

REGISTERED COMPANY NUMBER: 06608600 (England and Wales)
REGISTERED CHARITY NUMBER: 1128464

Report of the Trustees and
Financial Statements for the Year Ended
31 August 2018
for
Lincoln City Foundation

Lincoln City Foundation
Contents of the Financial Statements
for the Year Ended 31 August 2018

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Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

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 August 2018. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purposes of the charity are:

To provide or help provide facilities and opportunities for participating in sport, recreation, or other leisure time occupation for people who have the need for such activities in the interest of social welfare with the object of improving their conditions of life for whom the facilities are provided

To promote peoples' health by encouraging participation in sport and physical activity and to encourage healthy living

To advance the education of children and young people through such means as the trustees think fit in accordance with charity law

To develop the capacity and skills of the members of the socially and economically disadvantaged communities in such a way that they are better able to identify and help meet their needs to participate more fully in society

During the year the Foundation reviewed its identity and decided to change its name from Lincoln City FC Sport & Education Trust to Lincoln City Foundation. This change was in part in response to Lincoln City Football Club's rebranding, but the main factors were that our previous name did not encompass the diversity of our activities and feedback indicated it was cumbersome and difficult to identify with.

In shaping our new name, our trustees have considered the guidance from the Charity Commission's guidance on public benefit. Our activities focus on the promotion of increased participation in football, recreation or other leisure time occupation, with particular regard to the local community. We want to ensure that accessibility and affordability are maintained so that the barrier of cost is reduced and will endeavour to encourage a diverse range of people to take part in our activities.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

We have four key themes - Sport, Education, Health and Inclusion:

Sport - Participation in sport brings so many benefits; it improves physical and mental health, provides social interaction, breaks down barriers and brings people together. The challenge of increasing the numbers of people engaged in sport - and sustaining their participation - extends across all generations. From the youngster enjoying a fun first positive experience of games to older generations keeping active and finding camaraderie through walking football. With participation, we go beyond football to encourage more people to play sport and be more active on a regular basis. We are committed to increasing both the number and quality of sports coaches working in schools and across our organisations, as well as ensuring that these coaches have the skills to engage with all sections of our communities. Increasingly, we are delivering a range of sports such as futsal, rugby, cricket, hockey, basketball, dance and fitness to engage with a broader base of participants and meet the demands, particularly of young people, who want to experience different sports.

Education - We provide positive, inspiring learning environments that are used to engage the local community to develop skills for life, raise awareness of important issues and open up opportunities for employment. We have considerable experience in working with disadvantaged and disengaged young people and supporting them to achieve positive outcomes. Our Foundation will run a variety of academic qualifications and short programmes like traineeships that equip young people with the skills they need to successfully find employment. We work with primary schools across Greater Lincoln and our coaches are qualified to deliver the national curriculum and help develop Physical Education (PE) provision in schools. We utilise the power of football and sport to help people learn in innovative ways, teaching a diverse range subjects using the power of sport and the reach of football clubs to engage people in subjects that go way beyond sport.

Health - We use the power of sport and physical activity to improve the physical and mental health of people from across the county. We work with all age groups and sections of the community from healthy eating sessions in primary schools to sessions helping those suffering from dementia. Our Foundation also provides the means to engage with large volumes of people about key health messages. We want to work more strategically with partners in some of the most challenging areas and aim to reduce any health inequalities that exist. A focus is put on reducing obesity by promoting healthy eating and physical activity.

Inclusion - Alongside Lincoln City Football Club, we are at the very heart of our growing and diverse community, bringing people together from all walks of life. Our Foundation works with a wide range of partners to help tackle all forms of disadvantage and to promote equality. We have a focus on engaging with groups most at risk of social exclusion and work hard to create stronger, more united communities. Our Foundation wants to work strategically with local partners to remove barriers to participation and achievement across a wide range of initiatives. Using the brand of Lincoln City FC for positive social change, we can encourage people to mix in ways they would not normally do and promote a more tolerant society with a positive outlook towards others within their own community.

