

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 2016
FOR
THE LYNCHMERE SOCIETY**



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

THE LYNCHMERE SOCIETY
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FOR THE YEAR ENDED 30 April 2016

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THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2016

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 2016. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

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

Local schools, societies and youth organisations benefit from the Commons restoration with their network of footpaths and bridleways, as well as the circular path for disabled and wheelchair users.

We have two formal talks each year on subjects of local interest, one of which this year was on the Archeology of the Commons, and the other from a local well-known and enthusiastic ornithologist.

Securing Features of Interest

Lowland Heath is one of the most endangered habitats in Europe, and the Commons owned and managed by the Society is the 6th largest area of such habitat in Sussex, and an important link in the South Downs National Park's "Heathlands Re-United" scheme.

Each year the area of heathlands becomes greater, with much work being done on bracken control in late summer, all done by pulling or cutting - and scything where possible.

The Commons, the fields and the barn

The Charity had fourteen volunteer days for scrub clearance during the winter months, and the group again included candidates for the Duke of Edinburgh's Award Scheme with their parents. Training is provided "on the job". We also had day-visits from the South Downs National Park Volunteers and another weekend from the Southampton University Volunteers. The herd of Sussex and Belted Galloway cattle (rare breeds) are popular with the public as well as doing much valuable conservation work for us.

During the summer our volunteers were active in scything the field margins and weed control - no pesticides or herbicides are permitted. We held an Open Day at the Barn before haymaking, attended by over 70 people, and have taken the first steps to the Barn restoration by installing a better drainage system to keep water away from the foundations. We bought a second-hand baler, and again harvested a good quantity of hay.

The Orchard is well-established, and produced its first crop of apples.

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2016

FINANCIAL REVIEW

Principal funding sources

The principal Funding sources of the Charity are:-

- 1) Natural England and The Rural Payments Agency, through the Higher Level Stewardship and Basic Payments Scheme.
- 2) Subscriptions, donations and bequests.
- 3) SSE through wayleaves.
- 4) Sales of hay bales to cover harvesting costs.

The 2015-16 year

The Society again recorded a modest surplus on its activities for the year to 30th April 2016. The grants from the Rural Payments Agency under the Higher Level Stewardship and Basic Payment Schemes again being the dominant feature of the Society's income, amounting to £25,928 or 71% of the total income for the 2015-16 year. These grants are for our heathland restoration and maintenance work, to support grazing on the Commons and for other environmental work. The total spending on grazing and the commons amounted to just over £28,700.

Our grazier retired after the year end and the trustees decided to support the establishment of a Community Interest Company to take over responsibility for the grazing the commons. This is an important element of the maintenance plan. As an interim measure, The Society agreed to invest £15,000 in some of the outgoing grazier's cattle, and these cattle are being managed by a team well known to the trustees until such time as the company is up and running and has the funds to buy back the cattle. This should happen within the first half of 2017.

The strategy for the maintenance of the commons has been to use a small team of individual woodsmen who know the commons well and are much more flexible and cost effective than the larger contractors used by other charities undertaking similar work. The Society is also fortunate to have a loyal and growing band of volunteers, who give their time, as well as several other sources of volunteer labour.

Technical problems at the RPA delayed payments due during the year. An amount of £10,838 arrived after the year end but accrued to the 2015-16 year and so this has been included in the grants total for the 2015-16, but The Society had to fund the gap in income until the grant arrived. A large part of the grants currently derive from EU funding directives and so the BREXIT vote has added to uncertainty about future grant funding. The brief that Natural England will be set for Environmental Stewardship in a post BREXIT environment also remains uncertain at the moment. Against this background, The Society needs to keep a keen eye out for alternative sources of funding whether this is from, for example, special interests groups, trusts and charities, or individuals. Crowdfunding is also another new way of accessing individual donations which may be considered in future. The Commons are both an important environmental project and an amenity used by many local people, who have supported the Society for many years, and so the excellent work done by the team has to reflect the sensibilities of both stakeholder groups, if the funding for the maintenance of this beautiful area, that so many enjoy, is to be sustained into the future.

