

COMPANY REGISTRATION NUMBER 01444058

**TYNE AND WEAR BUILDING PRESERVATION
TRUST LIMITED**

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

31st MARCH 2013

Charity Number 509133

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**TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

CONTENTS	PAGES
Members of the Board and professional advisers	1 to 2
Trustees Annual Report	3 to 8
Independent auditor's report to the charity's members	9 to 10
Statement of financial activities (incorporating the income and expenditure account)	11
Balance sheet	12
Notes to the financial statements	13 to 25
The following pages do not form part of the financial statements	
Detailed statement of financial activities	27 to 32

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Tyne and Wear Building Preservation Trust Limited
Charity number	509133
Company registration number	01444058
Registered office	Alderman Fenwick's House 98/100 Pilgrim Street Newcastle upon Tyne NE1 6SQ
Trustees	P W Fall R D Clark Cllr W Craddock J M Daniels Mrs G McCombie Cllr J McElroy C E Haylock C S Wilson J Thompson C W M Fleming Miss G M Goodwill Mrs M Bozic Cllr T J Pigott
Secretary	M Hulse
Auditor	Ryecroft Glenton Chartered Accountants & Statutory Auditor 32 Portland Terrace Jesmond Newcastle upon Tyne NE2 1QP

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS *(continued)*

Bankers

Lloyds TSB Bank plc
PO Box 8
High Street
Gosforth
Newcastle upon Tyne
NE3 1JQ

Yorkshire Bank
29-31 Pilgrim Street
Newcastle upon Tyne
NE1 6RL

Solicitors

Watson Burton LLP
1 St James' Gate
Newcastle upon Tyne
NE99 1YQ

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31st MARCH 2013

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31st March 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 to 2 of the financial statements

THE TRUSTEES

The trustees who served the charity during the period were as follows

P W Fall	
Dr J Allen	(Resigned 9th April 2013)
R D Clark	
Cllr W Craddock	
J M Daniels	
Mrs G McCombie	
Cllr J McElroy	
C S Wilson	
Cllr G K Wilson	(Resigned 9th April 2013)
J Thompson	
C W M Fleming	
Miss G M Goodwill	
Mrs M Bozic	

Cllr T J Pigott	(Appointed 7th October 2012)
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C E Haylock was appointed as a member of the committee on 9th April 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association, last amended on 5 November 1991. It is incorporated in England and Wales - number 01444058 and is also a registered charity - number 509133

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 COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31st MARCH 2013

Recruitment and Appointment of Management Committee

The governing body of the Trust is a Council of Management which meets on a quarterly basis to decide overall financial and policy matters. The day to day issues are handled by the Secretary and Technical Advisor in consultation with the Chairman, Vice Chairman and Hon Treasurer. Where more urgent matters require further and ongoing attention, then the Council of Management appoint a small working group of three to four members who take on board the matter and report back their findings.

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

The Council of Management maintain a well mixed skill base of expertise and ensure that where members resign, suitable candidates are sought.

Trustees Induction and Training

Most members are already familiar with the practical work and objectives of the charity bringing their own relevant and unique skills.

Members are actively encouraged to attend the regular Council of Management meetings to ensure that they are always up to date with the latest activities of the Trust.

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.

OBJECTIVES AND ACTIVITIES

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.

The preservation of some buildings is achieved by conversion to commercial use from which an income is derived.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31st MARCH 2013

ACHIEVEMENTS AND PERFORMANCE

The Trust has been active on a wide range of projects and is primarily working with the five local authorities to develop projects where the heritage asset is owned by the public sector

In Newcastle, the Trust is working with Newcastle City Council to examine the potential of the Jesmond Dene Banqueting House to become the next major project for the Trust. With funding from the Architectural Heritage Fund, the Council and the Trust a project team was commissioned to examine the condition of the building and propose a range of options to re-use the building. Following the completion of this exercise project development was undertaken with further funding from the three partners to examine the archaeological and structural elements of the controlled ruin.

The Townscape Heritage Initiative at the Fish Quay, North Shields was extended until August 2013 to allow all expenditure to be accounted for. Restoration of the Old Low Light began in August 2012 and was completed following the year end. A community group, the Net, have been successful in a funding bid, in partnership with North Tyneside Council, to the Coastal Communities Fund. Their aim is to open a Heritage Centre at the Old Low Light that will be funded by revenue from a café and function room. The current objective is for their lease of the Old Low Light to commence in October 2013.

