



NORTH *of* ENGLAND CIVIC TRUST

North of England Civic Trust
(a charitable company limited by guarantee)

Annual Report
for the year ended 31 March 2017

Registered Company Number: 01654806

Registered Charity Number: 513055

North of England Civic Trust
(a charitable company limited by guarantee)

Annual Report

for the year ended 31 March 2017

Contents

Reference and administrative details	1
Trustees' report for the year ended 31 March 2017	2
Independent auditor's report to the members of North of England Civic Trust	10
Statement of financial activities (including income and expenditure account) for the year ended 31 March 2017	12
Balance sheet as at 31 March 2017	13
Accounting policies	14
Notes to the accounts for the year ended 31 March 2017	16

North of England Civic Trust

(a charitable company limited by guarantee)

Reference and administrative details

Charity number: 513055
Company number: 1654806
Registered office: The Schoolhouse, 12 Trinity Chare, Quayside, Newcastle upon Tyne NE1 3DF

Our advisors

Independent auditors: UNW LLP, Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE
Bankers: Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 4JE
Solicitors: Sintons LLP, The Cube, Barrack Road, Newcastle upon Tyne, NE4 6DB

Directors and trustees

The directors of the charity are its trustees for the purpose of charity law. The trustees and senior management serving during the year and since the year end were as follows:

Trustees

Mr A Banford (appointed 5th September 2017)
Mr P Bromley
Mr D Butterworth
Mr P Candler DL (Chairman)
Ms B Gubbins (appointed 5th September 2017)
Ms D Jenkins (appointed 5th September 2017)
Ms C MacKenzie
Mr M Moody
Mr C Mullin
Prof R Pickard
Mr B Speker OBE DL

Senior management

Graham Bell Director
Richard Beattie Finance Manager

North of England Civic Trust

(a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017

The trustees present their report and accounts for the year ended 31 March 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and Activities

The objects of the charity, as set out in its memorandum and articles, are to promote a high standard of planning and architecture in or affecting the area of benefit, to educate the public in the geography, history, natural history and architecture, and to secure the preservation, protection, development and improvement of buildings and other features of historic architecture or public interest in the area of benefit.

The charitable company's objectives are to provide independent professional advice and services in the public interest, working towards improvement of, and appreciation for the environment of the North of England (in these circumstances being defined as the North East of England, North Yorkshire and Cumbria) including the acquisition, restoration and beneficial re-use of historic buildings. As far as possible, all activities are undertaken in partnership, often bringing together public bodies and community groups.

The Trust continues to combine consultancy with the development of historic property. During this financial year the Trust has provided advice on a number of problematic sites across its area of operation, as set out below.

Activities during the year continued to cover all aspects of the Trust's diverse roles, including conservation area character appraisals, conservation plans, feasibility studies, options appraisals, skill training and community development assistance. The Trust has successfully continued to deliver a wide range of services and projects in accordance with its aims and objectives.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. All work undertaken by the Trust seeks to offer public benefit, either through improvement or protection of local built environment, contribution to heritage led regeneration, access to skill training or capacity building of skills within local communities.

Volunteers

The Trust is very involved in local communities and occasionally relies upon volunteers. The number of volunteers involved in some projects can vary from an individual working on a specific task such as archiving up to three dozen or more involved in a project, for which we wish to record our thanks to them for helping us achieve even more in our charitable aims.

North of England Civic Trust **(a charitable company limited by guarantee)**

Trustees' report for the year ended 31 March 2017 (continued)

Achievements and Performance

The operating environment for the cultural heritage sector continues to be challenging, with several national and regional charities ceasing to survive during this financial year. Over the years NECT has adapted to meet significant change such as reductions in funding, but also it has been agile in responding to opportunities in which it could deliver public benefit through new charitable activities – notably, stepping in to help the civic movement establish Civic Voice, and respond to the urgent need for craftsmen through the Trust's own Heritage Skills Initiative. In anticipation of continued decline in public funding resulting in increased competitiveness, during this year the Trust planned and then applied for substantial support to undertake a comprehensive review of its activities that would inform a completely new business plan and future operating model. The Trust was awarded a Resilient Heritage grant of £145,200 from the Heritage Lottery Fund – one of the first and most substantial in the UK at the time. By March 2017 the process had been launched and will run until March 2019. It will almost certainly yield the most significant development of the Trust since at least the 1980s if not since its inception over 50 years ago. The grant is being used to recruit new staff, strategic/change management mentor/advisors, and a range of specialist consultants to review the Trust's properties, collections, policies and procedures, funding and resources, profile and operational area of benefit. The aim is to safeguard the heritage vested in the Trust (physical assets and expertise) by engendering an organisational structure that can flourish, not just survive.