Public benefit

In deciding which activities the charity will pursue, the trustees have had regard to the guidance issued by the Charity Commission on public benefit. All activities, delivered by the company, focus on the promotion of increased participation in football, recreation or other leisure time occupation, across the local community.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Following 6 years within the Football Conference / National League we had a successful year back in the English Football League (EFL) within the EFL Trust network. This network even though not much bigger than the National League, has significantly greater structure and works closer with the Premier League Charitable Fund (PLCF). Being part of this network instantly provided core funding and access to two programmes, funded by the PLCF which grew our work programmes without having to apply for monies. Alongside this, with the success of Lincoln City Football Club, we experienced additional participants due to greater interest and saw many of our programmes have increased numbers plus help create greater awareness.

Within the existing programmes of schools, the football development programme, holiday clubs and adult care homes we saw an increase within all. The biggest growth was our Football Development programme that engaged with over 350 children and saw more participants progress their skills and move up the programme. Our schools programme continues to be delivered at a steady rate but the inclusion of new schools within curriculum and extra curriculum time enables us to maintain current staffing and provide opportunity for progression. With enquiries for different types of provision also increasing from just PE lessons, the diversity on offer is attractive to schools and education providers.

For new programmes that started this year, we received funding from the PLCF for Premier League Primary Stars and Premier League Women and Girls. This funding enables us to develop our Primary School offer and also create new opportunities for females across the age groups to access alternative provision. Our Business and Technology Education Council (BTEC) programme began and connected with a new age group that are aiming for success at Level 3 Education. Finally, we were successfully awarded funding within the Community Organising arena whereby we were the only organisation in the country to receive both pots of funding. This achievement is one of our most significant because it has been 4 years in the making and has rewarded our hard work and perseverance in making this part of our work.

Within other work, we continue to receive funding from Cargill plc and are the largest project that they support. We are now into our 7th year of the partnership and hope to continue this which enables school children to access a healthy lifestyle programme.

Sport

Within our Sport sector we have continued to develop our offer which has seen our programmes expand and engage with a wide range of individuals and groups. Our offer includes; Holiday Clubs, Coaching Development Centres, Birthday Parties, Match Day Mascots, Football Tournaments and Futsal. The largest elements of the programme are the development centres and holiday clubs however all areas are expanding and reaching new audiences across Lincoln. The financial figures in all areas represent an increase including a 5% for Birthday Parties, 19% for Holiday Clubs and a 124% increase in overall Sports Participation which is mainly attributed to the growth of Football Development. This year has seen the introduction of more sessions, more activities and more diversity but looking to maintain a high quality of delivery that is open to more sectors of the community.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Education

Last year we introduced new programmes to the Foundation which have proven to be a correct decision, by them being successful in terms of number of people engaging. The Post 16 programme continues to attract many students with plans to extend the provision as our experience develops. We currently have within Year 12 and Year 13, 27 students studying the Level 3 BTEC in Sport with strong recruitment for the 19/20 year. If targets are reached this number will rise to 40 students across the two-year groups. The relationships with partner organisations have been cemented and enable the provision to prosper. Furthermore, within our established programmes we have secured additional work enabling traditional delivery to also prosper and ensure we can secure employment for those delivering. This year saw an increase in funding of 119% to £72,186. The increase in options for delivery and income generation is bringing a greater aspect of sustainability for Education as it continues to be a lead sector for the Foundation.

Health

Health has continued to be one of the smaller sectors within the Foundation however whilst maintaining the work this year we have introduced a new programme called Fuel for School. This programme works on the topic of Food Surplus and provides opportunities for local schools to benefit. Our current programmes that engage with individuals over the age of 55 and have a positive impact on their lives will be evolving and connecting through the EFL Trust through our new Extra Time Hubs programme. This development and additional funding sees the programme grow and increase the profile. We will continue to provide activities through elderly care homes, our community gym and walking football sessions, not only provide physical activity but a large social aspect for the participants. Finally, we have decided to put together a strategy for the Care Home work that aims to increase our reach and have a wider impact across Greater Lincoln.