The non grant sources of income also contributed significantly to funds during the year. Membership numbers and subscriptions continue to grow and we also received a number of donations. Hay sales from the fields totalling £293 make an important contribution to the cost of harvesting the hay. The Society bought a second hand baler for £3,300 during the year. Wood sales, mostly to members, also make a small contribution to the commons management costs, boosted in 2015-16 by a £1,073 purchase by Brookham Energy for their wood chip boiler. The Society was delighted to receive a £3,000 donation from The Hilary Tangye Trust and a £1000 donation from Mrs Bell-Scott.

The initial phase of restoration work has started on the Mare Barn to ensure the continued integrity of this ancient building.

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2016

FINANCIAL REVIEW

Investment policy and objectives

A significant proportion of the Society'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.

Reserves Policy

The trustees monitor the Society's requirements for reserves to ensure sufficient funds are available to provide for any sudden emergencies and to meet longer term commitments, such as the need to replace the fencing and machinery when this becomes necessary. This gives the trustees confidence that the Society's work can continue unimpeded and it has fully adequate reserves to meet its objects.

FUTURE PLANS

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

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, and can be re-elected on the end of this term.

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.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04913460 (England and Wales)

Registered Charity number

1103123

Registered office

Shulbrede Priory
Lynchmere
Haslemere
Surrey
GU27 3NQ

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

R J Appleby	
N R Mann	- resigned 24.8.15
The Hon Laura Ponsonby	- deceased 4.1.16
C J Pooley	
P R Searight	
Mrs L A Searight	
The Hon Lady Rous	
I M A Russell	
C G Summers	- appointed 8.11.16

Company Secretary

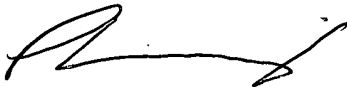
I M A Russell

Independent examiner

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

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

Approved by order of the board of trustees on 25 January 2017 and signed on its behalf by:



P R Searight - Trustee

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

I report on the accounts for the year ended 30 April 2016 set out on pages six to thirteen.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)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.



M J Traviss FCA
Traviss & Co
Chartered Accountants
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38 Newtown Road
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GU30 7DX

25 January 2017

THE LYNCHMERE SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 April 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	34,143	-	34,143	38,793
Other trading activities	3	1,672	-	1,672	1,993
Investment income	4	469	-	469	460
Total		36,284	-	36,284	41,246
EXPENDITURE ON					
Charitable activities	5				
Restoration and maintenance of commons, fields and hay meadows		31,359	-	31,359	33,398
Other		600	-	600	600
Total		31,959	-	31,959	33,998
NET INCOME		4,325	-	4,325	7,248
Transfers between funds	12	750	(750)	-	-
Net movement in funds		5,075	(750)	4,325	7,248
RECONCILIATION OF FUNDS					
Total funds brought forward		547,821	18,850	566,671	559,423
TOTAL FUNDS CARRIED FORWARD		552,896	18,100	570,996	566,671

The notes form part of these financial statements

THE LYNCHMERE SOCIETY

BALANCE SHEET

At 30 April 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	9	433,642	-	433,642	432,996
CURRENT ASSETS					
Debtors	10	11,159	-	11,159	312
Cash at bank		108,695	18,100	126,795	139,207
		<u>119,854</u>	<u>18,100</u>	<u>137,954</u>	<u>139,519</u>
CREDITORS					
Amounts falling due within one year	11	(600)	-	(600)	(5,844)
NET CURRENT ASSETS		<u>119,254</u>	<u>18,100</u>	<u>137,354</u>	<u>133,675</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>552,896</u>	<u>18,100</u>	<u>570,996</u>	<u>566,671</u>
NET ASSETS		<u><u>552,896</u></u>	<u><u>18,100</u></u>	<u><u>570,996</u></u>	<u><u>566,671</u></u>
FUNDS	12				
Unrestricted funds				552,896	547,821
Restricted funds				<u>18,100</u>	<u>18,850</u>
TOTAL FUNDS				<u><u>570,996</u></u>	<u><u>566,671</u></u>

The notes form part of these financial statements

THE LYNCHMERE SOCIETY
BALANCE SHEET - CONTINUED
At 30 April 2016

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 April 2016 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 January 2015).

