

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 2014
FOR
THE LYNCHMERE SOCIETY**

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

THURSDAY



A403CC94

A33

29/01/2015

#306

COMPANIES HOUSE

THE LYNCHMERE SOCIETY
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 April 2014

	Page
Report of the Trustees	1 to 4
<i>Independent Examiner's Report</i>	5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 13

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2014

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 2014. 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

Trustees
R J Appleby
N R Mann
The Hon L M Ponsonby
C J Pooley
P R Searight
Mrs L A Searight
The Hon Lady J Rous
I M A Russell

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.

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.

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 Charity's restoration of the Commons continues to provide opportunities to engage with the wider community. There are two formal talks a year on subjects of local interest. We work with local schools, societies and youth organisations, arranging walks so as to expand understanding of the rich diversity of the flora and fauna to be found on our lowland heaths.

Securing Features of Interest

The heather re-growth through the control of scrub and bracken has been impressive. Lowland heath is one of the most endangered habitats in Europe and the land owned and managed by the Charity is the 6th largest area of such in Sussex. The Charity has also replaced hazel coppice in areas where re-establishment of heather is not possible - traditionally managed hazel coppice is now unusual and the specific habitat it provides is rare.

The Commons, the fields and the barn

The Charity had 14 volunteer work days during the winter months, for scrub clearance, etc. Training is provided "on the job". This season we were joined by several candidates for the Duke of Edinburgh's Award Scheme, with their parents. We also benefitted from day visits from the South Downs National Park Volunteers and a weekend from the Southampton University Volunteers. We held a course for would-be chain saw users, and all five of our volunteers now hold the required certificate.

The Charity has signed up as Partner to the South Downs National Park's "Heathlands Re-United" plan. With their help we have extended and re-surfaced a circular path with access for wheelchair users, which has proved popular.

The Charity took over management of the fields, and during the summer months our volunteers were active in scything the field margins and weed control. Our first haymaking went well and all was sold, covering costs. We also had an Entomological Survey done.

~~Our hazel coppices are growing well, as is the Community Orchard and the laid hedge, maintained by those who worked on it, continues to be admired.~~

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2014

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 Single Farm Payments schemes.
- 2) Subscriptions, donations and bequests.
- 3) SSE through wayleaves and rental of a substation site.
- 4) Sale of hay bales to cover harvesting costs.

The 2013-4 year

The year saw a return to surplus after a difficult year in 2012-2013, when we did not receive any payments under the Single Payment Scheme, but the payments restarted in 2014. The last penalty of £11832 was deducted from the February payment. This amount was provided for in last year's accounts and, if added back, the total received from the RPA amounted to £36,203. This total was in line with our expectations under the new basis of assessment set out by Natural England in 2013.

The Single Farm Payment Scheme is to be replaced by the Basic Payment Scheme in 2015. The RPA grants are European Union funded and there is always a risk that economic and budgetary pressures within the EU may put pressure on the level of grant payments. The HLS contract runs until the end of 2018 and so these payments should not be affected by any such changes for the duration of the contract.

The other major grant received during the year was from Taylor Wimpey. £10,000 was paid to create and maintain a habitat for reptiles relocated from the site of the new housing development in Liphook and for visitor education

The Charity 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 Charity's work can continue unimpeded and it has fully adequate reserves to meet its objectives.

The next major project on the horizon is the restoration of the Mare Barn, and, having carefully reviewed the Society's reserves the trustees concluded that it would be possible to start on an initial phase of restoration work before seeking external funding support for the project. The initial phase is primarily focused on ensuring the structural integrity of this ancient building.

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.

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.

THE LYNCHMERE SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 April 2014

Approved by order of the board of trustees on 27 January 2015 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'P R Searight', written in a cursive style.

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 2014 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 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.



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

27 January 2015

THE LYNCHMERE SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 April 2014

		Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
	Notes				
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	40,846	20,000	60,846	15,661
Activities for generating funds	3	2,116	-	2,116	-
Investment income	4	393	-	393	451
Total incoming resources		43,355	20,000	63,355	16,112
RESOURCES EXPENDED					
Charitable activities					
Restoration and maintenance common land	5	46,859	-	46,859	55,189
Governance costs	6	600	-	600	600
Total resources expended		47,459	-	47,459	55,789
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
		(4,104)	20,000	15,896	(39,677)
Gross transfers between funds	12	450	(450)	-	-
Net incoming/(outgoing) resources		(3,654)	19,550	15,896	(39,677)
RECONCILIATION OF FUNDS					
Total funds brought forward		543,527	-	543,527	583,204
TOTAL FUNDS CARRIED FORWARD		539,873	19,550	559,423	543,527