The underlying conservation management strengths that are the staple reputation of the Trust continue to be applied to new circumstances. NECT has among the most extensive accumulated experience in historic area conservation management in the UK, acquired through conservation area character appraisals, historic asset management plans and delivery programmes. During the year the Trust continued to prepare planning resources for urban and rural conservation areas across the north east, and supervise volunteers in producing local lists in Cumbria. Historic railway stations have long been a stalwart of the Trust's work and this year featured contributions to economic masterplans for Middlesbrough and Darlington. NECT has established an exceptional track record in achieving successful round 1 and 2 HLF Townscape Heritage (Initiative) programme bids all across the north, and this year that specialism was channelled into Bishopwearmouth in Sunderland. As is often the case in Townscape Heritage strategies, significant landmark buildings need significant bespoke solutions, and in Bishopwearmouth the Trust has also been closely involved in supporting the transformation of the former Fire Station into a new arts venue, becoming a creative catalyst for the arts sector in the region, and an economic regeneration boost for the area. Increasingly, such area- or landmark-based initiatives need to demonstrate active local support across a range of audiences and forms of engagement; this is where the inter-disciplinary nature of NECT can contribute most.

In contrast to the urban challenges of Bishopwearmouth, during the year the Trust contributed to its first Landscape Heritage programme in Scotland, the Galloway Glens in Dumfries and Galloway. Though NECT has worked on a range of such partnerships elsewhere, this was one of the more remote rural communities experiencing skills loss and young people moving away after school, not to remain as the next generation of society and the economy. NECT's role was to devise a strategy for training related to environmental and traditional construction skills required to maintain the distinctive character of this part of Scotland in which sustainable tourism is a USP.

North of England Civic Trust (a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017 (continued)

Impact on the environment was a common theme during the year, but in some unexpected ways. Most people are familiar with The Angel of the North, the sculpture created by Anthony Gormley as a gateway to Tyneside. As it has been part of the landscape for twenty years, it was timely to review and evaluate that impact upon the landscape – and the effects of the landscape upon it, given that in twenty years trees and shrubs now obscure key vistas. The process will continue into the next financial year but it warrants singling out as one of the most defining commissions for the Trust.

In a very different sense, but important in its own way, is NECT's involvement in the centenary commemoration of the First World War. The Trust was commissioned to work with a range of partners to provide access and educational support to the WWI practice trenches in the hills above Rothbury in Northumberland. These little known inauspicious rents in the rough terrain were where many men quickly had to learn trench warfare before being despatched off to the real thing. Now a scheduled monument, they provide a humbling first-hand glimpse into the harsh realities that faced rank-and-file soldiers.

Another connection between a major national conflict and the north east is a group of almshouses in Sunderland named Trafalgar Square, but pre-dating its famous London counterpart. Funded by the Muster Role and opened in 1840, after 175 years it is still providing supported accommodation for widows and relatives of former mariners. The picturesque courtyard terraces provide a highly desirable oasis for retirement but closer inspection reveals pervasive damp. NECT has been working with the trustees since 2014 on a £2m scheme to remedy the damp whilst minimising disruption to residents. During the year work commenced with a pilot phase, but works are not expected to complete until 2019.

Projects such as Trafalgar Square benefit from NECT's first-hand responsibilities on its own properties in everything from funding to business planning to project management and contracts, then property management and maintenance. NECT has two current development projects: Warwick Bridge Corn Mill near Carlisle, and Camp Farm at Maryport, both in Cumbria. During the year, the first phase of the most essential urgent works were undertaken at the grade II* mill. This phase was substantially funded by Historic England because the mill has been on the Heritage at Risk Register since 2000. This provided an opportunity to begin to involve local school children in the journey, and enable a wide range of visitors to glimpse the challenges that lie ahead. The £2m project has been awarded about £1.4m from the Heritage Lottery Fund, but the Trust continues to raise the remaining shortfall.

