

**Lancashire Cricket Foundation  
Limited**

(formerly Lancashire County Cricket Club Foundation Limited)

Company Registration number 6394384

Charity number 1121855

(A charitable company limited by guarantee)

Annual Report and Financial statements

For the year ended 31 December 2017

## **Lancashire Cricket Foundation Limited**

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## **Lancashire Cricket Foundation Limited**

### **Charity information**

#### **Trustees and Officers**

J Sheridan  
L Morgan  
DMW Hodgkiss OBE  
M Chilton  
G Brindley (appointed 27 November 2017)  
R Cross (appointed 27 November 2017)  
J Murphy (appointed 27 November 2017)  
J Hopwood (appointed 14 December 2017)

#### **Principal Officers - Key Management Personnel**

A Mitchell - Head of Community Growth  
C Perren - Head of Cricket Relationships

#### **Auditor**

Hurst & Company Accountants LLP  
Lancashire Gate  
21 Tiviot Dale  
Stockport  
SK1 1TD

#### **Bankers**

National Westminster Bank  
1 Spinningfields Sq Branch  
Deansgate  
Manchester  
M3 3AP

#### **Legal Advisors**

Muckle LLP  
Time Central  
32 Gallowgate  
Newcastle-upon-Tyne  
NE1 4BF

#### **Registered office (for all group entities)**

Lancashire County Cricket Club  
Brian Statham Way  
Emirates Old Trafford  
Manchester  
M16 0PX

**Company number** 6394384

**Charity number** 1121855

## Lancashire Cricket Foundation Limited Trustees' Report

The Trustees, who are also directors of the charitable company (the Foundation), present their annual report (including the Strategic Report) on the affairs of the Foundation and its subsidiary, together with the financial statements and auditor's report for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out on pages 12 & 13 and comply with the charity's memorandum and articles of association and applicable law.

The Trustees have had regard to the guidance issued by the Charity Commission on public benefit. The main activities in relation to those purposes for the public benefit have been discussed in the "Our activities and achievements" section of this report.

### Incorporation

The charitable company was incorporated on 9 October 2007 by a Memorandum and Articles of Association, and is a registered charity (No. 1121855). The registered office of the charitable company and Foundation is Lancashire County Cricket Club, Emirates Old Trafford, Manchester, M16 0PX.

On 12 January 2018 the charitable company changed its name from Lancashire County Cricket Club Foundation Limited to Lancashire Cricket Foundation Limited.

### Merger by consolidation and Change of Name

On 1 December 2017, the directors of both the Foundation and Lancashire Cricket Board Limited agreed for the two companies to merge with the result being the wind up of Lancashire Cricket Board Limited and the transfer of its assets and undertakings, as at 30 November 2017, to the Foundation.

Note 15 of the Accounts details the assets and undertakings transferred. Following a staff restructure the majority of Lancashire Cricket Board Limited staff were TUPEd across to the Foundation, also effective from the 1 December 2017.

The merger took place in order to harmonise activities across the two entities, maximise the benefits expected to accrue from forthcoming funding opportunities from Cricket's UK Governing body and to split out the elite elements of the Lancashire Cricket Board's activities which were transferred over to the county cricket club.

### Who We Are and What We Do

The Foundation aims to Inspire Communities through Cricket and is the official charity and community arm of Lancashire Cricket. The Foundation is an independent and registered charity governed by a Board of Directors.

The objects of the Foundation (listed below) are for the benefit of the public generally and, in particular, the inhabitants of Lancashire and its surrounding areas:

- To promote community participation in healthy recreation by providing facilities for the playing of and development of cricket and other sports capable of improving health (facilities in this clause means land, buildings, equipment and organising sporting activities including coaching and course of instruction);
- To provide or assist in providing facilities for the playing of and development of the game of cricket and other games or sports on a recreational basis for the leisure time occupation of such persons who have need for such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life;
- To advance the education of children and young people through such means as the Trustees think fit in accordance with the law of charity; and
- For the general purposes of such charitable bodies or for such other exclusively charitable purposes in each case as the Trustees may from time to time decide.

The Foundation works in the community to deliver a range of health, education, community cohesion and cricket development projects, programmes and events.

### Our Aims

Relating directly to the objects of the charity, the Strategic Aims (listed below) provide a framework around which operational delivery is shaped.

- Use the power of cricket and sport to motivate, educate and inspire our community;
- Improve the health and well-being of the community;
- Provide education and training opportunities for schools and the wider community;
- Positively develop and support work which targets women, disabled people and minority ethnic communities;
- Fundraise to support the charitable and community work of the cricket club; and
- Ensure Lancashire County Cricket Club ("LCCC") becomes an important and central hub for the community.

### Our activities and achievements

A strategic review was undertaken by the Foundation Board in 2015 to re-define the Strategic Aims of the charity in order to more accurately reflect the core work and Objects of the organisation. This review is currently being updated following the merger with the Lancashire Cricket Board.

This will ensure that each of the Foundation core projects, programmes and events directly contributed to at least one of the Strategic Aims of the organisation.

Each of the projects, programmes and events delivered by the Foundation also has a clearly defined and measurable outcome and series of outputs in place and performance against these is monitored and reported back to the Foundation Board.

This process ensures that all the activities/achievements delivered by the Foundation (listed below) continue to relate directly to both the Objects and the Strategic Aims of the charity. Below are some of the activities that both the Foundation and Lancashire Cricket Board have been involved with in the last twelve months.

The Foundation makes direct use of a small number of volunteers to support project / programme delivery; primarily the Wicketz programme and Lanky's Arts Class.

### More Play:

- 1,941 participants taking part in the All Stars Cricket programme across 96 Centres;
- 8,988 hours in 300 Primary and Secondary Schools with 17,677 unique participants accessing high quality cricket provision as part of the Chance to Shine (CTS) Schools Programme. In addition, 2,500 teachers attended informal teacher training courses widening their cricket knowledge and experience;
- 3,151 hours delivered in Manchester Merseyside and Lancashire across 20 projects with 9,968 participants attending youth programmes and 4,977 participants attending young adult project programmes as part of the CTS Street Programme;
- 12 Women's Softball Festivals delivered with 80 Teams competing and 548 participants;
- 70 Lancashire Thunder cricket sessions delivered to over 1,500 participants through Rainbows, Brownies, Guides & Rangers;
- 10 community groups taking part in Table Cricket coaching sessions with 148 unique participants, 1,691 attendances and 25 staff/volunteers trained;

### Our activities and achievements (cont'd)

#### More Play (cont'd):

- 35 schools/colleges taking part in the Lord's Taverners Table Cricket programme with 734 unique participants, 222 attendances and 46 volunteers/young leaders trained; and
- 249 cricket bats donated to local cricket clubs through the 'Community Club Cricket Bat Donation Scheme'.

