

**REGISTERED COMPANY NUMBER. 04913460 (England and Wales)**  
**REGISTERED CHARITY NUMBER. 1103123**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 30 APRIL 2013  
FOR  
THE LYNCHMERE SOCIETY**



Traviss & Co  
Chartered Accountants  
Newtown House  
38 Newtown Road  
Liphook  
Hampshire  
GU30 7DX

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**THE LYNCHMERE SOCIETY**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 April 2013**

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**THE LYNCHMERE SOCIETY**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 April 2013**

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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 30 April 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
04913460 (England and Wales)

**Registered Charity number**  
1103123

**Registered office**  
Shulbrede Priory  
Lynchmere  
Haslemere  
Surrey  
GU27 3NQ

<b>Trustees</b>	
R J Appleby	- appointed 9 5 12
N R Mann	
The Hon L M Ponsonby	
C J Pooley	
P R Searight	- appointed 26 2 13
Mrs L A Searight	
The Hon Lady J Rous	
I M A Russell	
S Ibbotson	- resigned 4 10 12
Mrs C Heath	- resigned 4 10 12
M Shaw	- resigned 26 2 13
R Dows Miller	- resigned 26 2 13

**Company Secretary**  
I M A Russell

**Independent examiner**  
M J Traviss FCA  
Traviss & Co  
Chartered Accountants  
Newtown House  
38 Newtown Road  
Liphook  
Hampshire  
GU30 7DX

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Lynchmere Society is a charitable company limited by guarantee, incorporated on 26th September 2003 and registered as a charity on 7th April 2004. The company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

**Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purpose of charity law. One third of the trustees are elected each year and serve for a term of three years.

**THE LYNCHMERE SOCIETY**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 April 2013**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Induction and training of new trustees**

All trustees are already familiar with the practical work of the charity having been members. New trustees are given guidance regarding their responsibilities. The guidance is based on Charity Commission publications.

**Organisational structure**

The Lynchmere Society has a Trustees / Management committee who meet six times a year and are responsible for the strategic direction and operational activities of the Charity. The Committee has members from a variety of backgrounds and experience.

**Risk management**

Given the nature of the Charity's activities, the majority of risks arise from the work undertaken in connection with the management of the Commons, and all activity undertaken by Volunteers is risk assessed in line with guidance provided by the Charity's insurers, BTCV. All contractors and service providers working for and on behalf of the Charity are required to hold suitable insurance.

**OBJECTIVES AND ACTIVITIES**

The Charity's objects and principal activities are to -

- 1) Promote high standards of planning and architecture in or affecting the area of benefit, which is the Lynchmere Civic Parish and some neighbouring areas.
- 2) Educate the public in the geography, history, natural history and architecture of the area of benefit.
- 3) Secure the preservation, protection, development and improvement of features of historic, environmental and public interest in the area of benefit.

The main activities for the year continued to be educating the public in the geography, history, natural history and architecture of the area of benefit, and securing the preservation, protection, development and improvement of features of historic or public interest and through the restoration of the heathland of Lynchmere, Stanley and part of Marley Common (this being part of a much wider project across several counties supported and encouraged by Natural England and The South Downs National Park).

**ACHIEVEMENT AND PERFORMANCE**

**Educating the Public**

The renovation of the Commons provides opportunities to engage with the broader community and a range of activities have been undertaken. There are two formal talks a year on suitable subjects, we work with local schools and youth organisations, organising walks and providing nesting boxes, and we arrange educational walks for adults on the commons looking for fungi, dormice or bats, for example, so as to expand their understanding of the richness and diversity of the flora and fauna to be found on our lowland commons.

**Securing Features of Interest**

Through the control of scrub and bracken, the Charity has continued to promote the re-growth of heather. This has been undertaken through the promotion of traditional management techniques such as grazing and newly developed non chemical controls such as bracken rolling. Lowland heath is amongst the rarest habitat in Europe and the land under the management of the Charity is the 6th largest area of lowland heath in Sussex. The Charity has also renovated hazel coppices in those areas which were historically managed in this way and created new areas of coppice in areas where the re-establishment of heather is impracticable. Traditionally managed hazel coppice is now unusual and so the specific habitat it provides is scarce.

**The Commons, the fields and the barn**

As well as the usual work on Stanley, Lynchmere and Marley Commons and the management of the fields, discussions continued with Natural England Historic Building Restoration Advisors on the conservation of our historic barn and how we might fund the work. To this end we had had the required surveys done and invited three approved companies to tender for the work.

**THE LYNCHMERE SOCIETY**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 April 2013**

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**ACHIEVEMENT AND PERFORMANCE**

Planting of the new coppice, funded by a donation from the Haslemere Natural History Society was completed in the winter of 2012/2013 and it is growing well

Also during the winter, the Charity organised a hedge-laying course for volunteers, who achieved remarkable results along a field boundary. This hedge has been greatly admired locally and is a rare example of an ancient craft. The volunteer days were held in April and September in the Community Orchard, which continues to thrive.

