

COMPANY No. 1444058

REGISTERED CHARITY NO. 509133

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

A Company Limited by Guarantee and
Not Having a Share Capital

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2003



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TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

TRUSTEES' REPORT

The Council of Management submit their report and financial statements of the Trust for the year ended 31st March 2003.

OBJECTS OF THE CHARITY

The Trust is governed by its constitution and its main objective is to preserve for the benefit of the public generally and especially for the inhabitants of the County of Tyne and Wear, buildings (including artefacts and land) which are of special historic, architectural, or townscape interest.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

The preparation of an application for grant assistance towards the restoration of 28/30 The Close has continued but has been delayed while costs and financial profile are updated.

The company which owns Axwell Park Hall has been removed from the Register of Companies and the property has now reverted to the Crown Commissioners. The Trust is continuing to investigate means of acquiring the property and persuading Barclays Bank to relinquish the charge which they hold on it. Wimpey Homes have withdrawn their interest in this project.

Revised proposals to consolidate and secure Whinfield Coke Ovens have been prepared and the revised scheme was implemented in October 2003.

The application for a Project Planning Grant, on behalf of the Tynemouth Volunteer Life Brigade, was approved and work on the survey and report has started.

A feasibility study was managed for the Avison Trust into the possible restoration of 55/57 Westgate Road for use by that Trust. This was completed satisfactorily and the Avison Trust is currently considering its options.

Since the end of the financial year the Chairman, Mr Harbottle has resigned and has been replaced by Cllr Marshall as acting Chairman pending the election of a new Chairman at the Annual General Meeting.

Also since the end of the financial year, a major fire at Dunston Staithes has required substantial works to consolidate the structure and maintain safety standards. The cost of these works is estimated at £43,000.

LEGAL AND ADMINISTRATIVE DETAILS

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association. It is incorporated in England and Wales - number 1444058 and is also a registered charity - number 509133.

The members of the Council, who also act as trustees for the charitable activities of the Trust, and who served during the year ended 31st March 2003 and to the date of this report are as follows:

P.R.M. Harbottle	- Chairman : Resigned 1st July 2003
Cllr. T.D. Marshall	- Vice Chairman to 1st July 2003 : Acting Chairman from 1st July 2003
Dr. J. Allen	- Appointed 2nd July 2002
Mrs. M. Border	
Cllr. S. L. Cox	
Cllr. W. Craddock	
J.M. Daniels	
Cllr. T.W. Defty	- Resigned 7th June 2002
P.W. Fall	
Mrs. G. McCombie	
Prof. N. McCord	- Resigned 4th March 2003
J.R. Pendlebury	
Cllr. J. Watson	- Appointed 7th June 2002
Cllr. G.K. Wilson	

The members of the Council hold no shares in the company but each member is a guarantor of the company to an amount not exceeding £1 in the event of the company winding up.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

TRUSTEES' REPORT - Continued

The registered office is:

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

The principal place of business is:

Alderman Fenwick's House
98/100 Pilgrim Street
Newcastle upon Tyne
NE1 6SQ

The company's bankers are:

Barclays Bank plc
59 High Street
Gosforth
Newcastle upon Tyne
NE3 4AS

The company's solicitors are:

Eversheds
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3XX

The company's auditors are:

Ryecroft Glenton
27 Portland Terrace
Newcastle upon Tyne
NE2 1QP

RESERVES

The Council of Management have reviewed the reserves of the Trust. This review encompassed the nature of the income and expenditure streams, the need to match variable income and fixed commitments and the nature of the reserves. The Council of Management have concluded that the Trust requires a general reserve fund equating to approximately six months of unrestricted fund expenditure of £80,000. During the year the Trust's general reserve fund has increased from £437,068 to £474,483.

The restricted fund has remained at £2,716,910 and is represented by historic fixed assets (see Note 11).

The financial statements conform to current statutory requirements and comply with the Trust's governing documents.

PROPERTIES

The Council of Management have considered the value of properties and, in particular, Brenkley Colliery, and as there is no immediate intention to dispose of any properties, they believe it is appropriate to include properties in the financial statements at a value of no less than historical cost.

INTRODUCTION OF THE EURO

The Council of Management do not consider that the charity will have any material costs or expenditure as a consequence of any potential or actual future participation by the United Kingdom in the single currency, the euro.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

TRUSTEES REPORT - Continued

GOVERNANCE AND INTERNAL CONTROL

The governing body of the Trust is a Council of Management which meets on a bi-monthly basis to decide overall financial and policy matters. The day to day issues are handled by the Secretary and Technical Adviser in consultation with the Chairman, Vice Chairman and Hon. Treasurer.