#### Great Teams:

- 309 Affiliated Cricket Clubs across Lancashire with 158 having achieved Clubmark accreditation;
- 163 Cricket Clubs supported to participate in Natwest Cricket Force;
- £70,000 allocated to 30 Cricket Clubs for 'Club Sustainability' and 'Get the Game On' Projects;
- £92,000 allocated to 3 Cricket Clubs to develop non turf practise facilities;
- 5 Teams participating in the ECB City Cup Competition;
- 185 Cricket Clubs participating in age group Regional and National Competitions;
- 20 teams participating in the Lancashire Thunder Indoor Leagues across 5 competitions;
- 3 Disability Squads participating in PD/LD, Deaf and Visually Impaired National Competitions; and
- 39 Cricket Clubs now linked up with Lancashire Line with 930 individual players; £11,000 paid in donations to Cricket Clubs with over £26,000 waiting to be claimed.

#### Inspired Fans:

- In excess of 5,000 individuals engaged through 24 schools and 18 Cricket Clubs as a part of the Lancashire Thunder Roadshows;
- 1,147 pupils from 26 schools provided with a high quality positive educational experience through the 'Education Without Boundaries' programme;
- 3,171 pupils and 382 teachers from 70 primary schools in attendance at the annual Schools Open Day; and
- 16 sessions delivered with 123 attendances at the Sporting Memories Network; using sporting reminiscence to address loneliness, dementia and isolation.

#### Community Need:

- 462 participants in the 'Girls Without Boundaries' programme; inspiring confidence and self-esteem in young women;
- 1,136 activity sessions delivered to 2,253 participants across Trafford and Salford with 30,427 overall attendances as part of the 'Sporting Foundations for Life' (SF4L) project;
- 38 trained volunteers continuing to deliver SF4L legacy sessions, engaging around 600 participants weekly;
- Circa £100,000 of new investment secured from The Lord's Taverners to deliver 'Wicketz', a cricket for social change project, in Salford, Trafford and the City of Manchester over the next 3 years;
- 13 activity sessions delivered to 58 participants with 190 attendances through the 'Wicketz' project;
- 9 Secondary schools and 108 young women engaged through the Prison Peer Mentoring Programme;
- 305 activity sessions and 6,896 attendances as a direct result of delivery by our Coach Core Apprentices;
- 52 sessions delivered with 597 attendances as part of the 'Lanky's Arts Group';
- 244 pupils learning about healthy lifestyle choices through the Healthy Heart programme; and
- 2 six week programmes delivered to 36 individual girls, using cricket to educate and empower vulnerable young women, through the 'Let's Be Women' Project.

Any funding grants issued by the Foundation are managed through an application process, authorised by the Board of Directors and only fund activity that directly relates to the Objects and Aims of the charity. All other funds generated directly support the delivery of Foundation activities and/or are distributed to organisations as a part of a pre agreed fundraising initiative.

The Foundation will continue to deliver many of the activities listed above and will only develop and implement new activities where they directly relate to the Objects and Aims of the charity.

### Fundraising

The Foundation generated circa £150,000 from fundraising activities in 2017; this was achieved through planned fundraising events and initiatives, sponsorship, donations and the profit generated through the Lottery.

All funding received / raised is utilised to employ staff to develop and deliver projects, programmes and events that directly impact on the following Strategic Aims of the organisation:

- Provide increased opportunities for 'MORE PLAY' - Delivering a diverse range of high quality accessible projects, programmes and events that provide increased opportunities for everyone to play the game; inspiring the next generation of players across the North West;
- Support the development of 'GREAT TEAMS' - Providing the infrastructure support necessary to ensure a sustainable and successful club & league network is in place across the North West;
- Create 'INSPIRED FANS' - Using the power of Lancashire Cricket to provide families & individuals from across the North West with positive inspirational cricketing experiences; and
- Address local 'COMMUNITY NEED' - Delivering high quality interventions that address identified community need; ensuring Lancashire Cricket becomes an important, central hub for the community.

### Structure, governance and management

The Trustees who have served during the year and since the year end are set out on page 1.

The Trustees meet at least six times per year and on any other occasion as judged necessary in order to review progress and determine matters of strategy & policy.

Every decision of the Trustees shall be determined by the majority of votes of the Trustees present and voting on the question. There shall be a quorum when two Trustees are present at any meeting.

All Trustees serve a three year term following which they can seek re-appointment. The existing Trustees have the power to appoint further Trustees provided they have attained the age of eighteen years and are not disqualified from taking office. The Trustees are not actively recruiting at present but have measures in place to consider potential applicants as they might arise.

New Trustees undergo some training to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes of the Foundation, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

### Structure, governance and management (cont'd)

Up until 1 December 2017 the Trustees delegated the operational management of all charitable activities to the LCCC Foundation Director. Subsequently, this responsibility is now shared between the newly formed positions of Head of Community Growth and Head of Cricket Relationships. Performance of all these positions and the charity itself are reviewed at all Foundation Board meetings and any decisions on remuneration of all staff members are ratified by the Trustees.

We believe that all the Trustees have the experience required to carry out their duties effectively.

As detailed in Note 13 to the financial statements, the Charity has three related parties, Lancashire County Cricket Club, Lancashire County Cricket Club Development Association, for which the Charity is the sole member, and LCCC Trust Trading Limited, the Charity's trading subsidiary.

### Financial review

During the year the Foundation received donations amounting to £467,999 (2016: £358,181). In addition, the Foundation received investment income of £2,800 (2016: £3,000), gift aid income of £3,251 (2016: £739) and event income of £50,365 (2016: £66,883). Including donations this resulted in total income of £549,065 (2016: £428,803).

The Foundation has incurred expenses in relation to charitable activities during the course of the year relating to donations of £8,604 (2016: £144,010), payroll costs £251,058 (2016: £201,582) and other charitable costs £112,185 (2016: £89,506).

The Group generated a net surplus in the year of £90,897 (2016: deficit of £57,568) after consolidating its 100% subsidiary, LCCC Trust Trading Limited, which generated a net surplus of £82,078 (2016: £73,836).

### Reserves

The Foundation retains a general reserve to provide sufficient resources to ensure that the level of expenditure, both charitable spend and overheads, expected in the next 12 months (as a minimum), is covered. The Trustees continue to keep under review the level of the Foundation's general reserve and the current level is considered necessary to ensure the financial security of the Foundation and to provide adequate resources to meet the challenges and demands for at least the year ahead. At the start of the year the target was to maintain reserves at a level that would allow the charity to continue trading for at least twelve months with significantly reduced funding.

### Grants

The Charity only distributes grants as directed by the England and Wales Cricket Board (ECB) for specific programmes designed to support cricket club development and cricket club improvement work. This only came into effect from 1 December 2017. The funding amounts are fixed by the ECB, the Foundation monitors the performance of a club against any grant allocated. All funding distributed in this way contributes to the strategic aim to 'Support the development of 'Great Teams', providing the infrastructure support necessary to ensure a sustainable and successful club & league network is in place across the North West.

