

REGISTERED COMPANY NUMBER: 06836348 (England and Wales)
REGISTERED CHARITY NUMBER: 1138624

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2017
for
The Lakes Flying Company Limited**



Bennett Brooks & Co Limited
Chartered Accountants
St George's Court
Winnington Avenue
Northwich
Cheshire
CW8 4EE

The Lakes Flying Company Limited

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for the year ended 31 March 2017**

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The Lakes Flying Company Limited

Report of the Trustees for the year ended 31 March 2017

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 March 2017. 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).

INCORPORATION

The charitable company was incorporated on 4 March 2009.

OBJECTIVES AND ACTIVITIES

Principal objectives

To establish and maintain a heritage centre for the benefit of the public, that will tell the story of early aircraft with the emphasis on the history of their early development and their activities in and around Windermere and the Lake District. To publicise the achievements of Captain E W Wakefield and the development of Waterbird, the first successful British hydro-aeroplane, and other pioneers and their aircraft, and aircraft builders. The Museum's exhibits will include, where appropriate, aircraft, memorabilia and artefacts from both the pioneering age and subsequent aviation activity in the area.

With these objectives in mind, the trustees have concentrated on the following areas:

I - The construction of a fully operational replica Waterbird aeroplane to be used in flying exhibitions. The Trustees are currently trying to secure sufficient funding for the construction.

II - To research, develop and produce a publicly accessible archive, online resource and an associated, adaptable touring exhibition focusing on the unknown story of "Waterbird", Britain's first successful seaplane, and the associated early Pioneer Age flying activities in the Lake District. Initial funding was provided by the Heritage Lottery Fund ("HLF").

We would look to involve the public in the development of the project through talks, workshops, lectures, a compact specially designed touring exhibition, and archive research opportunities for volunteers and schools. The presentation display in libraries and public spaces during the research period will perform an educational role, and will also be a valuable means of discovering information in the hands of visitors and the public at large.

The touring exhibition will be designed and presented on a banner stand system for maximum adaptability, and will be suitable to exhibit in libraries, school, care homes, gatherings, presentations at the heart of the community. It can be accompanied by a selection of books, a digital display, information, and will be updated during the project.

The Wakefield family have a remarkable collection of approximately three hundred letters, invoices, documents, original glass plate photographs and books from the time, recently discovered and archived (though not catalogued).

Captain E W Wakefield was at the heart of a network of early aviators and much more related material to the events exists in other local and national, public and private collections. We would want to research and identify this related material in order to place the Lake District at the heart of British early aviation developments. Relevant archive sources from the National Archives, Fleet Air Arm Museum, RAF Museum, Museum of Science and Industry, Shuttleworth Collection, and Tatton Park can all be digitised and form part of the Waterbird story.

ACHIEVEMENT AND PERFORMANCE

Achievements to date

- Building on the relationship with the Fly Navy Heritage Trust ("FNHT") and the Fleet Air Arm Museum at Yeovilton. Addressing the Trustees of the FNHT, visiting the Royal Navy Historic Flight ("RNHF"), showing members of the FNHT around Hill of Oaks and Cockshott Point (the sites where the Waterbird was operated/hangared and of a Royal Naval Air Station 1916-1917), and entering into a Memorandum of Understanding with the FNHT. In the Fleet Air Arm Diary for 2012, an article appeared celebrating the centenary of Waterbird - as far as we know, this was the first recognition in a Fleet Air Arm publication of the importance of Waterbird in naval aviation history. Waterbird has been adopted as one of the aircraft of the NAVY WINGS collection.

- The appointment of Admiral of the Fleet Sir Benjamin Bathurst as our President.

The Lakes Flying Company Limited

Report of the Trustees for the year ended 31 March 2017

ACHIEVEMENT AND PERFORMANCE

- Presentations to Levens History Society, Lyth Valley History Society, Windermere Motor Boat Racing Club, Rotary Club of Windermere, Avro Lancashire, Windermere and Bowness Civic Society, Cumbria Industrial History Society, South Copeland Tourist Community Interest Company, Rotary Club of Ulverston, Western Front Association, Windermere Motor Boat Racing Club, Friends of Lancaster Maritime Museum, Levens History Society, Kendal Probus Club, Lunesdale Probus Club, Staveley History Society and Windermere 41 Club.

- Visits to Brooklands Museum (where Waterbird was tested), Solway Aviation Museum, Yorkshire Air Museum, Foynes Museum, Solent Sky Museum, RAF Museum at Hendon, Imperial War Museum Archive, Biscarosse Museum, National Archives, RAF Museum at Stafford (where original parts of Waterbird are stored), and Wickenby Airfield to see the build of the replica Waterbird, including with a reporter from Border TV and to show the build to others e.g. grandsons of Lt (later Air Chief Marshal) Arthur Longmore who test flew Waterbird for the Admiralty, Stow Maries airfield and Museum of Science and Industry.

- Workshops in schools, and exhibitions at Kendal Library, Barclays Bank Kendal and Windermere Library. Articles appeared in the Westmorland Gazette as to the build of Waterbird free flying models by school pupils.