Inclusion

It has been decided that this year we will focus on trying to increase the amount of Inclusion work by developing work within disability. Previously we had a large programme, although funded, it was well attended and it has slowly decreased. We continue to deliver aspects with disability but we feel we are well placed to develop provision and access funding to start the early work.

Our Community Organising programme continues to go from strength to strength and we applied to the Big Lottery to secure a £240,000 grant for Place Based Social Action, which we were successfully awarded in January 2019. This award further embeds Community Organising as one of our key areas of work.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

FINANCIAL REVIEW

Financial position

Our total income grew by 25% from £452,704 to £564,914. This reflected growth in a range of existing activities and the addition of new ones, notably our BTEC course, which generated £24,000 income in its first year. In addition to this a large amount of deferred income has been recognised within the current year.

In contrast, our costs grew by 10% from £453,296 to £496,480, which meant we achieved a significant surplus of £68,434 compared to a deficit of £592 last year.

This meant that our unrestricted funds increased substantially over the year, rising from £34,885 to £89,999.

Reserves policy

The Foundation would like to have at least three months salaries in unrestricted reserves - around £100,000. This would provide sufficient funds for working capital, a core programme of key activities and cover for a range of short-term financial risks.

We are currently below that level as our free reserves, which equates to our unrestricted funds, at the year end these were £89,999 (2017: £34,885).

We have sufficient reserves to maintain our current programme during 2018/19 and make some developments, often relying on restricted funds to finance them, as outlined on page 5. However, there is a need to replenish our unrestricted funds and then use some of them to develop our infrastructure. This will then enable us to expand the public benefits we can deliver in 2019/20 and beyond.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

FUTURE PLANS

The Foundation will continue to introduce new programmes whilst expanding our existing programmes. Greater emphasis will be put on measuring our impact. The programme areas that we will be looking to expand are:

Sport: The number of children taking part in football programmes not just across Lincoln but Lincolnshire. During the next year we aim to increase delivery by 5% to 520 participants across the four types of development centre. Our football development strategy will be finalised and will identify the key geographical areas to expand the programme.

Education: As our Further Education (FE) programme becomes more established and grows its reputation, we want to be able to provide both Level 2 and Level 3 programmes thereby creating 60 spaces for students to study. Our expansion will continue with the introduction of traineeships that target those 19+ age group to engage them in a study and work programme. Within our first year of delivery we aim to reach 10 people to identify if the programme can be established as a regular yearly and multi cohort programme. Within the schools setting using our Primary Stars programme, provide additional support within a wide range of curriculum subjects. These subjects will include Maths, English, PSHE and citizenship by working with teachers to identify where our impact will be best utilised, plus using targeted programmes to increase inclusion within the classroom. Delivering a successful Primary Stars programme will also place the Foundation in a positive position with the Premier League Charitable Fund (PLCF). This additional funding will enable us to reach a greater number of people and increase our impact.

Health: Through our Care Home Strategy and the introduction of the EFLT Extra Time Hubs programme, increase our Over 55's provision. This provision already exists, but as isolated sessions or projects. During the year we aim to engage with over 100 individuals through the Hubs programme and deliver 600 hours within a care home setting.

Inclusion: The development of our disability programme is a key area following several years without an established programme. A working group will be set up and a strategy developed to identify the need and then devise a project / programme to address the need and source the required funding. Furthermore, in January 2019 we were awarded a grant from the National Lottery of £240,000 to be one of ten projects nationwide to deliver the Place Based Social Action (PBSA) programme. This investment will enable our Community Organising team to increase the delivery to support residents and the community diversity and provide time and resources to engage with new people. This funding has the potential to increase by a further £245,000 if we are one of the 5 projects who are successful in bidding for years 5 to 7 of the PBSA funding.

