

LC COMMUNITY PROJECTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



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.C. Chambers
S.D. Mitchell
R.A. Wills
J.L. Munn

SECRETARY:

R.J. Allen

AUDITOR:

Mazars LLP
Chartered Accountants
First Floor
2 Chamberlain Square
Birmingham
B3 3AX

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 L C Community Projects Limited ("the Company") for the year ended 31 August 2023.

Results and dividend

The results for the year are on page 8. A dividend of £Nil (2022: £240,000) 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 directors who served during the year are shown below.

D.C. Chambers
S.D. Mitchell
R.A. Wills
J.L. Munn

R Wills and J Munn are appointed as representatives of Lincolnshire Co-operative Limited. D Chambers and S Mitchell are appointed representatives of Lindum Group Limited.

Director's indemnity

The group which includes LC Community Projects Limited has provided an indemnity for directors and officers of the Company in respect of liability they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have done or omitted, by them as officers or employees of the Company. Appropriate directors' and officers' liability insurance cover is in place in respect of all the Company's directors.

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 Mazars LLP will be deemed to be reappointed and therefore continue in office.

The report of the directors was approved by the board on **7 November 2023**, and has been prepared in accordance with the Small Companies regime of the Companies Act 2006 and signed on its behalf by:



Director J.L. Munn



Secretary R.J. Allen

LC COMMUNITY PROJECTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The directors are responsible for preparing the Annual' 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* including the provision of Section 1A "Small Entities", and the Companies Act 2006.

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 the 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;
- 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.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 LC Community Projects Limited (the 'Company') for the year ended 31 August 2023 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board of Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board of Directors' with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Board of Directors' are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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
- 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

Responsibilities of the Board of Directors'

As explained more fully in the Directors' responsibilities statement set out on page 3, the Board of Directors' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Directors' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors' are responsible for 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 the Board of Directors' either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the Board of Director's and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

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

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures in relation to fraud included but were not limited to:

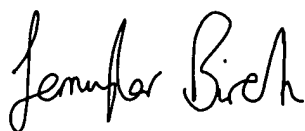
- Making enquiries of the Board of Directors' and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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.



Jennifer Birch CA (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor
2 Chamberlain Square
Birmingham
B3 3AX

Date Nov 8, 2023

LC COMMUNITY PROJECTS LIMITED
PROFIT AND LOSS
YEAR ENDED 31 AUGUST 2023

	NOTE	2023 £'000	2022 £'000
TURNOVER	2	-	-
Cost of sales		4	-
		<hr/>	<hr/>
GROSS PROFIT		4	-
Administrative expenses	3	-	-
		<hr/>	<hr/>
PROFIT BEFORE TAXATION		4	-
Taxation	5	3	5
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		7	5
		<hr/>	<hr/>

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

The notes on pages 11 to 14 form part of these accounts.

LC COMMUNITY PROJECTS LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2023

	NOTE	2023 £'000	2022 £'000
CURRENT ASSETS			
Stock and work in progress	6	273	267
Debtors	7	3	-
Cash in bank and in hand		128	135
		<u>404</u>	<u>402</u>
CREDITORS			
Amounts falling due within one year	8	<u>(333)</u>	<u>(338)</u>
NET ASSETS		<u>71</u>	<u>64</u>
CAPITAL AND RESERVES			
Share capital	9	-	-
Profit and loss account		71	64
SHAREHOLDERS' FUNDS		<u>71</u>	<u>64</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the Small Companies regime of the Companies Act 2006.

The financial statements were approved by the Board on **7 November 2023** and signed on its behalf by:



Director J.L. Munn

REGISTERED NO. 08537493

The notes on pages 11 to 14 form part of these accounts.

LC COMMUNITY PROJECTS LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT 31 AUGUST 2023

	Share Capital £'000	Profit and Loss Account £'000	Total Equity £'000
At 31 August 2021	<u>-</u>	<u>299</u>	<u>299</u>
Profit	-	5	5
Dividends paid	-	(240)	(240)
At 31 August 2022	<u>-</u>	<u>64</u>	<u>64</u>
Profit	-	7	7
At 31 August 2023	<u>-</u>	<u>71</u>	<u>71</u>

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

1. Accounting policies

Statutory information

LC Community Projects Limited is a private company, limited by shares, incorporated in England. The registered office can be found on the company information page.

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 including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

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.

The Company is considered to be a qualifying small company and has applied the exemption under FRS102 in respect to the Cash Flow Statement and related notes.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared a going concern assessment for a 24 month period from the year end date which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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.

Stock

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

Debtors

Debtors are measured at amortised cost less any impairment.

Creditors

Creditors are measured at amortised cost.

Provisions

Provisions are recognised when there is a present legal or constructive obligation arising as a result of a past event, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

Reserves

The profit and loss reserve represents cumulative profit or losses, net of dividend paid.

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

2. Turnover

During the year, there was no turnover.

3. Expenses

For the current period, remuneration of the auditor for audit work of £1,000 (2022: £1,000), was borne by 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.

5. Taxation

	2023 £'000	2022 £'000
a) Analysis of charge in year		
UK Corporation tax	1	-
Overprovided in prior years	<u>(4)</u>	<u>(5)</u>
	(3)	(5)

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

	2023 £'000	2022 £'000
Profit before tax	<u>3</u>	<u>-</u>
Profit before tax multiplied by the standard rate of corporation tax of 25% (2022: 19%)	1	-
Overprovided in prior years	<u>(4)</u>	<u>(5)</u>
	<u>(3)</u>	<u>(5)</u>

The standard rate of Corporation tax in the UK was increased to 25% in April 2023. This will increase the Company's current and future tax charge accordingly.

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

6. Stocks and work in progress	2023	2022
	£'000	£'000
Development work in progress	<u>273</u>	<u>267</u>
 7. Debtors	 2023	 2022
	£'000	£'000
<i>Amounts due within one year</i>		
Corporation tax	<u>3</u>	<u>-</u>
 8. Creditors	 2023	 2022
	£'000	£'000
<i>Amounts falling due within one year</i>		
Trade creditors	6	10
Owed to parent undertakings	327	327
Corporation tax	<u>-</u>	<u>1</u>
	<u>333</u>	<u>338</u>

Amounts owed to parent undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and entitled to one vote per share at meetings of the Company.

10. Related party transactions

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

At the year end £327,000 (2022: £327,000) was owed to Lincolnshire Co-operative Limited and £nil (2022: £nil) was owed to Lindum Group Limited, both as interest free loans.

LC COMMUNITY PROJECTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023

11. Financial instruments

The Company's financial instruments are as follows:

	2023 £'000	2022 £'000
Financial assets		
Measured at amortised cost	<u>128</u>	<u>135</u>
Financial liabilities		
Measured at amortised cost	<u>333</u>	<u>337</u>

Financial assets measured at amortised cost comprise cash at bank.

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