- A plaque at the Glebe in Bowness.

- An event, attended by approx. 130 guests, on the centenary of Waterbird's first flight, attracting much media attention, for which we engaged a consultant, recorded by video and a photographer. Exhibits included 4 models of Waterbird and the original float. Guests included members of the Wakefield family (including the grandson of Edward Wakefield's brother from Canada), dignitaries, representatives of organisations, granddaughters of Lt Longmore, great nephew of Herbert Stanley Adams (Waterbird's pilot), grandson of Sir Alliot Verdon Roe (who built Waterbird), FNHT, 2 Rear Admirals and the builder of the replica Waterbird. We were very grateful to English Lakes Hotels for sponsoring 100 lunches.

- Events, at the Belsfield Hotel, to celebrate Edward Wakefield attended by approximately 70 guests, recorded by video, including a flypast by a Sea Fury of the RNHF, when the fuselage and a wing of the replica Waterbird were displayed.

- An event, at the Old England Hotel, with TV and radio coverage to launch our Adopt a Part Scheme.

- Meetings with the Lake District National Park Authority ("LDNPA"), towards applying for permission to exceed the speed limit on Windernere. Briefing the Friends of the Lake District on the project (when it was discovered that Edward Wakefield's sister-in-law was a founder).

- Digitising the archives at Kendal and Wallingford.

- Establishing a website, producing booklets, pull up banners, tote bags and postcards, and having the replica Waterbird build photographed.

- Presenting photographic montages of Waterbird and associated history to Storrs Hall Hotel, English Lakes Hotels, Windermere Hydro Hotel, Belsfield Hotel, Old England Hotel, Windermere Aquatic and LDNPA.

- Waterbird Wheat Ale by Bowness Bay Brewing.

FINANCIAL REVIEW

Reserves policy

Archive

Initial funding for establishing the archiving was provided by the HLF. This project has now been completed and all reserves utilised.

Public Benefits

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission.

The Lakes Flying Company Limited

Report of the Trustees for the year ended 31 March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Lakes Flying Company is a charity limited by guarantee without share capital and registered under the Companies Act 1985, registration number 06836348. The company is governed by its Articles of Association dated 4 March 2009.

In the event of a winding up of the company, the present members and those who have ceased to be a member within one year of such an event have guaranteed the liabilities of the company to the sum not exceeding ten pounds each.

Recruitment and appointment of new trustees

New trustees will be recruited according to the needs of the charity and the suitability of possible candidates. A unanimous approval of existing trustees would lead to their appointment.

The Articles of Association states that the number of directors shall have no maximum and shall not be less than three.

Full details are contained in the company's Articles of Association, dated on incorporation on 4 March 2009, which may be inspected at the registered office.

Organisational structure

The Lakes Flying Company Limited is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of the Lakes Flying Company Limited and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet periodically to monitor progress and determine required actions which are delegated to the members of the Board.

Related parties

There are no related party transactions to report on in these accounts.

History

Captain Wakefield (1862-1941) of the Old House, Kendal had served in the Boer War. He was a wealthy landowner, barrister, amateur scientist, pioneer aviator and Under Sheriff of Westmorland. He believed that the high incidence of flying accidents could be minimised by designing an aeroplane to take off and land on water. His experiments, to overcome the lift problems generated by surface tension, resulted in his float and its method of attachment being patented. Captain Wakefield's original float and other parts are stored at the RAF Museum in Stafford.

On 25 November 1911 Herbert Stanley Adams piloted Waterbird on the first successful hydro-aeroplane flight in Britain. Shortly afterwards he flew the whole length of Windermere. The local press, invited to watch, published enthusiastic articles. A more advanced model was developed, this time largely by Wakefield and Adams. Waterhen, as she was called, flew hundreds of successful flights with only one minor accident.

The Royal Navy, who had established an experimental airship and flying station close to Windermere at Barrow-in-Furness, showed a keen interest in Captain Wakefield's experiments. The Admiralty invited Wakefield to sign the Official Secrets Act and contracted him to test several of their aeroplanes. Winston Churchill, the First Lord of the Admiralty, confirmed Wakefield's appointment in parliament. On the outbreak of World War I, Wakefield handed over all his patents and data to the Navy who incorporated them into their embryo, seaplane programme.

Wakefield's nephew and heir, William Wavell Wakefield (1898-1983), later Captain of the England rugby team (1927-1930) and Lord Wakefield of Kendal (1962) joined the Royal Naval Air Service in 1916 and became the first pilot to land a plane on the after-deck of HMS Vindictive. His diaries, log books and photographs are with the Wakefield family archive.

The Old House, Kendal continues in Wakefield family occupation as well as Hill of Oaks, the site from where Waterbird made her historic flight.

Sir Humphry Wakefield, Richard Wakefield Raynsford and John Gordon, Captain Wakefield's great-grandson, while researching family records, recently uncovered the Waterbird archive owned by John Gordon. They directly decided to form a Waterbird Project Committee to undertake the build of a replica Waterbird.