### Future Plans

An anticipated increase in ECB funding over the next 12/18 months will see the Foundation continue to develop and deliver projects, programmes events that engage, excite, inspire and improve individuals and communities through cricket in order to grow the appeal of the game at all levels. We will achieve the above Strategic Aims through the following key work strands: All Stars Cricket, Chance to Shine programmes, Women and Girls cricket, Disability and Inclusion, Health and Education, and Community Cohesion.

### Risk management

The Trustees have reviewed the major risks to which the Foundation is exposed (listed below) and this topic is regularly discussed at Trustees' meetings.

#### Financial Sustainability:

The Foundation Board scrutinises financial performance at all Board meetings. The financial management accounts are prepared with support from the LCCC Accounts Department. Visibility of future funding streams is critical to the continuation of the Foundation's activities and maintaining its staffing resources. The Board focus heavily on ensure they delivery of projects is commensurate with funding received.

#### Financial Claims:

The LCCC Foundation has appropriate insurance cover in place as well as up to date policies and procedures in relation to operational delivery and the protection of children and vulnerable adults.

#### Skills Gap:

In order to effectively deliver its objectives it has been identified that the new Foundation Board will need to appoint additional expertise; in particular non-executive director roles that will represent key ECB and Foundation agendas including women and girls, education and diverse communities. The appointment of these new roles will be driven by the Foundation Board and will support the strategic decision making of the organisation as well as providing operational intelligence, and guidance for the Foundation staff.

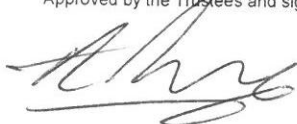
### Auditor

The Trustees at the date of approval of this report confirm that:

- So far as the Trustees are aware, there is no relevant audit information of which the Foundation's auditor is unaware; and
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006. Hurst & Company Accountants LLP have expressed their willingness to continue in office as auditor.

Approved by the Trustees and signed of their behalf by:



31 July 2018

**Lancashire Cricket Foundation Limited**  
**Trustees' responsibilities statement**

The Trustees (who are also directors of Lancashire Cricket Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in charities SORP;
- make judgements that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LANCASHIRE CRICKET FOUNDATION LIMITED

### Opinion

We have audited the financial statements of Lancashire Cricket Foundation Limited (the 'Charity') for the year ended 31 December 2017 which comprise the consolidated statement of financial activities including income and expenditure account, the charity statement of financial activities including income and expenditure account, the consolidated balance sheet, the charity balance sheet, the consolidated cash flow statement 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 Financial Reporting Standard 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 Charity's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LANCASHIRE CRICKET FOUNDATION  
LIMITED (Cont'd)**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees 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 they 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.


**Our 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 these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
Mike Jackson (Senior Statutory Auditor)  
for and on behalf of  
Hurst & Company Accountants LLP  
Chartered Accountants  
Statutory Auditors  
Lancashire Gate  
21 Tiviot Dale  
Stockport  
Cheshire  
SK1 1TD  
Date: 8 August 2018

Lancashire Cricket Foundation Limited

Consolidated Statement of financial activities (including income & expenditure account) for the year ended 31 December 2017

|  | Notes | Unrestricted<br>Funds<br>2017<br>£ | Restricted<br>Funds<br>2017<br>£ | Total Funds for<br>the year<br>2017<br>£ | Total Funds for<br>the year<br>2016<br>£ |
|--|-------|------------------------------------|----------------------------------|--|--|
| <b>INCOME FROM:</b>                                |       |                                    |                                  |  |  |
| <b>Charitable activities</b>                       |       |                                    |                                  |  |  |
| Donations and legacies                             | 4     | 273,203                            | 115,969                          | 389,172                                  | 285,084                                  |
| <b>Other trading activities</b>                    |       |                                    |                                  |  |  |
| Fundraising events (Lancashire Cricket Foundation) |       | 50,365                             | -                                | 50,365                                   | 66,883                                   |
| Trading Income (LCCC Trust Trading)                | 8     | 1,298,987                          | -                                | 1,298,987                                | 800,901                                  |
| <b>Investments</b>                                 |       |                                    |                                  |  |  |
| Investment income                                  |       | 2,800                              | -                                | 2,800                                    | 3,000                                    |
| Other income                                       |       | 24,650                             | -                                | 24,650                                   | -  |
| <b>TOTAL INCOME</b>                                |       | <b>1,650,005</b>                   | <b>115,969</b>                   | <b>1,765,974</b>                         | <b>1,155,868</b>                         |
| <b>EXPENDITURE ON:</b>                             |       |                                    |                                  |  |  |
| Charitable activities                              | 5     | (250,144)                          | (121,703)                        | (371,847)                                | (435,098)                                |
| Raising Funds                                      | 5     | (86,821)                           | -                                | (86,821)                                 | (51,273)                                 |
| Trading Costs                                      |       | (1,216,905)                        | -                                | (1,216,905)                              | (727,043)                                |
| <b>TOTAL EXPENDITURE</b>                           |       | <b>(1,553,870)</b>                 | <b>(121,703)</b>                 | <b>(1,675,573)</b>                       | <b>(1,213,414)</b>                       |
| Net income/(expenditure) for the year              |       | 96,135                             | (5,734)                          | 90,401                                   | (57,546)                                 |
| Tax  | 7     | (4)                                | -                                | (4)                                      | (22)                                     |
| <b>NET MOVEMENT IN FUNDS</b>                       | 3     | <b>96,131</b>                      | <b>(5,734)</b>                   | <b>90,397</b>                            | <b>(57,568)</b>                          |
| <b>RECONCILIATION OF FUNDS</b>                     |       |                                    |                                  |  |  |
| Total funds brought forward                        |       | 147,800                            | 87,310                           | 235,110                                  | 292,678                                  |
| Net movement in funds for the year                 |       | 96,131                             | (5,734)                          | 90,397                                   | (57,568)                                 |
| <b>Total funds carried forward</b>                 |       | <b>243,931</b>                     | <b>81,576</b>                    | <b>325,507</b>                           | <b>235,110</b>                           |

The notes on pages 12 to 19 form part of these financial statements.

There were no other recognised gains or losses other than those listed above and the net movement in funds for the year. All income and expenditure derives from continuing activities.

See note 14 for comparative Consolidated Statement of Financial Activities analysed by funds.