Our future plans are helped by Lincoln City Football Club now being an established, successful and well respected member of the EFL. Their standing in the EFL enables us to access funding from the Premier League and a wide geographic area that we can target, independently of other EFL members and their respective charities. Our aim is for the Foundation to be sustainable without additional EFL funding and to use the additional funding available from the EFL to fund development projects and building our infrastructure for the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Lincoln City Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 2 June 2008 as last amended by Special Resolution dated 29 September 2017. It is a registered charity with the Charity Commission.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The trustees use a skills matrix to identify the skills required to govern the Foundation's current and future activities. Our Articles of Association currently stipulate that we should have no more than 12 trustees.

Responsibility for trustee recruitment has been delegated to our Organisational Development Sub Committee who will advertise, recruit, review and put forward candidates to the full board. A tailored induction programme is provided to each new trustee, following their appointment.

Organisational structure

Our Board of Trustees meets quarterly. It has established four sub-committees to help undertake its work.

These are:

Organisational Development Committee

- Chair: Pauline Tait (Trustee)
- Members: Julian Purvis (Trustee), Lorena Hall (Co-opted), Paul Hamnett (Head of Community) and Charlotte Hornsby (Operations Manager)

Business Development Committee

- Chair: - Clare Gilman-Abel (Trustee)
- Members: Richard Merryweather (Trustee), Julian Purvis (Trustee), Paul Hamnett (Head of Community) and Sarah Campbell (Finance Manager)

Strategy Development Committee

- Chair: Simon Walters
- Members: Andrew Brown (Trustee), Paul Hamnett (Head of Community) and Charlotte Hornsby (Operations Manager)

Workforce Development Committee

- Chair: Chris Hubbard (Trustee)
- Members: Liam Scully (Trustee), Pauline Tait (Trustee), Paul Hamnett (Head of Community) and Charlotte Hornsby (Operations Manager)

Our Head of Community, Paul Hamnett, has been appointed to manage the day-to-day operations of the charity and to facilitate effective operations he has delegated authority for operational matters including finance, delivery and employment.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or benefit from their work with the charity but are able to claim approved expenses such as travel. Any connection between a Trustee and any of the work we deliver must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year any such related party transactions are reported within note 15.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Any major risk, to which the charity is exposed, as identified by the trustees, has been reviewed and systems have been established to mitigate these risks.

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pay policy for senior staff

The directors consider the board of directors, who are the Foundation's trustees, and senior management team comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis. All directors give their time freely and no director received remuneration in the year.

The pay of senior staff is reviewed annually.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06608600 (England and Wales)

Registered Charity number

1128464

Registered office

Sincil Bank Stadium
Sincil Bank
LINCOLN
Lincolnshire
LN5 8LD

Trustees

J M A Inman	- resigned 23.3.18
K Cooke	- resigned 8.8.18
R J Merryweather	
C J Hubbard	
S N Walters	
P Tait	
F C Gilman-Abel	- appointed 23.3.18
J C Purvis	- appointed 14.9.18
A Daniels	- appointed 14.9.18
	- resigned 11.3.19
C H Nates	- appointed 22.3.19
L J Scully	- appointed 22.3.19
A T Brown	- appointed 29.3.19

Other than where stated above all of the above trustees (who are also the directors of the charity for the purposes of company law) held office during the whole of the period from 1 September 2017 to the date of this report.

Key management personnel

Head of Community - Paul Hamnett

Company Secretary

C L Hornsby

Lincoln City Foundation
Report of the Trustees
for the Year Ended 31 August 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

Emma Murray FCA

ICAEW

Nicholsons

Chartered Accountants

Newland House

The Point

Weaver Road

LINCOLN

Lincolnshire

LN6 3QN

Bankers

Barclays

LEICESTER

Leicestershire

LE87 2BB

Approved by order of the board of trustees on 29 May 2019 and signed on its behalf by:

S N Walters - Trustee

**Independent Examiner's Report to the Trustees of
Lincoln City Foundation**

Independent examiner's report to the trustees of Lincoln City Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Independent Examiner's Report to the Trustees of
Lincoln City Foundation**