The year saw the completion of the occupational leases at Alderman Fenwick House and the building is now largely vacant. Flexible terms have been set for the building and a more Business Centre style of operation has been introduced. Maintenance and repairs have been undertaken to ensure that the building is fit for purpose.

A grant of £190,000 has been offered by the Challenge Fund for a capital project to restore the Blackfell Hauler House that forms part of the Bowes Railway. The Challenge Fund is a partnership between the Andrew Lloyd Webber Foundation and English Heritage. It aims to restore Heritage at Risk across the UK. Further project development funding of £12,500 has been awarded by English Heritage to take the capital works for the project to tender.

The survey work to Dunston Staiths was completed in September 2012 and led to funding applications to English Heritage and Heritage Lottery Fund. English Heritage awarded a grant of up to £176,000 and a Stage One Award of £48,000 has been granted from the Heritage Lottery Fund. Project Development will be undertaken during the forthcoming year with a decision on Stage 2 hopefully taken on the 5th December 2013.

Other buildings being investigated as potential projects include the Buddle in Wallsend and the old Binns Store on High Street West, Sunderland. The Whinfield Coke Ovens could potentially form part of a wider Landscape Partnerships Project in the Derwent Valley.

In terms of staff the current Trust Manager is operating in a full time capacity to enable more projects to be developed and funding of £2,500, towards an Internship, was granted by Northumbria University.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31st MARCH 2013

FINANCIAL REVIEW

The financial position for the year shows a surplus of income over expenditure of £238,826 (2012 - £56,736) During the year an impairment of £260,156 was recognised on the Old Low Light building In 2012 the charity made a small profit of £12,279 on the completion of a property sale However following a periodic revaluation of heritage assets the charity had to partly reverse a prior unrealised gain of £110,000 and record a further diminution of value of £580,000

The funds of the charitable company amount to £1,692,565 as at 31st March 2013 including restricted funds of £800,666 The trustees consider the financial position to be satisfactory

Reserves Policy

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 identified that the unrestricted reserves need to be designated in respect of future projects and against various properties where they have identified the need to maintain these properties on an on-going basis The balance of unrestricted reserves forms the general unrestricted funds

The Council of Management have made the following designations

- £80,000 in respect of annual maintenance for the Dunston Staithes,
- £40,000 in respect of the annual running costs of Alderman Fenwick's House, and,
- £167,000 in respect of the Old Low Light This property is continuing to be developed by the Trust following the year end As a result of the ongoing developments performed under a recognised Conservation Deficit Scheme, the costs of refurbishments exceed the market value of the property at completion As a result the trustees have recognised £59,000 as being the post year end Conservation Deficit Scheme impairment and hence designated reserves against the 2014 impairment charge, together with the Net Book Value at the year end of £108,000, hence giving a total designated reserve of £167,000 in respect of the Old Low Light

Unrestricted funds amounted to £891,899 which includes £16,976 relating to the revaluation of unrestricted fixed assets, Buttress House Taking account of the above designated unrestricted funds, which total £287,000, the general unrestricted fund and revaluation reserve amount to £604,899 However, this is not freely available because £760,339 is invested in heritage and other fixed assets It is considered that the net assets are sufficient to meet the Trust's objectives

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31st MARCH 2013

Properties

In April and May 2006 the three Leasehold Properties and the Buildings and Structures in the Course of Preservation were revalued by Storey Sons and Parkers, who are regulated under RICS, on a market value basis assuming full vacant possession. A further revaluation was carried out in October 2012 by Storeys Edward Symmons (formerly known as Storey Sons and Parkers). The trustees consider that this most recent valuation represents the market value of the Leasehold Properties and the Buildings and Structures in the Course of Preservation.

PUBLIC BENEFIT STATEMENT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives also are set in order to provide a clear and demonstrable public benefit.