The Charity has a group of volunteers who undertake scrub clearance, tree planting and general renovation activities on the commons around 10 times a year on Volunteer Work Days. Training is provided either 'on the job' or for more specialised activities (such as tree felling) through specific externally accredited and assessed training. We also get valuable assistance from the South Downs Volunteers and Southampton University Volunteers.

**FINANCIAL REVIEW**

**Principal funding sources**

The principal Funding sources of the Charity are -

- 1) Natural England through the Stewardship and Single payments schemes. Although we did not receive any payments under the Single Payment Scheme this year, we anticipate doing so in future years.
- 2) Subscriptions, donations and bequests.
- 3) SSE through wayleaves and rental of a substation site.

**The 2012-3 year**

The year saw a deficit of £39,677 due to a number of exceptional factors -

- 1) An overclaim of grants from the RPA due to a mapping error some years ago resulted in a reclaim by the RPA.
- 2) An automatic penalty is levied by the RPA where an overclaim occurs to comply with EU rules. It is referred to in note 10, and represented £6,201 of the payment of £7,535 to the RPA. This payment was made after the year end but represented an outstanding creditor at the year end.
- 3) One of the payments for commons management was made late for the 2011-12 year and so two such payments fell within the same year. The second one of £4,318 was outstanding at the year end and so is included in the creditors in note 10.
- 4) There is an outstanding liability for a repayment of £11,832 from a demand just received from the RPA. This results from a re-evaluation of the maps by English Nature following the overclaim referred to above and this led to a re-categorisation of some of the land and a lower grant entitlement. This resulted in an overclaim for the years 2009 to 2013, which now has to be repaid, together with a penalty of £2 for every £1 of over claim.

Although we did not receive any payments under the Single Payment Scheme the 2102-13 year, we expect to do so for the current and future years. Following the appointment of the new chairman, the trustees have instituted a more robust system to minimise the risk of errors in future.

The Society is fortunate to have a loyal and growing band of volunteers, who give their time, and a network of local woodsmen and craftsmen who provide a quality service and one that is often more cost effective than commercial contractors. The trustees are confident that the Society's work can continue unimpeded and it has fully adequate reserves to meet its objects.

**Investment policy and objectives**

A significant proportion of the Charity's funds are grants received in advance and having considered the options available, the Trustees invest those funds which are in excess of its immediate needs in a Lloyds Bank deposit account and a Scottish Widows 60 Day Notice account. Although interest rates are woefully low in the current environment, the Trustees consider the return to be satisfactory given the flexibility and security that this offers.

**THE LYNCHMERE SOCIETY**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 April 2013**

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**FINANCIAL REVIEW**

**Reserves Policy**

The trustees monitor the Charity's requirements for reserves and each year sufficient funds are placed in reserves to provide for any sudden emergency and to meet longer term commitments, such as the need to replace the fencing and machinery when this becomes necessary

**PLANS FOR FUTURE PERIODS**

The Charity plans to continue the activities outlined above in forthcoming years

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**ON BEHALF OF THE BOARD**



I M A Russell - Trustee

28 January 2014

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE LYNCHMERE SOCIETY**

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I report on the accounts for the year ended 30 April 2013 set out on pages six to twelve

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



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28 January 2014

**THE LYNCHMERE SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 April 2013**

	Notes	Unrestricted funds £	Restricted fund £	2013 Total funds £	2012 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	6,564	9,097	15,661	70,486
Investment income	3	451	-	451	81
<b>Total incoming resources</b>		<b>7,015</b>	<b>9,097</b>	<b>16,112</b>	<b>70,567</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>	4				
Restoration and maintenance common land		43,817	11,372	55,189	55,207
Governance costs	5	600	-	600	600
<b>Total resources expended</b>		<b>44,417</b>	<b>11,372</b>	<b>55,789</b>	<b>55,807</b>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>					
		(37,402)	(2,275)	(39,677)	14,760
<b>Gross transfers between funds</b>	11	(2,275)	2,275	-	-
<b>Net incoming/(outgoing) resources</b>		<b>(39,677)</b>	<b>-</b>	<b>(39,677)</b>	<b>14,760</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>583,204</b>	<b>-</b>	<b>583,204</b>	<b>568,444</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>543,527</b>	<b>-</b>	<b>543,527</b>	<b>583,204</b>

The notes form part of these financial statements



**THE LYNCHMERE SOCIETY**

**BALANCE SHEET**  
**At 30 April 2013**

	Notes	Unrestricted funds £	Restricted fund £	2013 Total funds £	2012 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	8	447,512	-	447,512	460,153
<b>CURRENT ASSETS</b>					
Debtors	9	731	-	731	193
Cash at bank		119,524	-	119,524	123,458
		<u>120,255</u>	<u>-</u>	<u>120,255</u>	<u>123,651</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(24,240)	-	(24,240)	(600)
<b>NET CURRENT ASSETS</b>		<u>96,015</u>	<u>-</u>	<u>96,015</u>	<u>123,051</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>543,527</u>	<u>-</u>	<u>543,527</u>	<u>583,204</u>
<b>NET ASSETS</b>		<u>543,527</u>	<u>-</u>	<u>543,527</u>	<u>583,204</u>
<b>FUNDS</b>	11				
Unrestricted funds				543,527	583,204
Restricted funds				-	-
<b>TOTAL FUNDS</b>				<u>543,527</u>	<u>583,204</u>