Pipeline projects the Trust hopes will come to fruition include its hoped-for acquisition of the iconic Keelmen's Hospital in Newcastle upon Tyne (the subject of famous ballads and the focus of preaching by John and Charles Wesley), and collaboration with the Phoenix Enterprise Centre in reviving the former council chambers in Frizington near Whitehaven – rumoured to be the home of the first all-Labour elected council in Britain.

Meanwhile, with support from the Architectural Heritage Fund (a longstanding recurrent grant and loan provider to NECT), the Trust progressed its plans for Camp Farm – the Roman archaeology that justified its inclusion in the World Heritage Site, the disused Victorian Model Farm buildings, and the stunning landscape that is part of the Solway Coast AONB. The significance of the opportunity, and the importance NECT puts on

North of England Civic Trust **(a charitable company limited by guarantee)**

Trustees' report for the year ended 31 March 2017 (continued)

local people, was celebrated by a visit of the Trust's Patron, HRH the Duke of Gloucester – the first Royal visit to Maryport in 16 years.

Financial Review

Full details of income and expenditure for the year are set out in the Statement of Financial Activities set out on page 10.

The operating surplus for the year to March 2017 of £1k reflected a tough but stable year for the Trust. Delays in projects, outside the control of the Trust, continue to have a negative impact of the Trust's performance, but work on consultancy projects helped to achieve a satisfactory result for the year.

The Trust had some sizeable grants awarded towards the end of the financial year, which were for capital repair work yet to be completed. Consequently these sums together with the balance of sums already ring fenced for third parties meant that the overall cash position appears robust, however creditors at the year-end were higher than normal to reflect these liabilities. The restricted funds held at the year-end totalled £40,421. The trading position has made the core cash position tough during the year, however secured contracts in the foreseeable future, together with close monitoring of the cash position do provide an optimistic outlook.

Reserves

The charity holds both restricted and unrestricted reserves and aims to match funding to expenditure before significant costs are incurred. The trustees seek to keep a minimum of 13 weeks running costs (around £65k) and a maximum of one years running costs as free reserves (i.e. not tied up in fixed assets). Unrestricted free reserves at 31st March amounted to a deficit of £9k. This deficit is after deducted the loan taken to purchase the corn mill at Warwick Bridge. This loan was reviewed in the summer of 2017 and a further facility of £98k was granted on a need basis. If the project to restore the corn mill proceeds, this loan will be immediately repaid using grant monies received. If however the project does not proceed the mill may be sold with the proceeds expected to be higher than the loan value. The Trust continues to work to improve its cost recovery on charitable activities that will allow it to build reserves to desired levels.

North of England Civic Trust

(a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017 (continued)

Investments

The investment powers are set out in the company's governing document. The charity holds investments with a view to generating income streams. The Trust's long-term strategy is to use its capacity to develop historic property to build a portfolio of investment assets, generating income from a mix of lettings and sales, which will contribute to the Trust's core operational costs and purposes.

Risk assessment

The main risks faced by the Trust in its day to day operations are set out below. Risks are also assessed by project, and the risk score used to guide decision making and delegation of decision making within the Trust. Risks are further mitigated by the process of review and scrutiny by the board in advance of projects being undertaken.

The trustees consider the major risks to which the charity is exposed are:-

Risk	Anticipated outcome from risk	Controls
Property risk		
That Trust property, held as a Heritage Asset under the protection of the Trust, is damaged	Trust is liable to repair damage	Insurance cover in place.
That a member of the public is injured on Trust property	Trust is liable for compensation	Trust maintains public liability insurance. Tenants of properties responsible for public safety, and so any claim would be against them in the first instance.
That the design of a renovation project is defective	Trust is liable to incur financial cost in putting right the defect caused	Trust uses professional teams with a proven track record of similar projects, and works in partnership with users/funders/statutory bodies throughout the design phase. All sub-contracted staff must provide evidence of Professional Indemnity Insurance and contracts are subject to a defects liability period.
Funding risk		
Projects may overrun, incurring excessive staff time for which income cannot be recovered, or may involve expenditure not anticipated at the start but required to deliver the outcome	Project results in financial cost to the Trust	Individual larger projects are subject to individual risk assessment at inception, and are monitored throughout the life of the project. "Normal" consultancy subject to management controls monitoring spend and progress.
Outcomes on projects may not be met	Grants awarded may be clawed back by funders	Assessed individually (see above) to ensure outcomes are realistic to project.
Staff		
Key staff leave the Trust	Trust unable to fulfil commitments, or generate new work	All projects have a second member of staff assigned to them to ensure continuity.