Emma Murray FCA
ICAEW
Nicholsons
Chartered Accountants
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

30 May 2019

Lincoln City Foundation
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		2,559	-	2,559	-
Charitable activities	3				
Core		340,820	100,387	441,207	377,381
Other trading activities	2	121,148	-	121,148	75,323
Total		<u>464,527</u>	<u>100,387</u>	<u>564,914</u>	<u>452,704</u>
EXPENDITURE ON					
Raising funds		3,235	716	3,951	11,459
Charitable activities					
Core		403,204	89,325	492,529	441,837
Total		<u>406,439</u>	<u>90,041</u>	<u>496,480</u>	<u>453,296</u>
NET INCOME/(EXPENDITURE)		58,088	10,346	68,434	(592)
Transfers between funds	11	<u>(2,974)</u>	<u>2,974</u>	-	-
Net movement in funds		<u>55,114</u>	<u>13,320</u>	<u>68,434</u>	<u>(592)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>34,885</u>	<u>47,236</u>	<u>82,121</u>	<u>82,713</u>
TOTAL FUNDS CARRIED FORWARD		<u>89,999</u>	<u>60,556</u>	<u>150,555</u>	<u>82,121</u>

Lincoln City Foundation (Registered number: 06608600)
Statement of Financial Position
At 31 August 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
CURRENT ASSETS					
Debtors	9	12,663	616	13,279	34,227
Cash at bank		<u>149,132</u>	<u>68,687</u>	<u>217,819</u>	<u>160,374</u>
		161,795	69,303	231,098	194,601
CREDITORS					
Amounts falling due within one year	10	(71,796)	(8,747)	(80,543)	(112,480)
NET CURRENT ASSETS					
		<u>89,999</u>	<u>60,556</u>	<u>150,555</u>	<u>82,121</u>
TOTAL ASSETS LESS CURRENT					
LIABILITIES					
		<u>89,999</u>	<u>60,556</u>	<u>150,555</u>	<u>82,121</u>
NET ASSETS					
		<u>89,999</u>	<u>60,556</u>	<u>150,555</u>	<u>82,121</u>
FUNDS					
Unrestricted funds	11			89,999	34,885
Restricted funds				<u>60,556</u>	<u>47,236</u>
TOTAL FUNDS					
				<u>150,555</u>	<u>82,121</u>

Lincoln City Foundation (Registered number: 06608600)
Statement of Financial Position - continued
At 31 August 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2018 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 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
- (b) 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 charitable small companies.

The financial statements were approved by the Board of Trustees on 29 May 2019 and were signed on its behalf by:

S N Walters -Trustee

Lincoln City Foundation
Statement of Cash Flows
for the Year Ended 31 August 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>57,445</u>	<u>(5,254)</u>
Net cash provided by (used in) operating activities		<u>57,445</u>	<u>(5,254)</u>
 		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		57,445	(5,254)
Cash and cash equivalents at the beginning of the reporting period		<u>160,374</u>	<u>165,628</u>
Cash and cash equivalents at the end of the reporting period		<u>217,819</u>	<u>160,374</u>

Lincoln City Foundation

Notes to the Statement of Cash Flows
for the Year Ended 31 August 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	68,434	(592)
Adjustments for:		
Depreciation charges	-	24
Decrease/(increase) in debtors	20,948	(26,708)
(Decrease)/increase in creditors	<u>(31,937)</u>	<u>22,022</u>
Net cash provided by (used in) operating activities	<u>57,445</u>	<u>(5,254)</u>

Lincoln City Foundation
Notes to the Financial Statements
for the Year Ended 31 August 2018

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 2015)', 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.

The accounts have been prepared on the going concern basis, there are no material uncertainties which cast any doubt upon the ability to do this.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

Grants:

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

Tangible fixed assets

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

Fixtures and fittings - 33% on cost and 20% on cost

Taxation

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

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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.

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.

