling due within one year		<u>1,159</u>	<u>2,644</u>
NET CURRENT ASSETS		36,202	116,830
		=	=
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>36,202</u>	<u>298,939</u>
FUNDS			
Income Funds			
General Purpose	6	14,702	116,830
Restricted	6	<u>21,500</u>	<u>182,109</u>
		36,202	298,939
		=	=

The Company is Limited by the Guarantee of all the members and does not have a share capital.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Trustees on 25 September 2000 and signed on its behalf by:


 N J Camamile

THE LINCOLNSHIRE FOUNDATION

Notes to the Financial Statements for the year ended 31st March 2000

1. ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared under the historical cost convention and in accordance with United Kingdom accounting standards using the following accounting policies.

b) Income

Income is taken into credit by reference to the date of payment of covenants. No credit is taken for income accruing.

Income tax credits on covenants received are taken into the accounts on receipt of payment from the Inland Revenue, and included in debtors to the value of any tax refund still outstanding.

c) Expenditure

Grants made are recorded by reference to the date of payment not to the date of approval for payment. No provision is made for any Grants authorised but unpaid at the accounting date.

- d)** Expenses are accounted for as incurred, and provision is included in these Accounts for liabilities incurred but unpaid at the accounting date.

e) Taxation

Value Added Tax on expenses is not recoverable and is not shown separately in the Financial Statements, rather as part of the expenditure to which it relates (which is the Standard Accounting Practice).

The Company is a registered charity and the accounts are prepared on the basis that its activities are not liable to Income or Corporation Tax.

f) Valuation of Investments

Investments are valued at market value in accordance with the Charities SORP, but contrary to the Companies Act 1985, in order to give a true and fair view.

For Balance Sheet note purposes, Mean Market Value of investments is taken as the mid-point between the "bid" and "offer" price.

Unrealised gains on investments are included in the accounts.

g) Cashflow Statement

The Company qualifies as a small company and accordingly a cashflow statement has not been prepared.

THE LINCOLNSHIRE FOUNDATION

Notes to the Financial Statements for the year ended 31st March 2000

2. FUNDRAISING AND PUBLICITY	2000	1999
	£	£
Events	-	180
Hospitality	-	46
Promotions	-	(188)
	<u>-</u>	<u>38</u>

3. MANAGEMENT AND ADMINISTRATION	2000	1999
	£	£
Staff Costs	-	9,167
Printing and Reprographics	-	2,979
Professional Fees	2,815	2,644
Financial Charges	11	13
Communications: Post/Stationery/Telephone	-	35
	<u>2,826</u>	<u>14,838</u>

Professional charges includes audit fees of £353 (1999: £1,763)

The average number of employees during the period was nil (1999: 1)

The trustees received no remuneration and had no expenses reimbursed during the year.

4. INVESTMENT	Listed Investment £
Valuation:	
Balance brought forward	182,109
Reduction in Unrealised Investment Gain	<u>7,519</u>
Realised Proceeds	174,590
	<u>150,000</u>
Historical cost	<u>150,000</u>
Realised gain	<u>24,590</u>

5. DEBTORS	2000	1999
	£	£
Other Debtors (Tax Refunds)	5,625	2,857
Accrued Income	-	914
	<u>5,625</u>	<u>3,771</u>

THE LINCOLNSHIRE FOUNDATION

Notes to the Financial Statements for the year ended 31st March 2000

6. FUNDS

	Balance 31.03.99	Net movement in Fund	Balance at 31.03.00
General Fund	<u>£116,830</u>	<u>£(102,128)</u>	<u>£14,702</u>
Restricted Funds	<u>£182,109</u>	<u>£(160,609)</u>	<u>£21,500</u>

The Restricted Fund at 31st March 1999 represented income and interest which, as a condition of the gift, was to be accrued until the year 2000. The ongoing Restricted Fund was donated to fund projects of the University Business School.