North of England Civic Trust
(a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017 (continued)

		Annual appraisal process and staff away day seeks to involve staff in direction, thus making the Trust a good place to work.
Staff employed may not be fully utilised on income generating work	Income generated does not cover operating costs of Trust	Staff plan determined by management (at least) 3 months ahead. Underutilised staff are redeployed where possible onto alternative chargeable work. Gaps in the plan trigger increased business development.
Actions of staff may be detrimental to Trust	Reputation of Trust is damaged by either public actions of staff or by sub-standard work being submitted to clients	Staff are aware of expected code of conduct on Trust business, and disciplinary procedures are included in all staff contracts. Reports are subject to Quality Control review by any of the Directors before being sent out to clients. The Trust carries Professional Indemnity Insurance as a protection against action by clients.

Plans for future periods

The Trust is in the process of updating its strategic plan, in line with the Resilience project underway.

During 2017/18 the Trust aims to:

- Respond to market conditions to seek to retain expertise in-house as conditions within planning and conservation local authority services change;
- Develop new projects with private (non Local Authority) funding to address identified needs and gaps;
- Develop increased web presence linked to social media;
- Develop and implement a broader-based fundraising strategy;
- Build reserves and improve financial performance.
- Winning the permission to start the project at Warwick Bridge will allow the Trust to enter into a major capital project for the next two to three years.
- Receiving the Resilience Heritage grant will allow the Trust to evaluate all income streams together with reviewing the infrastructure of the workings of the Trust.

North of England Civic Trust

(a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017 (continued)

Structure, Governance and Management

The company is governed by its memorandum and articles of association. It is also a registered charity. The operation of the company is overseen by the board of trustees.

Trustees

The trustees of the charity are also directors of the company as defined in the Companies Act 2006 and are listed above. They are appointed to the board either by invitation following nomination, or in response to public invitation to ensure a good range of geographical representation, skill and experience. Prospective trustees are interviewed before an offer of appointment is made. Induction of new trustees provides a thorough introduction to the Trust through meetings with the directors and staff, and a review of governing documents, business plan, budget and programme of work.

There has been no formal trustee training undertaken during the year, although the board continue to review the skills represented and continue to recruit new members accordingly.

The board meet quarterly and there is a sub-committee covering audit and remuneration that meets twice during the year. A scheme of delegation approved by trustees in December 2000 delegates day-to-day operational decisions to the Trust's director and senior management within a risk management framework as agreed with the board.

None of the trustees receives remuneration or other benefits from their work with the charity. Any future payments to any trustee for specific services will be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

Trustees' responsibilities in relation to the financial statements

Company law requires the directors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping proper 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

North of England Civic Trust
(a charitable company limited by guarantee)

Trustees' report for the year ended 31 March 2017 (continued)

statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

So far as each director is aware, there is no relevant audit information of which the charity's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'P Candler', written over a horizontal line.

P Candler
Chairman
11 December 2017

North of England Civic Trust **(a charitable company limited by guarantee)**

Independent auditor's report to the members of North of England Civic Trust

We have audited the financial statements of North of England Civic Trust for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report³ to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, 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.