The notes form part of these financial statements

THE LYNCHMERE SOCIETY

BALANCE SHEET

At 30 April 2014

	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
FIXED ASSETS					
Tangible assets	9	434,988	-	434,988	447,512
CURRENT ASSETS					
Debtors	10	563	-	563	731
Cash at bank		109,825	19,550	129,375	119,524
		<u>110,388</u>	<u>19,550</u>	<u>129,938</u>	<u>120,255</u>
CREDITORS					
Amounts falling due within one year	11	(5,503)	-	(5,503)	(24,240)
NET CURRENT ASSETS		<u>104,885</u>	<u>19,550</u>	<u>124,435</u>	<u>96,015</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>539,873</u>	<u>19,550</u>	<u>559,423</u>	<u>543,527</u>
NET ASSETS		<u><u>539,873</u></u>	<u><u>19,550</u></u>	<u><u>559,423</u></u>	<u><u>543,527</u></u>
FUNDS	12				
Unrestricted funds				539,873	543,527
Restricted funds				19,550	-
TOTAL FUNDS				<u><u>559,423</u></u>	<u><u>543,527</u></u>

The notes form part of these financial statements

THE LYNCHMERE SOCIETY
BALANCE SHEET - CONTINUED
At 30 April 2014

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2014.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 April 2014 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 27 January 2015 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 2014

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 2014**

2. VOLUNTARY INCOME

	2014	2013
	£	£
Donations and subscriptions	3,588	3,434
Grants	57,258	12,227
	<u>60,846</u>	<u>15,661</u>

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

	2014	2013
	£	£
Natural England grants	36,158	24,015
Butterfly Conservation Grant	750	-
Reptile habitat grant	20,000	-
Lynchmere Parish Council	350	-
Other grants	-	(11,788)
	<u>57,258</u>	<u>12,227</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2014	2013
	£	£
Hay sales	2,116	-
	<u>2,116</u>	<u>-</u>

4. INVESTMENT INCOME

	2014	2013
	£	£
Rents received	312	372
Deposit account interest	81	79
	<u>393</u>	<u>451</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Restoration and maintenance common land	46,859	46,859
	<u>46,859</u>	<u>46,859</u>

6. GOVERNANCE COSTS

	2014	2013
	£	£
Accountancy	600	600
	<u>600</u>	<u>600</u>

THE LYNCHMERE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2014**

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Depreciation - owned assets	<u>12,524</u>	<u>12,641</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 April 2014 nor for the year ended 30 April 2013.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2014 nor for the year ended 30 April 2013.

9. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant and machinery £	Totals £
COST			
At 1 May 2013 and 30 April 2014	<u>431,000</u>	<u>118,312</u>	<u>549,312</u>
DEPRECIATION			
At 1 May 2013	-	101,800	101,800
Charge for year	<u>-</u>	<u>12,524</u>	<u>12,524</u>
At 30 April 2014	<u>-</u>	<u>114,324</u>	<u>114,324</u>
NET BOOK VALUE			
At 30 April 2014	<u>431,000</u>	<u>3,988</u>	<u>434,988</u>
At 30 April 2013	<u>431,000</u>	<u>16,512</u>	<u>447,512</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Other debtors	<u>563</u>	<u>731</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Other creditors	<u>5,503</u>	<u>24,240</u>

THE LYNCHMERE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2014

12. MOVEMENT IN FUNDS

	At 1.5.13 £	Net movement in funds £	Transfers between funds £	At 30.4.14 £
Unrestricted funds				
General fund	96,015	8,420	450	104,885
Commons fund	431,000	-	-	431,000
Equipment and capital works fund	16,512	(12,524)	-	3,988
	<u>543,527</u>	<u>(4,104)</u>	<u>450</u>	<u>539,873</u>
Restricted funds				
Reptile Habitat Fund	-	20,000	(450)	19,550
	<u>-</u>	<u>20,000</u>	<u>(450)</u>	<u>19,550</u>
TOTAL FUNDS	<u>543,527</u>	<u>15,896</u>	<u>-</u>	<u>559,423</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	43,355	(34,935)	8,420
Equipment and capital works fund	-	(12,524)	(12,524)
	<u>43,355</u>	<u>(47,459)</u>	<u>(4,104)</u>
Restricted funds			
Reptile Habitat Fund	20,000	-	20,000
	<u>20,000</u>	<u>-</u>	<u>20,000</u>
TOTAL FUNDS	<u>63,355</u>	<u>(47,459)</u>	<u>15,896</u>

THE LYNCHMERE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 April 2014**

12. MOVEMENT IN FUNDS - continued

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.