The properties preserved by the Trust within the regime of Tyne and Wear are for the benefit of the public generally. These preserved properties continue to provide the public with an insight into the special historic, architectural or townscape interests that could otherwise be lost from the region. It is for these reasons that the trustees consider the charity to provide a public benefit.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Tyne and Wear Building Preservation Trust 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 regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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 accounting 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.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31st MARCH 2013

TRUSTEES' RESPONSIBILITIES STATEMENT *(continued)*

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Ryecroft Glenton as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed by order of the trustees



M Hulse
Charity Secretary

890.13

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE CHARITY'S MEMBERS

YEAR ENDED 31st MARCH 2013

We have audited the financial statements of Tyne and Wear Building Preservation Trust Limited for the year ended 31st March 2013 set out on pages 11 to 25. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 pages 7 to 8, 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 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 charity'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 report 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.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE CHARITY'S MEMBERS *(continued)*

YEAR ENDED 31st MARCH 2013

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31st March 2013 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the trustees annual report for the financial year for the which the financial statements are prepared is consistent with the financial statements

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, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees annual report



Detlev Anderson (Senior Statutory Auditor)
For and on behalf of
Ryecroft Glenton
Chartered Accountants & Statutory Auditor
32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP

14th October 2013

**TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 31st MARCH 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	2	–	232,211	232,211	8,484
Investment income	3	2,250	–	2,250	3,496
Incoming resources from charitable activities					
Other exceptional income	4	247,548	–	247,548	169,937
	5	–	–	–	12,279
TOTAL INCOMING RESOURCES		249,798	232,211	482,009	194,196
RESOURCES EXPENDED					
Charitable activities	6	(150,466)	(57,713)	(208,179)	(108,705)
Governance costs	7	(35,004)	–	(35,004)	(28,755)
TOTAL RESOURCES EXPENDED		(185,470)	(57,713)	(243,183)	(137,460)
NET INCOMING RESOURCES BEFORE TRANSFERS					
	9	64,328	174,498	238,826	56,736
Transfer between funds	10	176,520	(176,520)	–	–
NET INCOMING RESOURCES FOR THE YEAR		240,848	(2,022)	238,826	56,736
Reversal of previous diminution of value		–	–	–	(110,000)
Permenant diminution of value of heritage assets		(260,156)	–	(260,156)	(580,000)
NET MOVEMENT IN FUNDS/NET EXPENDITURE FOR THE YEAR		(19,308)	(2,022)	(21,330)	(633,264)
RECONCILIATION OF FUNDS					
Total funds brought forward		911,207	802,688	1,713,895	2,347,159
TOTAL FUNDS CARRIED FORWARD		891,899	800,666	1,692,565	1,713,895

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared
All of the above amounts relate to continuing activities

The notes on pages 13 to 25 form part of these financial statements

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
COMPANY REGISTRATION NUMBER: 01444058
BALANCE SHEET

31st MARCH 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	12	699	104
Heritage assets	13	<u>1,559,640</u>	<u>1,546,563</u>
		<u>1,560,339</u>	<u>1,546,667</u>
CURRENT ASSETS			
Debtors	14	93,916	50,712
Cash at bank		<u>383,582</u>	<u>487,854</u>
		<u>477,498</u>	<u>538,566</u>
CREDITORS: amounts falling due within one year	15	<u>(134,629)</u>	<u>(122,238)</u>
NET CURRENT ASSETS		<u>342,869</u>	<u>416,328</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,903,208</u>	<u>1,962,995</u>
CREDITORS: amounts falling due after more than one year	16	<u>(210,643)</u>	<u>(249,100)</u>
NET ASSETS		<u>1,692,565</u>	<u>1,713,895</u>
FUNDS			
Restricted income funds	18	800,666	802,688
Unrestricted income funds	19	<u>891,899</u>	<u>911,207</u>
TOTAL FUNDS		<u>1,692,565</u>	<u>1,713,895</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the members of the committee on the 19th July 2013 and are signed on their behalf by


P W Fall
Council Member


J Thompson
Council Member

The notes on pages 13 to 25 form part of these financial statements

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Investment assets and income

Investments are stated at market value at the balance sheet date

Fund accounting

The charity has a restricted fund to account for the donor requiring that the donation must be spent on a particular purpose. All other funds are unrestricted income funds.

Resources expended

All expenditure is accounted for on the accruals basis and is recognised in the SOFA when there is a legal or constructive obligation to pay for expenditure.

Charitable activities includes expenditure associated with the running costs of the Trust's properties and support costs relating to the activities of the charity.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs have been allocated to activity cost categories and to governance costs on a basis consistent with the time spent by the employees on each activity and on those activities necessary to properly govern the charity.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

Fixed assets

The trustees do not have a set de-minimis limit below which expenditure of a capital nature are not capitalised. All such expenditure is reviewed and capitalised where necessary.