New members of the Council of Management are elected by the Council of Management or by the members of the Trust in General Meeting.

Law applicable to charities in England and Wales requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the Council of Management should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Council of Management have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

They include:

- regular consideration by the Council of Management of income and expenditure;
- delegation of authority and segregation of duties;
- identification and management of risk.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

TRUSTEES REPORT - Continued

GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

The Council of Management have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and are satisfied that systems are in place to mitigate the exposure to the major risks.

A resolution to reappoint Ryecroft Glenton as auditors to the Company will be put to the Members at the Annual General Meeting.

By order of the Council

A handwritten signature in black ink, appearing to read 'T.D. Marshall', written over the printed name.

T.D. Marshall
Trustee

13th January 2004

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention as modified by the revaluation of investments and on the basis of the accounting policies set out on pages 9 and 10.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees' (who are also directors of Tyne and Wear Building Preservation Trust Limited for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustee's report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees remuneration and transactions with the charity is not disclosed.

We read the trustee's report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

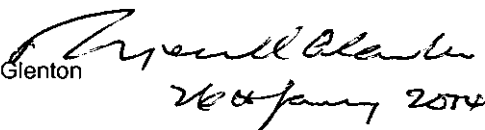
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31st March 2003 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ryecroft Glenton



26 January 2004

Chartered Accountants
Registered Auditors

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

Including Income and Expenditure

For the Year Ended 31st March 2003

		2003			2002
	Note	Restricted Funds	Unrestricted Fund	Total Funds	Total Funds
		£	£	£	£
INCOMING RESOURCES					
Activities for Generating Funds:					
- Rent and Service Charges					
- Alderman Fenwick's House		-	101,927	101,927	95,561
- Brenkley Colliery		-	73,831	73,831	67,268
Subscriptions and Donations		-	120	120	478
Investment Income	5	-	5,071	5,071	3,651
Sundry Income		-	2,104	2,104	-
TOTAL INCOMING RESOURCES	2	-	183,053	183,053	166,958
RESOURCES EXPENDED					
Cost of Generating Funds:					
- Property Costs		-	88,784	88,784	95,375
Charitable Expenditure:					
Costs of Activities in Furtherance of the Charity's Objects:					
- Direct Costs		-	42,928	42,928	44,222
- Management and Administration		-	13,671	13,671	13,485
		-	56,599	56,599	57,707
TOTAL RESOURCES EXPENDED	4	-	145,383	145,383	153,082
NET INCOME FOR THE YEAR	3	-	37,670	37,670	13,876
Unrealised Investment (Losses) Gains		-	(255)	(255)	965
NET MOVEMENT IN FUNDS		-	37,415	37,415	14,841
Fund Balances at 1st April 2002		2,716,910	437,068	3,153,978	3,139,137
Fund Balances Carried Forward at 31st March 2003 (Page 8)		£2,716,910	£474,483	£3,191,393	£ 3,153,978

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

Including Income and Expenditure

For the Year Ended 31st March 2003

CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	2003			2002
	Restricted Funds	Unrestricted Fund	Total Funds	Total Funds
	£	£	£	£
Net movement in funds for the year	-	37,415	37,415	14,841
Net increase in tangible fixed assets for direct charitable purposes	-	-	-	-
Net movement in funds available for future activities	£ -	£37,415	£37,415	£ 14,841

RECOGNISED SURPLUSES AND DEFICITS

There are no recognised surpluses or deficits other than the surplus for the year.

The result for the year relates wholly to continuing activities.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

BALANCE SHEET

As at 31st March 2003

		2003	2002
	Notes	£	£
FIXED ASSETS			
Tangible Assets	7	1,078	1,726
Properties	7	3,411,192	3,406,854
Investments	8	3,245	3,500
		<u>3,415,515</u>	<u>3,412,080</u>
CURRENT ASSETS			
Debtors	9	37,575	34,864
Cash at Bank		170,199	176,197
		<u>207,774</u>	<u>211,061</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within one year	10	431,896	469,163
NET CURRENT LIABILITIES		<u>(224,122)</u>	<u>(258,102)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,191,393</u>	<u>3,153,978</u>
NET ASSETS		<u>£ 3,191,393</u>	<u>£ 3,153,978</u>
RESERVES			
Unrestricted Fund		474,483	437,068
Restricted Funds	11	2,716,910	2,716,910
TOTAL FUNDS (Page 6)		<u>£ 3,191,393</u>	<u>£ 3,153,978</u>

The financial statements were approved by the Council of Management on 13th January 2004 and signed

on their behalf by:

T.D. Marshall

T.D. Marshall

Council Member

Mrs. G. McCombie

G. McCombie

Council Member

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

1. ACCOUNTING POLICIES

-Accounting Convention-

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

-Basis of Preparation-

The financial statements have been prepared in accordance with the requirements of the Companies Act and comply with the Statement of Recommended Practice (SORP), "Accounting and Reporting By Charities" published in October 2000.