North of England Civic Trust (a charitable company limited by guarantee)

Independent auditor's report to the members of North of England Civic Trust (continued)

Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Anne Hallowell FCA DChA (Senior Statutory Auditor)

For and on behalf of UNW LLP (Statutory Auditor)

Chartered Accountants & Statutory Auditor

Citygate

St James' Boulevard

Newcastle upon Tyne

NE1 4JE

11 December 2017

North of England Civic Trust
(a charitable company limited by guarantee)

Statement of financial activities (including income and expenditure account) for the year ended 31 March 2017

	Notes	Unrestricted funds	Restricted funds	Total 2017	Total 2016
		£	£	£	£
Income and endowment from:					
Charitable activities	1	233,045	203,943	436,988	323,322
Investments		33,987	-	33,987	33,693
Other		13,909	-	13,909	9,180
Total		280,941	203,943	484,884	366,195
Expenditure on::					
Charitable activities	2	279,955	203,943	483,898	384,943
Total		279,955	203,943	483,898	384,943
Net incoming/ (outgoing) resources		986	-	986	(18,748)
Revaluation of property		-	-	-	-
Reconciliation of funds					
Funds brought forward at 1 April		1,992,125	-	1,992,125	2,010,873
Fund balances carried forward	12	1,993,111	-	1,993,111	1,992,125

The charity had no recognised gains and losses other than those noted above. All operations are continuing.

There is no difference between the reported result for the year stated above and its historical cost equivalents.

North of England Civic Trust
(a charitable company limited by guarantee)

Balance sheet as at 31 March 2017

	Note	2017 £	2017 £	2016 £	2016 £
Tangible fixed assets	5		2,319		5,444
Heritage Assets	6		1,369,332		1,369,332
Investments	8		765,000		765,000
Current assets					
Debtors due after 1 year	9	19,085		20,499	
Debtors due within 1 year	9	70,402		83,267	
Cash at bank and in hand		105,711		212,682	
Total current assets		195,198		316,448	
Creditors: amounts falling due within one year	10	(203,738)		(329,099)	
Net current liabilities			(8,540)		(12,651)
Total assets less current liabilities			2,128,111		2,127,125
Creditors: amounts falling due after one year	11		(135,000)		(135,000)
Net assets			1,993,111		1,992,125
Funds					
Restricted funds	12		-		-
Unrestricted funds					
Revaluation reserve	12	820,586		820,586	
General reserve	12	1,172,525		1,171,539	
Total unrestricted funds			1,993,111		1,992,125
Total funds			1,993,111		1,992,125

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements on pages 12 to 23 were approved by the board of Trustees on 2017 and were signed on their behalf by:



P Candler, **Chairman**

Company Number 01654806

North of England Civic Trust

(a charitable company limited by guarantee)

Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The accounts are presented in £ sterling, which is considered to be the functional currency, and are rounded to the nearest £.

North of England Civic Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policies below.

Going concern

The trustees have reviewed the budgets and forecasts, and after appropriate enquiries, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Income

Donations and core grants receivable are accounted for when received or when receipt is probable. Investment income is included when receivable.

Consultancy income

Income represents amounts chargeable to clients for services provided during the year excluding VAT. Income is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of work performed. Income is not recognised where the right to receive payment is contingent on events outside the control of the charity.

Unbilled income is included in debtors as 'amounts recoverable on contracts'. Amounts billed on account in excess of the amounts recognised as income are included in creditors.

Long term capital projects

Expenditure in respect of renovation and refurbishment of historic buildings is charged to the statement of financial activities in the period in which the expenditure is incurred, on an accruals basis and is not capitalised.

Support costs

Support costs represent indirect costs attributed to the charitable activities of the Trust. Staff costs are allocated between different charitable activities in accordance with the time spent on each activity. Support costs include audit fees and the cost of trustees meetings.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing under £200 are not capitalised.

North of England Civic Trust

(a charitable company limited by guarantee)

Depreciation is provided at rates calculated to write off the cost of each asset, less estimated residual values, over its expected useful life as follows:

Furniture, fittings and equipment	-	10% - 33%
Chattels and historic objects	-	Nil

Heritage Assets

Heritage assets are held for their historic importance and cultural benefit. Based upon the residual value of the assets, and their long life, depreciation is not provided. Assets are held on the balance sheet at valuation at date of acquisition, with valuations updated periodically to reflect capital works undertaken, if appropriate.

Investment properties

Properties held by the Trust are held for their long term investment potential and to secure their survival for the future and are not depreciated.

Investment properties are held at fair value at the balance sheet date. The difference between original cost to the Trust and valuation is shown as a revaluation reserve within the general reserve. Costs incurred in the renovation and refurbishment of historic buildings are not capitalised.