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 and where necessary undertakes to ascertain a market value.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings - 15% Straight Line

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

Heritage assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity. Newly purchased heritage assets are capitalised and included at cost including any incidental expenses of acquisition.

Properties purchased using grants received are shown as restricted assets, even though the conditions of the grant were satisfied upon the purchase of the property.

Where heritage assets were acquired in past accounting periods and not capitalised, it can be difficult or costly to attribute a cost or value to them. In such cases, these assets are excluded from the balance sheet if reliable cost information is not available and conventional valuation approaches lack sufficient reliability or significant costs are involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

The very long expected lives of heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is, therefore, not provided.

The charity has adopted the FRSSE 2008 and as a result is exempt from the provisions of heritage assets.

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 profits on a straight line basis over the period of the lease.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

Incoming resources

Voluntary income including donations, gifts and grants are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when

- the donor specifies that the donation, gift or grant must be used in a future accounting period, or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement

Investment income is recognised on a receivable basis

Incoming resources from charitable activities includes income received under contract for those properties of the Trust which are formally let. The income includes both rent and the recharge of service charges incurred for the running of the let property. All let properties are fully managed by a managing agent, who deal with all aspects of the letting and includes such things as invoicing, rent and service charge collections and the payment of expenditure associated with the running of the let properties.

Rent receivable is recognised in the SOFA when the charity is legally entitled to the income and is considered appropriate to be classified as incoming resources from charitable activities rather than investment income.

Income is deferred and released to incoming resources in the future period for which it has been received.

2. VOLUNTARY INCOME

	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Donations			
Subscriptions and donations	–	–	134
Newcastle Council - HODS Booklet	6,644	6,644	8,150
Architectural Heritage Fund	10,350	10,350	–
Barbour Trust - HODS Booklet	500	500	–
Sunderland Heritage Forum	–	–	200
Newcastle Council - Banqueting Hall	5,000	5,000	–
North Tyneside Council - Low Light	192,694	192,694	–
English Heritage - Dunston Staithes	17,023	17,023	–
	232,211	232,211	8,484

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Bank interest receivable	<u>2,250</u>	<u>2,250</u>	<u>3,496</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Low Light dilapidation monies	55,000	55,000	—
Alderman Fenwick	110,028	110,028	90,065
Brenkley Colliery	76,784	76,784	76,784
Contribution for Insurance - Low Light	—	—	1,301
Contribution for Insurance - Brenkley Colliery	1,736	1,736	1,787
Contribution towards Alderman Fenwick costs	<u>4,000</u>	<u>4,000</u>	<u>—</u>
	<u>247,548</u>	<u>247,548</u>	<u>169,937</u>

5. OTHER INCOMING RESOURCES

	Total Funds 2013 £	Total Funds 2012 £
Other exceptional income	<u>—</u>	<u>12,279</u>

Exceptional income in 2012 related to the disposal of 28/30 The Close

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total Funds 2013 £	Total Funds 2012 £
Alderman Fenwicks Running Costs	72,388	—	72,388	46,612
Brenkley Close Running Costs	6,888	—	6,888	7,174
Low Light Running Costs	8,756	—	8,756	1,409
Dunston Staithes Running Costs	24,366	—	24,366	11,437
28/30 The Close	—	—	—	(1,869)
Heritage Open Days	7,526	—	7,526	8,301
Other Direct Charitable Expenditure	3,736	46,682	50,418	35,624
Bottle Kilns - Corbridge	8,191	—	8,191	17
Banqueting Hall	23,286	—	23,286	—
Blackfell Hauler House	<u>3,825</u>	<u>—</u>	<u>3,825</u>	<u>—</u>
Balance carried forward	158,962	46,682	205,644	108,705

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE *(continued)*

	Activities undertaken directly £	Support costs £	Total Funds 2013 £	Total Funds 2012 £
Balance brought forward	158,962	46,682	205,644	108,705
Whinfield Coke Ovens	2,535	—	2,535	—
	<u>161,497</u>	<u>46,682</u>	<u>208,179</u>	<u>108,705</u>

7. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Salaries and pensions	5,163	5,163	7,083
Accountancy fees	15,228	15,228	9,650
Audit fees	2,810	2,810	2,810
Professional indemnity insurance	876	876	891
Legal fees	9,894	9,894	6,553
Depreciation	17	17	15
Operating leases - Other	133	133	—
Allocated support costs	883	883	1,753
	<u>35,004</u>	<u>35,004</u>	<u>28,755</u>

8. ANALYSIS OF SUPPORT COSTS

	Charitable activities £	Governance costs £	Total 2013 £	Total 2012 £
Salaries and pensions	37,387	—	37,387	28,331
Premises	2,925	325	3,250	3,330
Telephone	954	106	1,060	802
Finance costs	69	8	77	68
Depreciation	155	17	172	73
Lease of copier	1,194	—	1,194	1,306
Insurance	751	83	834	885
Cleaning	1,596	177	1,773	2,000
Printing, postage & stationary	568	63	631	894
Repairs	698	78	776	—
Other office costs	277	31	308	—
Subscriptions	108	12	120	—
	<u>46,682</u>	<u>900</u>	<u>47,582</u>	<u>37,689</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED **COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

9. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging

	2013	2012
	£	£
Staff pension contributions	2,607	—
Depreciation	172	73
Auditors' fees	2,810	2,810
Operating lease costs		
- Other	1,327	653

10. FUND TRANSFERS

During the year the Trust has continued the project of developing the Old Low Light property in an expectation they can generate increased rental income streams in the future. After the year end a further conservation deficit has been recognised and as a result the trustees have designated an amount equal to the Net Book Value at the year end of £108,000 together with a further £59,000, in respect of expected Conservation Deficit.

The council of management also transferred £16,174 from unrestricted funds to restricted income funds to cover excess costs incurred on various projects.

The amount of £192,694 received from North Tyneside Council towards the Old Low Light refurbishment has been released from restricted reserves as the restrictions have been met.

The Council of Management have made the following other designations:

- £80,000 in respect of annual maintenance for the Dunston Staithes, and,
- £40,000 in respect of the annual running costs of Alderman Fenwick's House

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2013	2012
	£	£
Wages and salaries	36,098	32,333
Social security costs	3,845	3,081
Pension costs	2,607	—
	<u>42,550</u>	<u>35,414</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

11. STAFF COSTS AND EMOLUMENTS *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2013	2012
	No	No
Number of administrative staff	<u>1</u>	<u>1</u>

No employee received remuneration of more than £60,000 during the year (2012 - Nil)

12. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1st April 2012	4,663
Additions	<u>767</u>
At 31st March 2013	<u>5,430</u>
DEPRECIATION	
At 1st April 2012	4,559
Charge for the year	<u>172</u>
At 31st March 2013	<u>4,731</u>
NET BOOK VALUE	
At 31st March 2013	<u>699</u>
At 31st March 2012	<u>104</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

13. HERITAGE ASSETS

	Alderman Fenwicks £	Butress House £	Low Light £	Buildings and structures in the course of preservation £	Total £
COST					
At 1st April 2012	800,000	650,000	94,923	1,640	1,546,563
Additions	—	—	273,233	—	273,233
At 31st March 2013	<u>800,000</u>	<u>650,000</u>	<u>368,156</u>	<u>1,640</u>	<u>1,819,796</u>
DEPRECIATION AND IMPAIRMENT PROVISIONS					
Impairment charges/(reversals)	—	—	260,156	—	260,156
At 31st March 2013	<u>—</u>	<u>—</u>	<u>260,156</u>	<u>—</u>	<u>260,156</u>
NET BOOK VALUE					
At 31st March 2013	<u>800,000</u>	<u>650,000</u>	<u>108,000</u>	<u>1,640</u>	<u>1,559,640</u>
At 31st March 2012	<u>800,000</u>	<u>650,000</u>	<u>94,923</u>	<u>1,640</u>	<u>1,546,563</u>

All properties are considered to be heritage assets as follows

Alderman Fenwick's House is a Grade I and Grade II Listed 17th Century town house in Newcastle upon Tyne which has, in the past, been a private residence, a coaching inn and a political club. The property is partially let.

Buttress House is offices, associated with the former Brenkley Colliery at Seaton Burn, North Tyneside. The property is fully let.