Value added tax

The charity is not registered for VAT, and is unable to reclaim the VAT which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of value added tax paid.

Financial Instruments

Only basic financial instruments as defined in FRS 102 are held. Financial assets and financial liabilities are recognised in the accounts only when the entity becomes party to the contractual provisions of the instrument and their measurement basis is as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at transaction price.

Financial liabilities - trade creditors, accruals and other creditors are basic financial instruments, and are measured at amortised cost. Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of future payments, discounted at a market rate of interest.

2. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Birthday parties	11,299	10,768
Education	72,186	32,936
Holiday courses	37,663	31,619
	<u>121,148</u>	<u>75,323</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2018 £	2017 £
General income	Core	121,886	73,949
Matchday activities	Core	92,118	124,457
Grant income	Core	195,862	162,271
Caravans	Core	2,800	13,575
Sponsorship	Core	4,541	3,029
BTEC	Core	24,000	-
Grass roots courses	Core	-	100
		<u>441,207</u>	<u>377,381</u>

Deferred incoming resources	2018 £	2017 £
Deferred income brought forward and released during the year	101,483	70,235
Income received during the period	524,762	421,456
Deferred income carried forward	(61,331)	(101,483)
Income recognised in year to 31 August 2018	<u>564,914</u>	<u>452,704</u>

4. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Core	<u>46,833</u>	<u>6,531</u>	<u>53,364</u>

Support costs, included in the above, are as follows:

	2018 Core £	2017 Total activities £
Wages	35,967	23,519
Hire of facilities	3,523	5,459
Insurance	673	1,814
Sundries	18	20
Administrative costs	6,652	3,243
Accountancy	4,828	3,961
Legal fees	1,703	-
	<u>53,364</u>	<u>38,016</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

5. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	-	25
Other operating leases	3,878	14,598
Fees payable to the Independent Examiner	<u>4,828</u>	<u>3,961</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2018 nor for the year ended 31 August 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2018 nor for the year ended 31 August 2017.

7. STAFF COSTS

	2018	2017
	£	£
Salaries and wages	334,976	220,035
Social security	21,453	9,951
Pensions	3,235	1,903
	<u>359,664</u>	<u>231,889</u>

During the year Key management personnel received remuneration amounting to, £30,500 (2017 £30,500).

The average monthly number of employees during the year was as follows:

	2018	2017
Permanent employees	<u>25</u>	<u>16</u>

No employees received emoluments in excess of £60,000.

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

8. TANGIBLE FIXED ASSETS		Fixtures and fittings £
COST		
At 1 September 2017 and 31 August 2018		<u>14,197</u>
DEPRECIATION		
At 1 September 2017 and 31 August 2018		<u>14,197</u>
NET BOOK VALUE		
At 31 August 2018		<u> -</u>
At 31 August 2017		<u> -</u>
9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2018	2017
	£	£
Trade debtors	12,640	30,068
Other debtors	-	-
Prepayments and accrued income	<u>639</u>	<u>4,159</u>
	<u>13,279</u>	<u>34,227</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2018	2017
	£	£
Trade creditors	11,255	3,485
Social security and other taxes	55	-
Other creditors	189	189
Accruals	7,712	7,323
Deferred income	<u>61,332</u>	<u>101,483</u>
	<u>80,543</u>	<u>112,480</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS

	At 1.9.17 £	Net movement in funds £	Transfers between funds £	At 31.8.18 £
Unrestricted funds				
General fund	34,885	58,088	(2,974)	89,999
Restricted funds				
Cargill	-	6,248	-	6,248
Mental Illness Prevention Fund	-	(1,306)	1,306	-
Big Lottery	20,303	-	-	20,303
Caravans Restricted element	3,056	2,172	-	5,228
Community Organisers	(1,668)	-	1,668	-
NCS	6,667	-	-	6,667
Thumbs Up To Health	4,613	-	-	4,613
Sports Activator	9,472	-	-	9,472
Moorland Kurling Club	1,487	51	-	1,538
Inspiring Lives	5,469	13	-	5,482
Get On Side	(2,163)	3,168	-	1,005
	<u>47,236</u>	<u>10,346</u>	<u>2,974</u>	<u>60,556</u>
TOTAL FUNDS	<u>82,121</u>	<u>68,434</u>	<u>-</u>	<u>150,555</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	464,527	(406,439)	58,088
Restricted funds			
Cargill	14,763	(8,515)	6,248
Mental Illness Prevention Fund	13,577	(14,883)	(1,306)
Caravans Restricted element	2,353	(181)	2,172
Community Organisers	21,585	(21,585)	-
Moorland Kurling Club	966	(915)	51
Inspiring Lives	13	-	13
Get On Side	47,130	(43,962)	3,168
	<u>100,387</u>	<u>(90,041)</u>	<u>10,346</u>
TOTAL FUNDS	<u>564,914</u>	<u>(496,480)</u>	<u>68,434</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.16 £	Net movement in funds £	At 31.8.17 £
Unrestricted Funds			
General fund	39,428	(4,543)	34,885
Restricted Funds			
Big Lottery	20,303	-	20,303
Caravans Restricted element	2,728	328	3,056
Community Organisers	(8)	(1,660)	(1,668)
NCS	-	6,667	6,667
Thumbs Up To Health	5,461	(848)	4,613
Sports Activator	9,555	(83)	9,472
Moorland Kurling Club	1,058	429	1,487
Inspiring Lives	4,188	1,281	5,469
Get On Side	-	(2,163)	(2,163)
	<u>43,285</u>	<u>3,951</u>	<u>47,236</u>
TOTAL FUNDS	<u>82,713</u>	<u>(592)</u>	<u>82,121</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	273,382	(277,925)	(4,543)
Restricted funds			
Caravans Restricted element	12,285	(11,957)	328
Community Organisers	22,056	(23,716)	(1,660)
NCS	52,000	(45,333)	6,667
Thumbs Up To Health	33,695	(34,543)	(848)
Sports Activator	35,351	(35,434)	(83)
Moorland Kurling Club	681	(252)	429
Inspiring Lives	1,359	(78)	1,281
Get On Side	21,895	(24,058)	(2,163)
	<u>179,322</u>	<u>(175,371)</u>	<u>3,951</u>
TOTAL FUNDS	<u>452,704</u>	<u>(453,296)</u>	<u>(592)</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.16 £	Net movement in funds £	Transfers between funds £	At 31.8.18 £
Unrestricted funds				
General fund	39,428	53,545	(2,974)	89,999
Restricted funds				
Cargill	-	6,248	-	6,248
Mental Illness Prevention Fund	-	(1,306)	1,306	-
Big Lottery	20,303	-	-	20,303
Caravans Restricted element	2,728	2,500	-	5,228
Community Organisers	(8)	(1,660)	1,668	-
NCS	-	6,667	-	6,667
Thumbs Up To Health	5,461	(848)	-	4,613
Sports Activator	9,555	(83)	-	9,472
Moorland Kurling Club	1,058	480	-	1,538
Inspiring Lives	4,188	1,294	-	5,482
Get On Side	-	1,005	-	1,005
	<u>43,285</u>	<u>14,297</u>	<u>2,974</u>	<u>60,556</u>
TOTAL FUNDS	<u>82,713</u>	<u>67,842</u>	<u>-</u>	<u>150,555</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	737,909	(684,364)	53,545
Restricted funds			
Cargill	14,763	(8,515)	6,248
Mental Illness Prevention Fund	13,577	(14,883)	(1,306)
Caravans Restricted element	14,638	(12,138)	2,500
Community Organisers	43,641	(45,301)	(1,660)
NCS	52,000	(45,333)	6,667
Thumbs Up To Health	33,695	(34,543)	(848)
Sports Activator	35,351	(35,434)	(83)
Moorland Kurling Club	1,647	(1,167)	480
Inspiring Lives	1,372	(78)	1,294
Get On Side	69,025	(68,020)	1,005
	<u>279,709</u>	<u>(265,412)</u>	<u>14,297</u>
TOTAL FUNDS	<u>1,017,618</u>	<u>(949,776)</u>	<u>67,842</u>