Fund accounts

The unrestricted fund represents the income and expenditure incurred in the day to day running of the charitable company. The restricted fund represents grants and donations received for specific capital projects undertaken by the charitable company.

Pension costs

The charitable company contributes to the employees' personal pension schemes. Contributions are charged to the Statement of Financial Activities in the period in which the related payroll costs are incurred.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the income and expenditure account as incurred.

Critical accounting estimates and areas of judgement

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

In preparing these financial statements, the directors do not consider there were any significant areas of judgement that were required in applying the company's accounting policies as set out above.

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017

1 Charitable Activities

	2017 Unrestricted	2017 Restricted	2017 Total	2016 Total
	£	£	£	£
Grants and donations (see below)	105,677	203,943	309,620	136,424
Consultancy income	127,368	-	127,368	186,898
Total	233,045	203,943	436,988	323,322

Donor	Description	2017 Unrestricted	2017 Restricted	2017 Total	2016 Total
		£	£	£	£
Architectural Heritage Fund	Frizington Council Chambers	9,422	-	9,422	-
	Warwick Bridge Corn	-	-	-	2,250
BIG Lottery	Port Carlisle	318	-	318	-
Coastal Revival Fund	Camp Farm, Maryport	-	32,634	32,634	17,366
Cumberland Building Society Charitable Foundation	Camp Farm, Maryport	-	-	-	1,000
Cumbria County Council	Frizington Council Chambers	1,000	-	1,000	-
	Camp Farm, Maryport	3,250	-	3,250	-
Cumbria Waste Management Environmental Trust	Warwick Bridge Corn Mill	-	15,000	15,000	-
English Heritage/ Historic England	Grade II Survey Allerdale	-	-	-	5,997
	Grade II Survey S	-	-	-	11,111
	Trowels to the Rescue	-	-	-	940
	Warwick Bridge Corn	-	156,309	156,309	18,863
Garfield Weston	Warwick Bridge Corn	20,178	-	20,178	9,824
Hadrian's Wall Trust	Camp Farm, Maryport	13,000	-	13,000	4,000
The Headley Trust	Warwick Bridge Corn	32,000	-	32,000	8,000
Balance carried forward		79,168	203,943	283,111	79,351

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

1. Charitable Activities (continued)

Donor	Description	2017	2017	2017	2016
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Balance brought down		79,168	203,943	283,111	79,351
Heritage Lottery Fund	Frizington Council Chambers	10,000	-	10,000	-
	Heritage Skills	-	-	-	32,220
	Keelmen's Hospital	4,000	-	4,000	-
	Resilience Fund	8,171	-	8,171	-
	Warwick Bridge Corn	-	-	-	9,550
	Woodhorn Church	-	-	-	4,463
Northumberland County Council	Woodhorn Church	-	-	-	1,500
North West Mills Group	Warwick Bridge Corn Mill	350	-	350	-
Phoenix Enterprise Centre CIC	Frizington Council Chambers	500	-	500	-
Regen North East Copeland Ltd	Frizington Council Chambers	500	-	500	-
Solway Wetlands	Port Carlisle	-	-	-	2,750
Wesley Orphan House	Keelmen's Hospital	1,000	-	1,000	3,550
Your Housing Group	Camp Farm Maryport	300	-	300	-
Misc donations	North of England Civic Trust	1,688	-	1,688	3,040
		105,677	203,943	309,620	136,424

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

2 Expenditure on Charitable activities

	Direct costs £	Staff costs £	Support costs £	Total 2017 £	Total 2016 £
Consultancy	40,143	61,446	108,165	209,754	319,177
Building projects	208,451	23,799	41,894	274,144	65,766
Costs of charitable activities	248,594	85,245	150,059	483,898	384,943

3 Support costs

	2017 £	2016 £
Staff costs	91,993	104,073
General office costs	50,891	50,036
Depreciation	3,125	3,073
Audit fee	3,000	3,750
Cost of trustees' meetings	1,050	289
	150,059	161,221

4 Staff costs

	2017 £	2016 £
Staff costs comprise the following:		
Wages and salaries	160,556	190,141
Social security costs	9,335	13,717
Other pension costs	7,347	7,969
	177,238	211,827

The average number of persons employed during the year was 6 (2016: 6). In 2017 there were no employees with emoluments above £60,000 (2016: 0). None of the trustees (2016: 0) received, or were entitled to receive any remuneration for their services to the charitable company. 2 of the trustees (2016: 2) received a total of £1,050 (2016: £289) for travel expenses during the year.