The notes form part of these financial statements

**THE LYNCHMERE SOCIETY**  
**BALANCE SHEET - CONTINUED**  
**At 30 April 2013**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2013

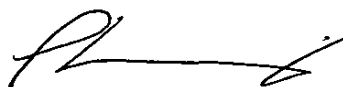
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 April 2013 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 28 January 2014 and were signed on its behalf by



P R Searight -Trustee

The notes form part of these financial statements

**THE LYNCHMERE SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 April 2013**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

**Incoming resources**

Grants, donations and subscriptions received in the year are reflected in the Statement of Financial Activities in the year they are received. Grants and donations received for specific purposes are utilised accordingly. Legacies are accounted for when received.

Investment income is recognised on a receivable basis.

**Resources expended**

Expenditure is accounted for on an accruals basis and has been allocated between Cost of Generating Funds, Charitable Activities, and Governance Costs on an actual basis where possible. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts and the cost of any legal advice to trustees on governance or constitutional matters.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & Buildings	- not provided
Plant and machinery	- 20% on cost and 10% on cost

The trustees have adopted a policy of not depreciating the freehold land buildings. These are stated at historical cost rather than regular revaluations.

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**THE LYNCHMERE SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 April 2013**

**2 VOLUNTARY INCOME**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Donations and subscriptions	3,434	13,694
Grants	12,227	56,792
	<u>15,661</u>	<u>70,486</u>

Grants received, included in the above, are as follows

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Natural England grants	24,015	46,830
South Downs National Park grants	-	9,962
Other grants	(11,788)	-
	<u>12,227</u>	<u>56,792</u>

**3. INVESTMENT INCOME**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Rents received	372	-
Deposit account interest	79	81
	<u>451</u>	<u>81</u>

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct costs</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>
Restoration and maintenance common land	<u>55,189</u>	<u>55,189</u>

**5. GOVERNANCE COSTS**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Accountancy	<u>600</u>	<u>600</u>

**6. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting)

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<u>12,641</u>	<u>12,641</u>

**THE LYNCHMERE SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 April 2013**

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 April 2013 nor for the year ended 30 April 2012

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 April 2013 nor for the year ended 30 April 2012

**8. TANGIBLE FIXED ASSETS**

	<b>Land &amp; Buildings £</b>	<b>Plant and machinery £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 May 2012 and 30 April 2013	431,000	118,312	549,312
<b>DEPRECIATION</b>			
At 1 May 2012	-	89,159	89,159
Charge for year	-	12,641	12,641
At 30 April 2013	-	101,800	101,800
<b>NET BOOK VALUE</b>			
At 30 April 2013	431,000	16,512	447,512
At 30 April 2012	431,000	29,153	460,153

**9. DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2013 £</b>	<b>2012 £</b>
Other debtors	731	193

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

	<b>2013 £</b>	<b>2012 £</b>
Other creditors	24,240	600

Creditors includes £7,535 in respect of repayment of the Rural Payments Agency Single Payment Scheme for 2011 which was overpaid and includes the deduction of a penalty of £6,201. Additionally £11,832 is repayable due a recalculation of entitlements from 2009/10 to 2012/13. Of this figure £7,888 is a penalty.

**THE LYNCHMERE SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 April 2013**

**11. MOVEMENT IN FUNDS**

	At 1.5.12 £	Net movement in funds £	Transfers between funds £	At 30 4.13 £
<b>Unrestricted funds</b>				
General fund	123,051	(24,761)	(2,275)	96,015
Commons fund	431,000	-	-	431,000
Equipment and capital works fund	29,153	(12,641)	-	16,512
	<u>583,204</u>	<u>(37,402)</u>	<u>(2,275)</u>	<u>543,527</u>
<b>Restricted funds</b>				
Mare Barn Phase 1	-	(2,275)	2,275	-
	<u>583,204</u>	<u>(39,677)</u>	<u>-</u>	<u>543,527</u>
<b>TOTAL FUNDS</b>	<u>583,204</u>	<u>(39,677)</u>	<u>-</u>	<u>543,527</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	7,015	(31,776)	(24,761)
Equipment and capital works fund	-	(12,641)	(12,641)
	<u>7,015</u>	<u>(44,417)</u>	<u>(37,402)</u>
<b>Restricted funds</b>			
Mare Barn Phase 1	9,097	(11,372)	(2,275)
	<u>16,112</u>	<u>(55,789)</u>	<u>(39,677)</u>
<b>TOTAL FUNDS</b>	<u>16,112</u>	<u>(55,789)</u>	<u>(39,677)</u>

**Unrestricted Funds**

**Commons Fund**

The Commons Fund represents the original cost of land under the Charity's management

**Equipment and capital works fund**

This represents the cost and depreciation of capital equipment and works of a capital nature

**Restricted Funds**

**Mare Barn Phase 1**

This represents costs of assessing the state of Mare Barn and to provide options for its long term restoration and repair. The Mare Barn was originally left to the Charity in a legacy. 80% of the cost was met through a project grant from Natural England.