

LC COMMUNITY PROJECTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017



REGISTERED NO. 08537493

REGISTERED OFFICE STANLEY BETT HOUSE, 15/23 TENTERCROFT ST, LINCOLN, LN5 7DB

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LC COMMUNITY PROJECTS LIMITED
COMPANY INFORMATION

DIRECTORS

D Maltby
P McSorley
D Chambers
S Hughes

SECRETARY:

J. Powell LLB Hons, MBA

AUDITOR:

KPMG LLP
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

REGISTERED OFFICE:

Stanley Bett House
15/23 Tentercroft Street
Lincoln
LN5 7DB

REGISTERED NUMBER: 08537493

LC COMMUNITY PROJECTS LIMITED DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 August 2017.

Review of the business

During the year the company designed a further residential development and at the year end is awaiting the decision of the planning application before purchase of the land and commencing on site.

Results and dividend

A dividend of £300,000 was paid during the year. The Company has met the requirements of the Companies Act 2006 in the period to obtain exemption provided from the presentation of a Strategic Report.

Directors

The present directors of the Company are set out on page 1. D Maltby and S Hughes are appointed as representatives of Lincolnshire Co-operative Limited. D Chambers and P McSorley are appointed representatives of Lindum Group Limited

Disclosure of Information to Auditor

The directors who held office at the date of approval of this directors' report confirmed that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have taken steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The report of the directors was approved by the board on **18 December 2017** and signed on its behalf by:

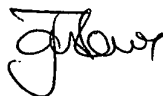
Director

D. Maltby



Secretary

J. Powell



LC COMMUNITY PROJECTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of that company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements,
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LC COMMUNITY PROJECTS LIMITED

Opinion

We have audited the financial statements of L C Community Projects Limited ("the company") for the year ended 31 August 2017 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st August 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LC COMMUNITY PROJECTS LIMITED (cont'd)

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola Quayle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

18 December 2017

LC COMMUNITY PROJECTS LIMITED
PROFIT AND LOSS
YEAR ENDED 31 AUGUST 2017

	NOTES	2017 £'000	2016 £'000
TURNOVER	2	-	1,895
Cost of sales		-	(1,469)
		<hr/>	<hr/>
GROSS PROFIT		-	426
Administrative expenses	3	-	(1)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	425
Tax on profit on ordinary activities	5	-	(85)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		-	340
		<hr/>	<hr/>

The company has not traded during the current year.


The profit for the prior year represents the total comprehensive income for the year and no separate statement is required.

The notes on pages 10 to 12 form part of these accounts.

LC COMMUNITY PROJECTS LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2017

	NOTES	2017 £'000	2016 £'000
CURRENT ASSETS			
Stock and work in progress		22	-
Debtors	6	-	2
Cash in bank and in hand		84	429
		<u>106</u>	<u>431</u>
CREDITORS			
Amounts falling due within one year	7	<u>(66)</u>	<u>(91)</u>
NET ASSETS		<u>40</u>	<u>340</u>
CAPITAL AND RESERVES			
Share capital	8	-	-
Profit and loss account		40	340
SHAREHOLDERS' FUNDS		<u>40</u>	<u>340</u>

The financial statements were approved by the Board on **18 December 2017** and signed on its behalf by:

 Director D. MALTBY

REGISTERED NO. 08537493

The notes on pages 10 to 12 form part of these accounts.

LC COMMUNITY PROJECTS LIMITED
CASH FLOW STATEMENT
AS AT 31 AUGUST 2017

	2017 £'000	2016 £'000
Profit before tax	-	425
Decrease in stock	-	866
Decrease/(Increase) in Debtors	2	(2)
Decrease in creditors	(2)	(1,020)
Dividends paid	(300)	-
Tax Paid	(85)	-
Net cash flow from operating activities	<u>(385)</u>	<u>269</u>
Cash flows from financing activities		
Proceeds from new loan	<u>40</u>	<u>-</u>
(Decrease)/Increase in cash	(345)	269
Cash at start of the year	429	160
Cash at end of the year	<u>84</u>	<u>429</u>

LC COMMUNITY PROJECTS LIMITED
STATEMENT OF CHANGES IN EQUITY
AST AT 31 AUGUST 2017

	Share Capital £'000	Profit and Loss Account £'000	Total Equity £'000
At 31 August 2016	-	340	340
Dividends	-	(300)	(300)
Transactions with owners	-	(300)	(300)
At 31 August 2017	-	40	40

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2017

1) Accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS102 issued in July 2015 and effective immediately have been approved.

The financial statements are prepared on the historical cost basis.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. There have been no changes to the accounting policies during the year.

Stock

Stock represents building development work in progress and is stated at the lower of cost and net realisable value.

Turnover

Turnover consists of property sales, exclusive of value added tax.

Taxation

Provision has been made to the estimated liability based on the profit for the year at the current rate of corporation tax.

Debtors

Debtors are measured at amortised cost less any impairment.

Creditors

Creditors are measured at amortised cost.

2) Turnover

The total turnover of the Company was derived from its principal activity wholly undertaken in the United Kingdom.

3) Expenses

For the current period, remuneration of the auditor for audit work of £550 (2016: £3,700), was borne by the Lincolnshire Co-operative Limited.

4) Employees and directors

The only employees of the Company are the directors, details of which can be found on page 1 of this report.

The emoluments of directors were borne by the respective parent organisations. It is not practical to apportion directors' fees between subsidiaries and the total is shown in the respective parent consolidated accounts.

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2017

5) Taxation

	2017 £'000	2016 £'000
a) Analysis of charge in year		
UK Corporation tax	<u>-</u>	<u>85</u>

b) Factors affecting the tax charge for the current year.

The current tax charge equals the standard value of corporation tax in the UK of 20%.

	2017 £'000	2016 £'000
Profit on ordinary activities before tax	<u>-</u>	<u>425</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax	<u>-</u>	<u>85</u>

The standard rate of corporation tax in the UK is expected to reduce to 17% in 2020. This reduction will change the company's future tax charge accordingly.

6) Debtors

	2017 £'000	2016 £'000
Amounts due within one year		
VAT	<u>-</u>	<u>2</u>

7) Creditors

	2017 £'000	2016 £'000
Amounts falling due within one year		
Trade creditors	26	6
Corporation Tax	-	85
Owed to parent undertakings	<u>40</u>	<u>-</u>
	<u>66</u>	<u>91</u>

8) Share Capital

	2017	2016
Allotted, called up and fully paid		
Ordinary share of £1 each	<u>2</u>	<u>2</u>

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2017

9) Related Party Transactions

LC Community Projects Limited is a joint venture of Lincolnshire Co-operative Limited and Lindum Group Limited.

At the year end £20,000 (2016: £nil) was owed to Lincolnshire Co-operative Limited and £20,000 (2016: £nil) was owed to Lindum Group Limited, both as interest free loans.

During the prior year the Company contracted with Lindum Group Limited to build residential property and £566,000 was invoiced during that year.

10) Financial Instruments

The company's financial instruments are as follows:

	2017 £'000	2016 £'000
Financial Assets		
Measured at amortised cost	<u>84</u>	<u>431</u>
Financial Liabilities		
Measured at amortised cost	<u>66</u>	<u>91</u>

Financial assets measured at amortised cost comprise cash at bank, together with the VAT debtor.

Financial liabilities measured at amortised cost comprise trade creditors, corporation tax, together with amounts owed to parent undertakings.