The Lakes Flying Company Limited

**Report of the Trustees
for the year ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
06836348 (England and Wales)

Registered Charity number
1138624

Registered office
5 Thurnham Street
Aalborg Square
Lancaster
Lancashire
LA1 1XU

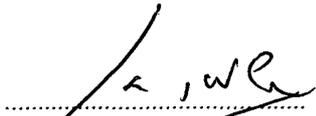
Trustees

P Connon	Director	
I J N Gee	Director	
Mrs P A Gee	Director	
R W Raynsford	Director	
Sir E H T Wakefield	Director	
G Q S Parker	Director	
A B Legge	Director	
M C Nixon	Director	
G M New	Director	- appointed 13.6.16

Solicitors

JWK Solicitors
5 Thurnham Street
Aalborg Square
Lancaster
LA1 1XU

Approved by order of the board of trustees on 23/11/2017 and signed on its behalf by:


.....
I J N Gee - Trustee

The Lakes Flying Company Limited

Statement of Financial Activities
for the year ended 31 March 2017

	Notes	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies		20	-	20
Total		<u>20</u>	<u>-</u>	<u>20</u>
EXPENDITURE ON				
Charitable activities				
Charitable Activities		843	-	843
Other		160	-	160
Total		<u>1,003</u>	<u>-</u>	<u>1,003</u>
NET INCOME/(EXPENDITURE)		<u>(983)</u>	<u>-</u>	<u>(983)</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		84,843	-	84,843
TOTAL FUNDS CARRIED FORWARD		<u><u>83,860</u></u>	<u><u>-</u></u>	<u><u>83,860</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Lakes Flying Company Limited

Balance Sheet
At 31 March 2017

	Notes	Unrestricted fund £	Restricted fund £	Total funds £
FIXED ASSETS				
Tangible assets	4	63,508	-	63,508
CURRENT ASSETS				
Debtors	5	5,000	-	5,000
Cash at bank		15,352	-	15,352
		<u>20,352</u>	-	<u>20,352</u>
NET CURRENT ASSETS		<u>20,352</u>	-	<u>20,352</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>83,860</u>	-	<u>83,860</u>
NET ASSETS		<u>83,860</u>	-	<u>83,860</u>
FUNDS	6			
Unrestricted funds				<u>83,860</u>
TOTAL FUNDS				<u>83,860</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

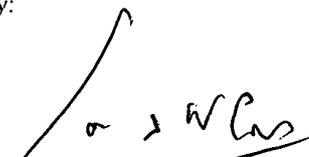
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

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.

The financial statements were approved by the Board of Trustees on 23/11/2017 and were signed on its behalf by:


I J N Gee -Trustee

The notes form part of these financial statements

The Lakes Flying Company Limited

Notes to the Financial Statements for the year ended 31 March 2017

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.

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 expenditure

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

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 - 10% on reducing balance

Taxation

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

Fund accounting

Unrestricted funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted Funds

Restricted funds are funds which have been given for particular purposes and projects. Details of the nature and purpose of the restricted fund is set out in the notes to the financial statements.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. NET INCOME/(EXPENDITURE)

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

Depreciation - owned assets	£ 160
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The Lakes Flying Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2017**

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017.

Trustees' expenses

No expenses have been re-imbursed to trustees in this year or the previous year.

4. TANGIBLE FIXED ASSETS

	Aeroplane under the course of construction £	Fixtures and fittings £	Totals £
COST			
At 1 April 2016	62,068	-	62,068
Additions	-	1,600	1,600
	<u>62,068</u>	<u>1,600</u>	<u>63,668</u>
At 31 March 2017	62,068	1,600	63,668
	<u>62,068</u>	<u>1,600</u>	<u>63,668</u>
DEPRECIATION			
Charge for year	-	160	160
	<u>-</u>	<u>160</u>	<u>160</u>
NET BOOK VALUE			
At 31 March 2017	<u>62,068</u>	<u>1,440</u>	<u>63,508</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other debtors	£ <u>5,000</u>
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6. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	84,843	(983)	83,860
	<u>84,843</u>	<u>(983)</u>	<u>83,860</u>
TOTAL FUNDS	<u>84,843</u>	<u>(983)</u>	<u>83,860</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	20	(1,003)	(983)
	<u>20</u>	<u>(1,003)</u>	<u>(983)</u>
TOTAL FUNDS	<u>20</u>	<u>(1,003)</u>	<u>(983)</u>

The Lakes Flying Company Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2017**

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

8. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

The Lakes Flying Company Limited
Detailed Statement of Financial Activities
for the year ended 31 March 2017

	£
INCOME AND ENDOWMENTS	
Donations and legacies	
Gifts & Donations	20
	<hr/>
Total incoming resources	20
 EXPENDITURE	
Charitable activities	
Insurance	579
Website hosting	264
	<hr/>
	843
 Other	
Fixtures and fittings	160
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Total resources expended	1,003
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Net expenditure	<u><u>(983)</u></u>

This page does not form part of the statutory financial statements