Lancashire Cricket Foundation Limited

Charity Statement of financial activities (including income & expenditure account) for the year ended 31 December 2017

|  | Notes | Unrestricted<br>Funds<br>2017<br>£ | Restricted<br>Funds<br>2017<br>£ | Total Funds for<br>the year<br>2017<br>£ | Total Funds for the<br>year<br>2016<br>£ |
|--|-------|------------------------------------|----------------------------------|--|--|
| <b>INCOME FROM:</b>                          |       |                                    |                                  |  |  |
| <b>Charitable activities</b>                 |       |                                    |                                  |  |  |
| Donations and legacies                       | 4     | 355,281                            | 115,969                          | 471,250                                  | 358,920                                  |
| <b>Investments</b>                           |       |                                    |                                  |  |  |
| Fundraising events                           |       | 50,365                             | -                                | 50,365                                   | 66,883                                   |
| Investment income                            |       | 2,800                              | -                                | 2,800                                    | 3,000                                    |
| Other income                                 |       | 24,650                             | -                                | 24,650                                   | -  |
| <b>TOTAL INCOME</b>                          |       | <b>433,096</b>                     | <b>115,969</b>                   | <b>549,065</b>                           | <b>428,803</b>                           |
| <b>EXPENDITURE ON:</b>                       |       |                                    |                                  |  |  |
| Charitable activities                        | 5     | (250,144)                          | (121,703)                        | (371,847)                                | (435,098)                                |
| Raising Funds                                | 5     | (86,821)                           | -                                | (86,821)                                 | (51,273)                                 |
| <b>TOTAL EXPENDITURE</b>                     |       | <b>(336,965)</b>                   | <b>(121,703)</b>                 | <b>(458,668)</b>                         | <b>(486,371)</b>                         |
| <b>Net income/(expenditure) for the year</b> |       | <b>96,131</b>                      | <b>(5,734)</b>                   | <b>90,397</b>                            | <b>(57,568)</b>                          |
| <b>NET MOVEMENT IN FUNDS</b>                 | 3     | <b>96,131</b>                      | <b>(5,734)</b>                   | <b>90,397</b>                            | <b>(57,568)</b>                          |
| <b>RECONCILIATION OF FUNDS</b>               |       |                                    |                                  |  |  |
| Total funds brought forward                  |       | 147,799                            | 87,310                           | 235,109                                  | 292,677                                  |
| Net movement in funds for the year           |       | 96,131                             | (5,734)                          | 90,397                                   | (57,568)                                 |
| <b>Total funds carried forward</b>           |       | <b>243,930</b>                     | <b>81,576</b>                    | <b>325,506</b>                           | <b>235,109</b>                           |

The notes on pages 12 to 19 form part of these financial statements.

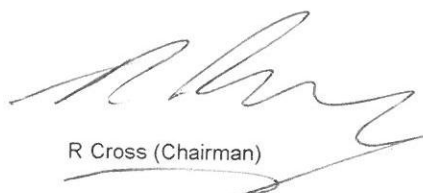
There were no other recognised gains or losses other than those listed above and the net movement in funds for the year. All income and expenditure derives from continuing activities.

See note 14 for comparative Charity Statement of Financial Activities analysed by funds.

**Lancashire Cricket Foundation Limited**  
**Balance sheets as at 31 December 2017**

|  | Notes | Group<br>2017<br>£    | 2016<br>£             | Charity<br>2017<br>£  | 2016<br>£             |
|--|-------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Fixed Assets &amp; Equipment</b>          |       |                       |                       |                       |                       |
| Investments                                  | 8     | -                     | -                     | 1                     | 1                     |
| Tangible Assets                              | 9     | 2,447                 | 5,105                 | 2,447                 | 5,105                 |
|  |       | <u>2,447</u>          | <u>5,105</u>          | <u>2,448</u>          | <u>5,106</u>          |
| <b>Current assets</b>                        |       |                       |                       |                       |                       |
| Debtors                                      | 10    | 1,439,910             | 579,048               | 478,054               | 182,479               |
| Cash at bank and in hand                     |       | 57,544                | 61,176                | 57,464                | 60,633                |
|  |       | <u>1,497,454</u>      | <u>640,224</u>        | <u>535,518</u>        | <u>243,112</u>        |
| <b>Creditors</b>                             |       |                       |                       |                       |                       |
| Amounts falling due within one year          | 11    | (1,174,394)           | (410,219)             | (212,460)             | (13,109)              |
|  |       | <u>323,060</u>        | <u>230,005</u>        | <u>323,058</u>        | <u>230,003</u>        |
| <b>Net current assets</b>                    |       |                       |                       |                       |                       |
|  |       | <u>323,060</u>        | <u>230,005</u>        | <u>323,058</u>        | <u>230,003</u>        |
| <b>Total assets less current liabilities</b> |       |                       |                       |                       |                       |
|  |       | <u><u>325,507</u></u> | <u><u>235,110</u></u> | <u><u>325,506</u></u> | <u><u>235,109</u></u> |
| <b>Funds</b>                                 |       |                       |                       |                       |                       |
| Unrestricted funds                           | 12    | 243,932               | 147,801               | 243,931               | 147,800               |
| Restricted funds                             |       | 81,575                | 87,309                | 81,575                | 87,309                |
|  |       | <u>325,507</u>        | <u>235,110</u>        | <u>325,506</u>        | <u>235,109</u>        |
| <b>Total funds</b>                           |       |                       |                       |                       |                       |
|  |       | <u><u>325,507</u></u> | <u><u>235,110</u></u> | <u><u>325,506</u></u> | <u><u>235,109</u></u> |

The financial statements of Lancashire Cricket Foundation Limited, registration number 6394384, charity number 1121855, on pages 8 to 19 were approved and authorised for issue on **31 July** 2018 on behalf of the Board by:



R Cross (Chairman)

Lancashire Cricket Foundation Limited  
Consolidated Statement of Cash flows for the year ended 31 December 2017

|  | Total<br>funds<br>2017<br>£ | Total<br>funds<br>2016<br>£ |
|--|-----------------------------|-----------------------------|
| Net cash flows from operating activities   | (49,179)                    | (79,595)                    |
| Investing activities   |                             |                             |
| Payments to acquire tangible fixed assets  | (960)                       | -                           |
| Cash acquired  | 43,707                      | -                           |
| Net cash flow from investing activities  | 42,747                      | -                           |
| Financing activities:  |                             |                             |
| Interest received  | 2,800                       | 3,000                       |
| Net cash flow from investing activities  | 2,800                       | 3,000                       |
| Net increase / (decrease) in cash and cash equivalents                           | (3,632)                     | (76,595)                    |
| Cash and cash equivalents at beginning of year                                   | 61,176                      | 137,771                     |
| Cash and cash equivalents at the end of the year                                 | 57,544                      | 61,176                      |
| Reconciliation of net income/(expenditure) to net cash from operating activities |                             |                             |
|  | 2017<br>£                   | 2016<br>£                   |
| Net income / (deficit) for the reporting period                                  | 90,397                      | (57,568)                    |
| Adjustments for:   |                             |                             |
| Interest receivable  | (2,800)                     | (3,000)                     |
| Release of negative goodwill   | (24,650)                    | -                           |
| Depreciation charges / loss on disposal  | 3,618                       | 3,656                       |
| Decrease / (increase) in debtors   | (721,207)                   | (261,442)                   |
| (Decrease) / increase in creditors   | 605,463                     | 238,759                     |
| Net cash (used in) / provided by operating activities                            | (49,179)                    | (79,595)                    |

## 1 Principal accounting policies

### a Company and charitable status

Lancashire Cricket Foundation Limited, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 8 Trustees, 7 of whom are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is given on page 1.