The financial statements were approved by the Board of Trustees on 25 January 2017 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 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

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.

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.

Allocation and apportionment of costs

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 2016**

2. DONATIONS AND LEGACIES

	2016	2015
	£	£
Donations and subscriptions	7,865	3,246
Grants	26,278	35,547
	<u>34,143</u>	<u>38,793</u>

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

	2016	2015
	£	£
Natural England grants	25,928	35,197
Lynchmere Parish Council	350	350
	<u>26,278</u>	<u>35,547</u>

3. OTHER TRADING ACTIVITIES

	2016	2015
	£	£
Hay and wood sales	1,672	1,993
	<u>1,672</u>	<u>1,993</u>

4. INVESTMENT INCOME

	2016	2015
	£	£
Rents received	360	352
Deposit account interest	109	108
	<u>469</u>	<u>460</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Restoration and maintenance of commons, fields and hay meadows	31,359	31,359
	<u>31,359</u>	<u>31,359</u>

6. NET INCOME/(EXPENDITURE)

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

	2016	2015
	£	£
Depreciation - owned assets	2,654	1,992
	<u>2,654</u>	<u>1,992</u>

THE LYNCHMERE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2016**

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 April 2016 nor for the year ended 30 April 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2016 nor for the year ended 30 April 2015.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	38,793	-	38,793
Other trading activities	1,993	-	1,993
Investment income	460	-	460
Total	<u>41,246</u>	<u>-</u>	<u>41,246</u>
EXPENDITURE ON			
Charitable activities			
Restoration and maintenance of commons, fields and hay meadows	33,398	-	33,398
Other	600	-	600
Total	<u>33,998</u>	<u>-</u>	<u>33,998</u>
NET INCOME	<u>7,248</u>	<u>-</u>	<u>7,248</u>
Transfers between funds	<u>700</u>	<u>(700)</u>	<u>-</u>
Net movement in funds	<u>7,948</u>	<u>(700)</u>	<u>7,248</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>539,873</u>	<u>19,550</u>	<u>559,423</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>547,821</u></u>	<u><u>18,850</u></u>	<u><u>566,671</u></u>

THE LYNCHMERE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2016**

9. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant and machinery £	Totals £
COST			
At 1 May 2015	431,000	118,312	549,312
Additions	-	3,300	3,300
At 30 April 2016	431,000	121,612	552,612
DEPRECIATION			
At 1 May 2015	-	116,316	116,316
Charge for year	-	2,654	2,654
At 30 April 2016	-	118,970	118,970
NET BOOK VALUE			
At 30 April 2016	431,000	2,642	433,642
At 30 April 2015	431,000	1,996	432,996

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other debtors	11,159	312

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other creditors	600	5,844

12. MOVEMENT IN FUNDS

	At 1.5.15 £	Net movement in funds £	Transfers between funds £	At 30.4.16 £
Unrestricted funds				
General fund	114,825	6,979	(2,550)	119,254
Commons fund	431,000	-	-	431,000
Equipment and capital works fund	1,996	(2,654)	3,300	2,642
	547,821	4,325	750	552,896
Restricted funds				
Reptile Habitat Fund	18,850	-	(750)	18,100
TOTAL FUNDS	566,671	4,325	-	570,996

THE LYNCHMERE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2016**

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	36,285	(29,306)	6,979
Equipment and capital works fund	(1)	(2,653)	(2,654)
	<u>36,284</u>	<u>(31,959)</u>	<u>4,325</u>
TOTAL FUNDS	<u><u>36,284</u></u>	<u><u>(31,959)</u></u>	<u><u>4,325</u></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.

Reptile Habitat Fund

This represents £10,000 given by Taylor Wimpey UK Limited for the future maintenance of the Lynchmere Land and the welfare of reptiles relocated from one of their building sites.

It also includes an additional payment of £10,000 to be used by the Lynchmere Society for the purpose of improving visitor education at the common and associated habitat management.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 April 2016.