-Grants Received-

Grants of a revenue nature are credited to income in the period to which they relate.

-Fixed Assets - Preservation Schemes-Restricted Funds

The Trust, a company limited by guarantee, having as its primary charitable purpose the preservation of historical buildings (including artefacts and land) holds such assets and incurs necessary expenditure on them, often financed by grants that can only be used for such expenditure.

The Trustees consider that the following policies are required to satisfy their obligations under Company and Charitable Law.

(i) Expenditure incurred on preservation schemes where the Trust has a legal interest whether leasehold or freehold, is capitalised.

(ii) Grant and assistance received specifically to finance the expenditure is credited to a restricted fund.

(iii) Properties, when let, would normally be considered by Accounting Standards as investment properties requiring annual revaluation or depreciation. The Council of Management reviews each property to ascertain if revaluation is appropriate. Normally, revaluation is inappropriate due to the nature of the preservation and if that is the case the property is included at cost, being the best representation as the cost of the buildings has been dictated by their preservation requirements.

-Depreciation-

Depreciation is provided on all tangible fixed assets, apart from restored properties and buildings or structures in the course of preservation, at rates calculated to write off the cost less estimated residual value of each asset, over its expected useful life, on a straight line basis:

Fixtures and Fittings	- 15%
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-Investments-

Listed investments are stated at the Market Value at the Balance Sheet date.

-Operating lease agreements-

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

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

1. ACCOUNTING POLICIES - Continued

-Costs of Activities in Furtherance of the Charity's Objects-

Many items of the charity's expenditure are for both direct charitable and management and administration purposes.

The Trustees have reviewed this expenditure and consider the following allocations to be appropriate for the financial statements:

	Restricted Fund Expenditure	Direct Charitable Expenditure	Management and Administration
Accounting and Administration Expenses	-	80%	20%
Advertising	-	100%	-
Audit Fee	-	-	100%
Bank Charges	-	80%	20%
Bank Interest	-	80%	20%
Cleaning	-	-	100%
Depreciation	-	80%	20%
Insurances	-	100%	-
Licences	-	100%	-
Leasing of Equipment	-	80%	20%
Legal Fees	-	100%	-
Light and Heat	-	-	100%
Mortgage Interest	-	100%	-
Printing, Postage and Stationery	-	80%	20%
Professional Fees - B.Jobling Consultancy	-	80%	20%
Property Running Costs			
- Brenkley Colliery	-	100%	-
- Alderman Fenwick's	-	100%	-
- Old Low Light	-	100%	-
Rent Commission and Letting Fees	-	100%	-
Sundry Expenses	-	80%	20%
Telephone	-	80%	20%

2. INCOME FOR THE YEAR

Incoming resources are represented by grants receivable, rents receivable and membership subscriptions received, stated net of value added tax where applicable.

3. NET INCOMING RESOURCES

This is stated after charging / (crediting):	2003	2002
	£	£
Net Rental Income	(175,758)	(162,829)
Auditors' Remuneration	1,600	1,300
Council of Management Fees	-	-
Depreciation	648	648
Operating Lease Costs:		
Fixtures and Fittings	1,310	1,260

No reimbursement of expenses has been made or is due to be made to any of the Trustees in respect of the year.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

4. TOTAL RESOURCES EXPENDED

	Direct	Management and Administration	Total 2003	Total 2002
	£	£	£	£
Accounting and Administration	10,032	2,508	12,540	13,890
Audit Fee	-	1,600	1,600	1,300
Bank Charges	102	25	127	113
Depreciation	518	130	648	648
Insurance	1,283	-	1,283	1,083
Leasing of Equipment	1,048	262	1,310	1,260
Licences	175	-	175	175
Light and Heat	-	64	64	82
Rates	-	126	126	-
Mortgage Interest	29,564	-	29,564	34,625
Office Cleaning	-	1,513	1,513	1,371
Printing, Postage and Stationery	143	36	179	466
Professional Fees	29,103	7,276	36,379	36,326
Property Running Costs				
- Brenkley Colliery	5,470	-	5,470	3,672
- Alderman Fenwick's	29,122	-	29,122	32,141
- Old Low Light	(545)	-	(545)	2,554
- Dunston Staithes	-	-	-	15,729
Rent Commission and Letting Fees	8,647	-	8,647	6,696
Sundry Expenses	83	21	104	278
Telephone	441	110	551	673
Work on Preservation Schemes	16,526	-	16,526	-
	<u>£131,712</u>	<u>£13,671</u>	<u>£145,383</u>	<u>£ 153,082</u>