### b Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" 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, and the Companies Act 2006.

The charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

### Basis of consolidation

The consolidated financial statements comprise Lancashire Cricket Foundation Limited and its wholly-owned subsidiary undertaking, LCCC Trust Trading Limited. The summarised profit and loss account for the subsidiary is shown in note 8. The results of the subsidiary are consolidated on a line by line basis.

The principal accounting policies are set out below.

### c Income

#### Grants, donations, legacies and voluntary income

Income is recognised when the group and charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Grants, donations, legacies and voluntary income are recognised in full in the Statement of Financial Activities in the year in which the above conditions are satisfied.

#### Investment income

Investment income is accounted for in the year in which the group is entitled to receipt.

#### Trading income

Turnover is stated net of VAT and trade discounts. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where payments are received from customers in advance of services provided the amounts are recorded as deferred income and included as part of creditors due within one year. All turnover was generated in the UK from the group's principal activities.

#### Deferred income

Income received in respect of future periods is treated as deferred income.

### d Going concern

The Foundation only makes discreet one off payments so there is never any obligations to beneficiaries for future funding. In this respect, donations are only made if there are sufficient cash reserves in place, therefore on this basis the Trustees would consider the entity to be a going concern for the foreseeable future.

### e Expenditure

#### Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of charitable cricket activities, events, projects and programmes to further the purposes of the charity and their associated support costs.
- Costs of raising funds comprise the direct costs of fund raising events and initiatives and their associated support costs.
- Trading costs comprise the costs of the trading subsidiary, LCCC Trust Trading Ltd and represent the costs of hosting concerts and other events with a view to making reasonable profits to donate to charitable cricket activities.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable cricket activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 5.

### f Tax

The Foundation is a registered charity and as such is exempt from taxation on its income to the extent that they are applied to its charitable purpose.

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on all timing differences where the transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's relievable tax losses and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

### g Investments

In the parent charity balance sheet, investment in subsidiary undertaking is measured at cost less impairment.

### h Tangible assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets on a straight line basis over their expected useful life as follows:

- Computer Equipment 5 years

**1 Principal accounting policies (cont'd)**

**i Fund accounting**

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through terms of an appeal. The restricted funds are held in the Balance sheet as a combination of cash at bank and amounts due from related parties.

**j Pensions**

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**k Financial instruments**

Financial assets and financial liabilities are recognised when the group and charity become a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the group and charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The group and charity only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Foundation's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

**3 Result for year**

|  | 2017<br>£ | 2016<br>£ |
|--|-----------|-----------|
| The surplus / (deficit) for the year is stated after charging: |           |           |
| Auditor's remuneration   | 500       | 500       |
| Depreciation   | 3,618     | 3,656     |

|  | Unrestricted<br>Funds<br>2017<br>£ | Restricted<br>Funds<br>2017<br>£ | Total Funds<br>for the year<br>2017<br>£ | Unrestricted<br>Funds<br>2016<br>£ | Restricted<br>Funds<br>2016<br>£ | Total Funds<br>for the year<br>2016<br>£ |
|--|------------------------------------|----------------------------------|--|------------------------------------|----------------------------------|--|
| <b>4 Analysis of income from donations</b> |                                    |                                  |  |                                    |                                  |  |
| Sundry donations                           | 199,952                            | -                                | 199,952                                  | 109,779                            | 883                              | 110,662                                  |
| LCCC Development Association               | 70,000                             | -                                | 70,000                                   | 60,000                             | -                                | 60,000                                   |
| Gift Aid                                   | 3,251                              | -                                | 3,251                                    | 739                                | -                                | 739                                      |
| Sport England                              | -                                  | 34,394                           | 34,394                                   | -                                  | 82,183                           | 82,183                                   |
| Trafford Housing Trust                     | -                                  | -                                | -  | -                                  | 10,750                           | 10,750                                   |
| City West Housing                          | -                                  | -                                | -  | -                                  | 10,000                           | 10,000                                   |
| Salford City Reds                          | -                                  | -                                | -  | -                                  | 10,750                           | 10,750                                   |
| England & Wales Cricket Board              | -                                  | 33,000                           | 33,000                                   | -                                  | -                                | -  |
| Chance 2 Shine                             | -                                  | 25,873                           | 25,873                                   | -                                  | -                                | -  |
| The Lords Taverers                         | -                                  | 5,227                            | 5,227                                    | -                                  | -                                | -  |
| Coach Core City                            | -                                  | 17,475                           | 17,475                                   | -                                  | -                                | -  |
| <b>Group</b>                               | <b>273,203</b>                     | <b>115,969</b>                   | <b>389,172</b>                           | <b>170,518</b>                     | <b>114,566</b>                   | <b>285,084</b>                           |
| LCCC Trust Trading                         | 82,078                             | -                                | 82,078                                   | 73,836                             | -                                | 73,836                                   |
| <b>Company</b>                             | <b>355,281</b>                     | <b>115,969</b>                   | <b>471,250</b>                           | <b>244,354</b>                     | <b>114,566</b>                   | <b>358,920</b>                           |

The restricted funds relate to the following projects:

**Sporting Foundations for Life Project**; funded by Sport England and partners - the project works in schools and community settings to provide sport and physical activity opportunities for inactive young people in Trafford and Salford.

**England & Wales Cricket Board**; funding to provide a range of cricket development projects, programmes and events to engage, excite, inspire and improve individuals and communities in order to grow the game.

**Chance 2 Shine**; funding to deliver cricket projects, programmes and events in primary and secondary schools.

**The Lord Taverers**; the project provides apprenticeship opportunities and life skills workshops in targeted communities of Salford, Trafford and Manchester for young people aged 8-15.

**Coach Core City**; the project provides apprenticeship opportunities, giving young people the opportunity to learn and develop as sports coaches.