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

Key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the charity. During 2016/17 they were:

G Bell

R Beattie

The total employee benefits of the key management personnel of the charity were £80,684 (2016: £77,369).

5 Tangible fixed assets

	Furniture, fixtures and equipment	Painting	Total
	£	£	£
Cost			
At 1 April 2016	31,989	1,352	33,341
Additions	-	-	-
Disposals	-	-	-
At 31 March 2017	31,989	1,352	33,341
Depreciation			
At 1 April 2016	27,897	-	27,897
Charge for the year	3,125	-	3,125
Disposals	-	-	-
At 31 March 2017	31,022	-	31,022
Net book value			
At 31 March 2017	967	1,352	2,319
At 31 March 2016	4,092	1,352	5,444

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

6 Heritage Assets

	2017 £
At 1 April 2016	1,369,332
Assets acquired including acquisition costs	-
Transferred from Investment Properties	-
Valuation at 31 March 2017	1,369,332

7 Heritage Assets – Summary of transactions

	2017 £	2016 £
Donations	-	-
Purchases	-	137,332
Transferred from Investment Properties	-	275,000
Charge for impairment	-	-
Disposals	-	-
Proceeds from disposals	-	-

8 Investment Properties

	2017 £
Valuation at 31 March 2016 and 31 March 2017	765,000

Properties were valued independently as follows:

Exchange Buildings was valued in May 2008 at £650,000.

The directors review the valuation on an annual basis and confirm the current carrying values are in line with market values as at 31 March 2017.

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

9 Debtors

	2017	2016
	£	£
Rental income due after more than one year	19,085	20,499
Trade debtors	31,334	58,440
Prepayments and accrued income	39,066	24,827
	89,485	103,766

10 Creditors: amounts falling due within one year

	2017	2016
	£	£
Interest due on loan	5,850	5,850
Trade creditors	8,295	32,667
Other creditors	118,156	85,117
Other taxation and social security	3,097	4,103
Accruals and deferred income	68,340	201,362
	203,738	329,098

Other creditors reflects the liability that the Trust has to pay to third parties using the monies received in March 2015 from Hadrian's Wall Trust and the North East Federation of Civic Societies.

11 Creditors: amounts falling due after one year

	2017	2016
	£	£
Loan from AHF	135,000	135,000
	135,000	135,000

The loan from the Architectural Heritage Fund (AHF) is secured by a charge on Exchange Buildings in Sunderland. The loan is repayable in December 2019 and carries interest at 6.5%.

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

12 Reconciliation of movement in funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
At 1 April 2016	1,992,125	-	1,992,125
Net incoming resources for the year	986	-	986
At 31 March 2017	1,993,111	-	1,993,111

	Unrestricted funds	Restricted funds	Total 2017
	£	£	£
Represented by:			
Tangible fixed assets	2,319	-	2,319
Heritage assets	1,369,332	-	1,369,332
Investment properties	765,000	-	765,000
Current assets	154,777	40,421	195,198
Current liabilities	(163,317)	(40,421)	(203,738)
Long term liabilities	(135,000)		(135,000)
Total net assets as at 31 March 2017	1,993,111	-	1,993,111

13 Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases as set out below:

	2017	2016
	£	£
Operating leases which expire:		
Within one year	16,774	17,276
Within two to five years	16,089	16,778
In more than five years	-	608

North of England Civic Trust
(a charitable company limited by guarantee)

Notes to the accounts for the year ended 31 March 2017 (continued)

14 Related party transactions

There were no related party transactions during the year.

15 Capital Commitments

The Trust had no capital commitments at 31 March 2017 (2016: £nil).

16 Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

17 Contingent liabilities

The Trust's capital funding for projects carried out at Eagle, Exchange and Gayle is subject to clawback / repayment should the Trust dispose of the properties. The amounts vary according to the length of time passed since completion of each project and other circumstances. As the Trust holds all properties to secure their long term future, there are no plans to sell any of the properties concerned.