5. INVESTMENT INCOME

	2003	2002
	£	£
Bank Interest Received	4,981	3,570
Dividends Received	90	81
	<u>£ 5,071</u>	<u>£ 3,651</u>

6. INTEREST PAYABLE

	2003	2002
	£	£
Other Loans Wholly Repayable within Five Years	<u>£ 29,564</u>	<u>£ 34,625</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

7. FIXED ASSETS

	FIXTURES AND FITTINGS	Freehold DUNSTON STAITHES	Leasehold OLD LOW LIGHT	Leasehold BRENKLEY COLLIERY	Leasehold ALDERMAN FENWICK'S	Buildings or Structures in the Course of Preservation	TOTAL
	£	£	£	£	£	£	£
COST							
At 1st April 2002	4,318	-	3,608	633,024	2,152,242	617,980	3,411,172
Additions	-	-	-	-	-	4,338	4,338
At 31st March 2003	4,318	-	3,608	633,024	2,152,242	622,318	3,415,510
DEPRECIATION							
At 1st April 2002	2,592	-	-	-	-	-	2,592
Charge for year	648	-	-	-	-	-	648
At 31st March 2003	3,240	-	-	-	-	-	3,240
At 31st March 2003	£1,078	£ -	£3,608	£633,024	£2,152,242	£622,318	3,412,270
At 31st March 2002	£1,726	£ -	£3,608	£633,024	£2,152,242	£617,980	3,408,580

8. INVESTMENTS

		2003 £	2002 £
Listed Investment	- At Cost	£ -	£ -
	- At Market Value	£ 3,245	£ 3,500

Investments are represented by the following material holding;

- Northern Rock Plc;
500 Ordinary shares of £1 which represent 100% of the market value of the portfolio.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

9. DEBTORS

	2003	2002
	£	£
Due within one year:		
Prepayments	17,094	15,341
Preservation Expenditure	-	16,526
Accrued Income	20,481	2,997
	<u>£ 37,575</u>	<u>£ 34,864</u>

10. CREDITORS: Amounts falling due within one year.

	2003	2002
	£	£
Mortgage Loan	407,574	440,600
Other Creditors	22,465	26,752
Accruals	1,857	1,811
	<u>£ 431,896</u>	<u>£ 469,163</u>

The mortgage loan is secured by a legal charge on the Brenkley Colliery property, and for many years had no fixed terms of repayment. Since the end of the year however, the loan has been restructured and is now repayable over a term of 15 years commencing on 1st May 2003.

The loan represents 64.4% (2002 69.6%) of the carrying value of the property as defined in Accounting Policies.

11. RESTRICTED FUNDS

The restricted funds represent amounts received by way of grants in respect of refurbishment and restoration of historic buildings or structures:

	2003	2002
	£	£
Alderman Fenwick's House	2,152,242	2,152,242
28/30 The Close	564,668	564,668
	<u>£ 2,716,910</u>	<u>£ 2,716,910</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2003

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Tangible Fixed Assets	-	1,078	1,078
Properties	2,716,910	694,282	3,411,192
Investments	-	3,245	3,245
Current Assets	-	207,774	207,774
Current Liabilities	-	(431,896)	(431,896)
	<u>£ 2,716,910</u>	<u>474,483</u>	<u>£ 3,191,393</u>

13. CAPITAL COMMITMENTS

Capital commitments contracted for but not provided for in the accounts are £ Nil (2002 - £ Nil).

14. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2003 the company had annual commitments under non - cancellable operating leases as set out below:

	2003 Fixtures and Fittings £	2002 £
Operating Leases Which Expire:		
Within 2 to 5 Years	1,260	1,260
	<u>£ 1,260</u>	<u>£ 1,260</u>

15. RELATED PARTY TRANSACTIONS

Mr B. Jobling is the Secretary of the Trust and Technical Adviser. During the year fees of £36,379 (2002 - £ 36,326) were charged for these services of which £ 3,006 (2002 - £ 3,061) was owed at the year end.

Mr D.T. Walker the Honorary Treasurer of the Trust is also a consultant with Tait Walker, Chartered Accountants. During the year Tait Walker provided accountancy and administrative services for fees of £ 12,540 (2002 - £ 13,890) of which £6,560 (2002 - £7,440) was owed at the year end.

16. CONTROLLING PARTY

The members of the Council of Management consider that the Trust has no ultimate controlling party other than the Trust's governing body, themselves.