5 Analysis of expenditure on charitable activities

Analysis of expenditure on charitable activities by fund:

|                                  | Unrestricted<br>Funds<br>2017<br>£ | Restricted<br>Funds<br>2017<br>£ | Total Funds<br>for the year<br>2017<br>£ | Unrestricted<br>Funds<br>2016<br>£ | Restricted<br>Funds<br>2016<br>£ | Total Funds<br>for the year<br>2016<br>£ |
|----------------------------------|------------------------------------|----------------------------------|--|------------------------------------|----------------------------------|--|
| Lancashire Flood Appeal Donation | -                                  | -                                | -  | 1,500                              | -                                | 1,500                                    |
| Youth Cricket Donation           | -                                  | -                                | -  | 67,510                             | -                                | 67,510                                   |
| LCB Donation                     | 8,604                              | -                                | 8,604                                    | 75,000                             | -                                | 75,000                                   |
| Payroll (see note 6)             | 179,103                            | 71,955                           | 251,058                                  | 148,110                            | 53,472                           | 201,582                                  |
| Other charitable costs           | 61,660                             | 49,748                           | 111,408                                  | 45,655                             | 43,072                           | 88,727                                   |
| Governance costs - Audit Fee     | 500                                | -                                | 500                                      | 500                                | -                                | 500                                      |
| Bank Charges                     | 277                                | -                                | 277                                      | 279                                | -                                | 279                                      |
| Total Charitable Expenditure     | <u>250,144</u>                     | <u>121,703</u>                   | <u>371,847</u>                           | <u>338,554</u>                     | <u>96,544</u>                    | <u>435,098</u>                           |
| Raising Funds                    | 86,821                             | -                                | 86,821                                   | 51,273                             | -                                | 51,273                                   |
| Total Expenditure                | <u>336,965</u>                     | <u>121,703</u>                   | <u>458,668</u>                           | <u>389,827</u>                     | <u>96,544</u>                    | <u>486,371</u>                           |

Analysis of expenditure on charitable activities by activity:

|                                  | Activities<br>undertaken<br>directly<br>2017<br>£ | Grant<br>funding of<br>activities<br>2017<br>£ | Support<br>Costs<br>2017<br>£ | Total<br>2017<br>£ | Total<br>2016<br>£ |
|----------------------------------|---|--|-------------------------------|--------------------|--------------------|
| Big Red Day                      | 13,000  | -  | -                             | 13,000             | -                  |
| Red Rose Stone wall              | 9,840   | -  | -                             | 9,840              | -                  |
| Education and Training           | 88,568  | -  | -                             | 88,568             | 88,727             |
| Lancashire Flood Appeal Donation | -   | -  | -                             | -                  | 1,500              |
| Youth Cricket Donation           | -   | -  | -                             | -                  | 67,510             |
| LCB Donation                     | -   | 8,604  | -                             | 8,604              | 75,000             |
| Payroll                          | 186,858   | -  | 64,200                        | 251,058            | 201,582            |
| Governance costs - Audit Fee     | -   | -  | 500                           | 500                | 500                |
| Bank Charges                     | -   | -  | 277                           | 277                | 279                |
| Total Charitable Expenditure     | <u>298,266</u>                                    | <u>8,604</u>                                   | <u>64,977</u>                 | <u>371,847</u>     | <u>435,098</u>     |
| Raising Funds                    | 86,821  | -  | -                             | 86,821             | 51,273             |
| Total Expenditure                | <u>385,087</u>                                    | <u>8,604</u>                                   | <u>64,977</u>                 | <u>458,668</u>     | <u>486,371</u>     |

6 Analysis of staff costs, Trustee remuneration and expenses

The average monthly number of employees was:

|                       | 2017<br>No. | 2016<br>No. |
|-----------------------|-------------|-------------|
| Raising Funds         | 4           | 1           |
| Charitable Activities | 8           | 7           |
| Support               | 1           | 2           |
|                       | <u>13</u>   | <u>10</u>   |

Their aggregate remuneration comprised:

|                       | 2017<br>£      | 2016<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 275,949        | 192,653        |
| Social security costs | 14,923         | 16,258         |
| Pension costs         | 14,123         | 10,404         |
|                       | <u>304,995</u> | <u>219,315</u> |



6 Analysis of staff costs, Trustee remuneration and expenses (cont'd)

|                       | 2017<br>£      | 2016<br>£      |
|-----------------------|----------------|----------------|
| Raising Funds         | 53,937         | 17,733         |
| Charitable Activities | 186,858        | 127,339        |
| Support               | 64,200         | 74,243         |
|                       | <u>304,995</u> | <u>219,315</u> |

|                            | 2017<br>£      | 2016<br>£      |
|----------------------------|----------------|----------------|
| More Play                  | 77,297         | -              |
| Great Teams                | 13,601         | -              |
| Education and Training     | -              | 47,402         |
| Cricket Development        | -              | 9,273          |
| Healthy Lifestyles         | -              | 15,279         |
| Community Projects / Needs | 95,964         | 60,683         |
| Fundraising Activities     | 53,933         | 47,986         |
| Overheads                  | 64,200         | 38,692         |
|                            | <u>304,995</u> | <u>219,315</u> |

No Trustees received remuneration during the current or prior year. No travel and subsistence expenses were paid to Trustees (2016: £nil). No staff earn more than £60,000 per annum (2016 £nil).

7 Tax on profit of trading subsidiary

|  | 2017<br>£ | 2016<br>£ |
|--|-----------|-----------|
| UK corporation tax charge on profit for the year | -         | -         |
| Prior year adjustment                            | 4         | 22        |
| Total tax on profit                              | <u>4</u>  | <u>22</u> |

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19%. The actual tax charge for the year differs from the standard rate for the following reasons:

|  | 2017<br>£     | 2016<br>£     |
|--|---------------|---------------|
| Profit                                 | <u>82,082</u> | <u>73,858</u> |
| Tax at 19% (2016: 20%)                 | 15,596        | 14,772        |
| Prior year adjustment                  | 4             | 22            |
| Tax not charged on charitable donation | (15,596)      | (14,772)      |
| Total tax charge for the year          | <u>4</u>      | <u>22</u>     |

8 Investments

| Charity                                | 2017<br>£ | 2016<br>£ |
|--|-----------|-----------|
| Cost                                   |           |           |
| At 1 January 2017 and 31 December 2017 | <u>1</u>  | <u>1</u>  |

Investments represents a 100% holding in the ordinary share capital of LCCC Trust Trading Limited (registered number 07145995). This is a company registered and incorporated in the United Kingdom. The company's principal activities are the hosting of concerts and other events with a view to making reasonable profits to donate to charitable cricket activities.