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS - continued

RESTRICTED FUNDS

Butlins Caravans

The two Short Breaks Caravans are both adapted to meet the needs of as many families in Lincolnshire that have a child aged 5 - 18 years of age with a disability. The Caravans are subsidised by Lincolnshire County Council and allow families to book either a Monday to Friday or Friday to Monday break at Butlins Skegness for just £200. Breaks are available in both adapted Caravans from March to the start of November.

Big Lottery

The IMPowerment for All Project funded by the Big Lottery Fund is aimed at providing more sporting opportunities for people with disabilities in Lincolnshire. The project is county wide and provides sports and activities for Mental Health Units, 21 Care Homes and all 21 SEN schools in the seven districts of Lincolnshire. During each year 100 people will be identified to undertake a Sports Leaders Day Certificate to create some individuals who have a very basic understanding of how to provide a fun, safe sport or activity session with the aim of creating some sustainable activity after the project.

NCS

The National Citizen Service (NCS) is a programme for 15-17 year olds to develop life skills outside of the classroom. There are 3 phases, Phase 1 is residential taking part in activities such as abseiling and raft building. Phase 2 is another residential week participating in various local business and charity challenges. Phase 3 will include planning and delivering a volunteering and community project.

Community Organisers

A national training and development programme, providing an opportunity for people to improve their local community. The role of a Community Organiser is to listen to local people, support people to develop their power to act together for the common good and help people take action on the local issues that are important to them.

Sports Activator

The Community Sports Activation Project aims to provide and increase sporting and fitness opportunities for people in the community of Park and Abbey wards in Lincoln aged 14+ years over the 3 years.

Thumbs Up To Health

The Thumbs Up To Health programme aim is to help people to improve their health through exercise and nutritional advice. It covers the whole community from primary school age all the way through to the over 50's population in and around Lincoln. This is achieved through a number of weekly sessions, school programmes and one off days during the year. This project is funded by the Football Conference Trust through our link with Lincoln City Football Club.

Lincoln City Foundation
Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. MOVEMENT IN FUNDS - continued

Moorland Kurling Club

The Moorland Kurling Club was initially a session ran by Lincoln City FC Sport and Education Trust. It was open to the over 50s community and has since grown in size and popularity. The trust still helps to facilitate the session by paying for the venue hire, but the participants themselves now run the session. Each pays a weekly fee which is given to the trust to bank and is then saved up to replace equipment and any other costs that might be incurred.

Inspiring Lives

This appeal has been set up as the Trust would like to raise money for the disabled and those living in areas of deprivation. All the money raised will go to support individuals and families across Lincoln and surrounding areas.

Get Onside

Get onside is a three year BBC Children in Need funded project, to support children to access sport and physical activity sessions across Lincoln.

Transfers between funds

At the year end an amount of £1,668 was transferred from the General fund to Community Organisers, and £1,306 was transferred from the General fund to the Mental Illness Prevention Fund, these transfers were to cover overspends which had been made within the restricted funds.

In addition to the above there were numerous transfers between unrestricted funds which represented a consolidation of the balances within this fund.

12. RELATED PARTY DISCLOSURES

During the year there were various transactions between the charity and Lincoln City Football Club Company Ltd, which is connected by virtue of the fact that two trustees, Clive Nates and Liam Scully, hold directorships within this company. The transactions totalled an amount receivable of £17,494 (2017: £2,654) and costs incurred of £45,612 (2017: £26,461). All transactions are considered to be on normal commercial terms, at the year end the charity had a net amount payable of £5,779 (2017: £170).

13. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

14. MEMBERS' LIABILITY

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required not exceeding £10, for the debts and liabilities contracted before he/she ceased to be a member.

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