The result of LCCC Trust Trading Limited's trading activities through its subsidiary undertaking is detailed below. LCCC Trust Trading Limited's taxable profits are generally donated to the charity annually.

|                              | 2017<br>£          | 2016<br>£        |
|------------------------------|--------------------|------------------|
| Turnover                     | 1,298,987          | 800,901          |
| Cost of sales                | <u>(1,216,845)</u> | <u>(726,874)</u> |
| Gross profit                 | 82,142             | 74,027           |
| Administrative charge        | <u>(60)</u>        | <u>(169)</u>     |
| Profit before taxation       | 82,082             | 73,858           |
| Charitable donation          | (82,078)           | (73,836)         |
| Tax on profit                | (4)                | (22)             |
| Retained profit for the year | <u>-</u>           | <u>-</u>         |

Lancashire Cricket Foundation Limited  
Notes to the financial statements for the year ended 31 December 2017 (Cont'd)

8 Investments (cont'd)

The aggregate of the assets and liabilities was:

|                     | 2017<br>£   | 2016<br>£ |
|---------------------|-------------|-----------|
| Current assets      | 1,044,012   | 470,947   |
| Current liabilities | (1,044,011) | (470,946) |
| Net assets          | <u>1</u>    | <u>1</u>  |

9 Tangible Assets

|                          | Computer<br>Equipment<br>£ |
|--------------------------|----------------------------|
| <b>Group and Charity</b> |                            |
| <b>Cost</b>              |                            |
| 1 January 2017           | 18,285                     |
| Additions                | 960                        |
| 31 December 2017         | <u>19,245</u>              |
| <b>Depreciation</b>      |                            |
| 1 January 2017           | 13,180                     |
| Charge for the year      | 3,618                      |
| 31 December 2017         | <u>16,798</u>              |
| <b>Net book Value</b>    |                            |
| 31 December 2017         | <u>2,447</u>               |
| 31 December 2016         | <u>5,105</u>               |

10 Debtors - Amounts falling due within one year

|  | Group            |                | Charity        |                |
|--|------------------|----------------|----------------|----------------|
|  | 2017<br>£        | 2016<br>£      | 2017<br>£      | 2016<br>£      |
| Amounts owed by subsidiary undertaking | -                | -              | 82,078         | 73,836         |
| Amounts owed by related parties        | 1,230,001        | 529,666        | 186,069        | 78,484         |
| VAT                                    | -                | 19,223         | -              | -              |
| Other debtors                          | 24,562           | 17,595         | 24,562         | 17,595         |
| Prepayments                            | 185,347          | 12,564         | 185,345        | 12,564         |
|  | <u>1,439,910</u> | <u>579,048</u> | <u>478,054</u> | <u>182,479</u> |

11 Creditors - Amounts falling due within one year

|                                 | Group            |                | Charity        |               |
|---------------------------------|------------------|----------------|----------------|---------------|
|                                 | 2017<br>£        | 2016<br>£      | 2017<br>£      | 2016<br>£     |
| Trade Creditors                 | 215,348          | 167,414        | 21,322         | 1,559         |
| Taxes and social security costs | 23,538           | 6,371          | 23,538         | 6,371         |
| Accruals                        | 675,159          | 11,434         | 167,600        | 5,180         |
| Deferred Income                 | 225,000          | 225,000        | -              | -             |
| Other Creditors                 | 35,349           | -              | -              | -             |
|                                 | <u>1,174,394</u> | <u>410,219</u> | <u>212,460</u> | <u>13,110</u> |

Deferred income:

|                  | £              |
|------------------|----------------|
| 1 January 2017   | 225,000        |
| Released         | (225,000)      |
| Additions        | 225,000        |
| 31 December 2017 | <u>225,000</u> |

Deferred income relates to trading income received in advance for events taking place in the following year.

Lancashire Cricket Foundation Limited  
Notes to the financial statements for the year ended 31 December 2017 (Cont'd)

12 Funds

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

| Group                         | As at 1<br>January<br>2017<br>£ | Income<br>£ | Expenditure<br>£ | As at 31<br>December<br>2017<br>£ |
|-------------------------------|---------------------------------|-------------|------------------|-----------------------------------|
| <b>Restricted Funds:</b>      |                                 |             |                  |                                   |
| Sport England                 | 87,309                          | 34,394      | (121,703)        | -                                 |
| England & Wales Cricket Board | -                               | 33,000      | -                | 33,000                            |
| Chance 2 Shine                | -                               | 25,873      | -                | 25,873                            |
| The Lords Taveners            | -                               | 5,227       | -                | 5,227                             |
| Coach Core City               | -                               | 17,475      | -                | 17,475                            |
| Unrestricted Funds            | 147,801                         | 1,650,005   | (1,553,874)      | 243,932                           |
| Total Funds                   | 235,110                         | 1,765,974   | (1,675,577)      | 325,507                           |

|                          | As at 1<br>January<br>2016<br>£ | Income<br>£ | Expenditure<br>£ | As at 31<br>December<br>2016<br>£ |
|--------------------------|---------------------------------|-------------|------------------|-----------------------------------|
| <b>Restricted Funds:</b> |                                 |             |                  |                                   |
| Sport England            | 69,287                          | 114,566     | (96,544)         | 87,309                            |
| Unrestricted Funds       | 223,391                         | 1,041,302   | (1,116,892)      | 147,801                           |
| Total Funds              | 292,678                         | 1,155,868   | (1,213,436)      | 235,110                           |

| Charity                       | As at 1<br>January<br>2017<br>£ | Income<br>£ | Expenditure<br>£ | As at 31<br>December<br>2017<br>£ |
|-------------------------------|---------------------------------|-------------|------------------|-----------------------------------|
| <b>Restricted Funds:</b>      |                                 |             |                  |                                   |
| Sport England                 | 87,309                          | 34,394      | (121,703)        | -                                 |
| England & Wales Cricket Board | -                               | 33,000      | -                | 33,000                            |
| Chance 2 Shine                | -                               | 25,873      | -                | 25,873                            |
| The Lords Taveners            | -                               | 5,227       | -                | 5,227                             |
| Coach Core City               | -                               | 17,475      | -                | 17,475                            |
| Unrestricted Funds            | 147,800                         | 433,096     | (336,965)        | 243,931                           |
| Total Funds                   | 235,109                         | 549,065     | (458,668)        | 325,506                           |

|                          | As at 1<br>January<br>2016<br>£ | Income<br>£ | Expenditure<br>£ | As at 31<br>December<br>2016<br>£ |
|--------------------------|---------------------------------|-------------|------------------|-----------------------------------|
| <b>Restricted Funds:</b> |                                 |             |                  |                                   |
| Sport England            | 69,287                          | 114,566     | (96,544)         | 87,309                            |
| Unrestricted Funds       | 223,390                         | 314,237     | (389,827)        | 147,800                           |
| Total Funds              | 292,677                         | 428,803     | (486,371)        | 235,109                           |

The activities linked to the restricted funds total of £81,575 are discussed in note 4.

Any restricted funds balances at the the year end relate to timing differences relating to income received in advance of expenditure incurred on related charitable activities.

13 Related Party Transactions

The Trustees consider Lancashire County Cricket Club Limited, a registered society under the Co-operative and Community Benefit Societies Act 2014, registered in England and Wales, to be a related party due to their close day to day working relationships. Included within charitable activity expenses are payroll related costs recharged from Lancashire County Cricket Club Limited equating to £287,895 (2016 £200,835); this recharge has been offset in arriving at the debtor per note 10. During the year a donation of £70,000 (2016 £60,000) was received from the Lancashire County Cricket Club Development Association which is considered to be a related party due to key management control.

The amount owed by Lancashire County Cricket Club at 31 December 2017 was £186,069 (2016 £68,484). The amount owed by the Lancashire County Cricket Club Development Association at 31 December 2017 was £nil (2016 £10,000).

14 Comparative consolidated statement of financial activities

|   | Unrestricted<br>Funds<br>2016<br>£ | Restricted<br>Funds<br>2016<br>£ | Total Funds<br>for the year<br>2016<br>£ |
|---|------------------------------------|----------------------------------|--|
| <b>INCOME FROM:</b>                     |                                    |                                  |  |
| Donations and legacies                  | 169,779                            | 114,566                          | 284,345                                  |
| Gift aid                                | 739                                | -                                | 739                                      |
| Fundraising events                      | 66,883                             | -                                | 66,883                                   |
| <b>Other trading activities</b>         |                                    |                                  |  |
| Trading Income                          | 800,901                            | -                                | 800,901                                  |
| <b>Investments</b>                      |                                    |                                  |  |
| Investment income                       | 3,000                              | -                                | 3,000                                    |
| <b>TOTAL INCOME</b>                     | <b>1,041,302</b>                   | <b>114,566</b>                   | <b>1,155,868</b>                         |
| <b>EXPENDITURE ON:</b>                  |                                    |                                  |  |
| Charitable activities                   | (338,554)                          | (96,544)                         | (435,098)                                |
| Raising funds                           | (51,273)                           | -                                | (51,273)                                 |
| Trading Costs                           | (727,043)                          | -                                | (727,043)                                |
| <b>TOTAL EXPENDITURE</b>                | <b>(1,116,870)</b>                 | <b>(96,544)</b>                  | <b>(1,213,414)</b>                       |
| Net income / (expenditure) for the year | (75,568)                           | 18,022                           | (57,546)                                 |
| Tax                                     | (22)                               | -                                | (22)                                     |
| <b>NET MOVEMENT IN FUNDS</b>            | <b>(75,590)</b>                    | <b>18,022</b>                    | <b>(57,568)</b>                          |
| <b>RECONCILIATION OF FUNDS</b>          |                                    |                                  |  |
| Total funds brought forward             | 223,391                            | 69,287                           | 292,678                                  |
| Net movement in funds for the year      | (75,590)                           | 18,022                           | (57,568)                                 |
| <b>Total funds carried forward</b>      | <b>147,801</b>                     | <b>87,309</b>                    | <b>235,110</b>                           |

Comparative charity statement of financial activities

|   | Unrestricted<br>Funds<br>2016<br>£ | Restricted<br>Funds<br>2016<br>£ | Total Funds<br>for the year<br>2016<br>£ |
|---|------------------------------------|----------------------------------|--|
| <b>INCOME FROM:</b>                     |                                    |                                  |  |
| <b>Charitable activities</b>            |                                    |                                  |  |
| Donations and legacies                  | 243,615                            | 114,566                          | 358,181                                  |
| Gift aid                                | 739                                | -                                | 739                                      |
| Fundraising events                      | 66,883                             | -                                | 66,883                                   |
| <b>Investments</b>                      |                                    |                                  |  |
| Investment income                       | 3,000                              | -                                | 3,000                                    |
| <b>TOTAL INCOME</b>                     | <b>314,237</b>                     | <b>114,566</b>                   | <b>428,803</b>                           |
| <b>EXPENDITURE ON:</b>                  |                                    |                                  |  |
| Charitable activities                   | (338,554)                          | (96,544)                         | (435,098)                                |
| Raising funds                           | (51,273)                           | -                                | (51,273)                                 |
| <b>TOTAL EXPENDITURE</b>                | <b>(389,827)</b>                   | <b>(96,544)</b>                  | <b>(486,371)</b>                         |
| Net income / (expenditure) for the year | (75,590)                           | 18,022                           | (57,568)                                 |
| <b>NET MOVEMENT IN FUNDS</b>            | <b>(75,590)</b>                    | <b>18,022</b>                    | <b>(57,568)</b>                          |
| <b>RECONCILIATION OF FUNDS</b>          |                                    |                                  |  |
| Total funds brought forward             | 223,390                            | 69,287                           | 292,677                                  |
| Net movement in funds for the year      | (75,590)                           | 18,022                           | (57,568)                                 |
| <b>Total funds carried forward</b>      | <b>147,800</b>                     | <b>87,309</b>                    | <b>235,109</b>                           |

15 Acquisition

On 1 December 2017 Lancashire Cricket Board Limited transferred the following assets and liabilities to the charitable company for a consideration of £nil:

|   | £                    |
|---|----------------------|
| Trade Debtors   | 18,160               |
| Other Debtors   | 121,495              |
| Cash & Bank   | 43,707               |
|   | <u>183,362</u>       |
| Amount owed to Lancashire County Cricket Club Limited | (8,579)              |
| Accruals  | (23,114)             |
| Taxes and social security costs                       | (17,161)             |
| Deferred income                                       | (102,408)            |
| Other creditors                                       | (7,450)              |
|   | <u>(158,712)</u>     |
| <b>NET ASSETS</b>                                     | <u><u>24,650</u></u> |
| <b>Negative Goodwill</b>                              | <u><u>24,650</u></u> |

16 Financial Instruments

| Group  | 2017<br>£          | 2016<br>£         |
|--|--------------------|-------------------|
| The Group has the following financial instruments:                         |                    |                   |
| Financial assets at fair value through income or expenditure               | -                  | -                 |
| Financial assets that are debt instruments measured at amortised cost:     |                    |                   |
| - Trade Receivables  | 1,230,001          | 529,666           |
| - Other Receivables  | 209,909            | 49,382            |
|  | <u>1,439,910</u>   | <u>579,048</u>    |
| Financial liabilities measured at fair value through income or expenditure | -                  | -                 |
| Financial liabilities measured at amortised cost:                          |                    |                   |
| - Trade creditors  | (215,348)          | (167,414)         |
| - Deferred consideration   | (225,000)          | (225,000)         |
| - Other creditors  | (734,046)          | (17,805)          |
|  | <u>(1,174,394)</u> | <u>(410,219)</u>  |
| Other financial liabilities measured at fair value                         | -                  | -                 |
| <b>Company</b>   | <b>2017<br/>£</b>  | <b>2016<br/>£</b> |
| The Company has the following financial instruments:                       |                    |                   |
| Financial assets at fair value through income or expenditure               | -                  | -                 |
| Financial assets that are debt instruments measured at amortised cost:     |                    |                   |
| - Trade Receivables  | 722,229            | 633,535           |
| - Other Receivables  | 671,647            | 635,841           |
|  | <u>1,393,876</u>   | <u>1,269,376</u>  |
| Financial liabilities measured at fair value through income or expenditure | -                  | -                 |
| Financial liabilities measured at amortised cost:                          |                    |                   |
| - Trade creditors  | (21,322)           | (1,557)           |
| - Other creditors  | (191,138)          | (11,551)          |
|  | <u>(212,460)</u>   | <u>(13,108)</u>   |
| Other financial liabilities measured at fair value                         | -                  | -                 |