The Old Low Light is a Grade II Listed Building situated within the Clifford's Fort Scheduled Ancient Monument on the North Shields Fish Quay. The building was originally used to house a navigation light and in later years was used as almshouses and then as a fish processing plant. During the year the Trust has commenced improvement works on this property, to hopefully increase the rental income potential.

Dunston Staithes are a scheduled Ancient Monument and Grade II Listed Building. They were constructed in the late 19th Century and were used to load coal onto seagoing colliers on the river Tyne at Dunston, Gateshead. They are included in the financial statements at a nil value, as there is an expectation that the Dunston Staithes will be donated to the local authority in due course.

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

Whinfield Coke Ovens at Rowlands Gill, Gateshead and the Bottle Kilns at Corbridge are both Scheduled Ancient Monuments. Both these properties are included at cost; a valuation has not been attempted as significant costs would be incurred in obtaining a valuation which would be considered to be onerous when compared to the additional benefit achieved.

All these Heritage Assets, with the exception of Dunston Staithes, have been the subject of Preservation Schemes and are either generating rental income or recovery of costs. Where possible, access to the buildings for the public is made available.

In April and May 2006 the three Leasehold Properties and the Buildings and Structures in the Course of Preservation were revalued by Storey Sons and Parkers, who are regulated under RICS, on a market value basis assuming full vacant possession. A further revaluation was carried out in October 2012 by Storeys Edward Symmons (formerly known as Storey Sons and Parkers). The trustees consider that this most recent valuation represents the market value of the Leasehold Properties and the Buildings and Structures in the Course of Preservation.

At the year end the Old Low Light, which was in the course of preservation, was impaired by £260,156, to reflect the difference between costs incurred to date and anticipated recoverable value of the property at completion. After the year end a further £86k has been spent on the ongoing development of the Old Low Light property.

14. DEBTORS

	2013	2012
	£	£
Float held by Agents	17,101	27,373
Other debtors	30,317	—
Prepayments	46,498	23,339
	<u>93,916</u>	<u>50,712</u>

15. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts	40,395	33,662
Trade creditors	80,756	30,859
VAT	—	45,475
Accruals	13,478	12,242
	<u>134,629</u>	<u>122,238</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

16. CREDITORS: Amounts falling due after more than one year

	2013 £	2012 £
Other creditors	<u>210,643</u>	<u>249,100</u>

The mortgage loan is secured by a legal charge on Buttress House, and represents 38.62% (2012 43.50%) of the carrying value of the property as defined in Accounting Policies

The balance of the loan of £251,038.15 is repayable over the remaining 74 months, by way of instalments, at an interest rate of 1.4% above base rate

17. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2013 the charity had annual commitments under non-cancellable operating leases as set out below

	Assets other than Land and buildings	
	2013 £	2012 £
Operating leases which expire:		
Within 2 to 5 years	<u>1,060</u>	<u>816</u>

18. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2013 £
Restricted Fund - Heritage Open Day Fund	1,048	7,144	(7,526)	—	666
Alderman Fenwick House	800,000	—	—	—	800,000
Whinfield Coke Ovens	1,640	—	(2,535)	895	—
Dunston Staithes	—	17,023	(24,366)	7,343	—
Jesmond Banqueting Hall	—	15,350	(23,286)	7,936	—
Old Low Light	—	192,694	—	(192,694)	—
	<u>802,688</u>	<u>232,211</u>	<u>(57,713)</u>	<u>(176,520)</u>	<u>800,666</u>

**TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

19. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2012 £	Incoming resources £	Outgoing resources and transfers £	Gains and losses £	Balance at 31 Mar 2013 £
Revaluation Reserve	83,368	—	(66,392)	—	16,976
Low Light Development Fund	94,923	—	332,233	(260,156)	167,000
Dunston Staithes Maintenance Fund	10,000	—	70,000	—	80,000
Alderman Fenwick's House Service Charge Fund	40,000	110,028	(110,028)	—	40,000
General Funds	682,916	139,770	(234,763)	—	587,923
	<u>911,207</u>	<u>249,798</u>	<u>(8,950)</u>	<u>(260,156)</u>	<u>891,899</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds:				
Restricted Fund - Heritage Open Day Fund	—	666	—	666
Alderman Fenwick House	800,000	—	—	800,000
	<u>800,000</u>	<u>666</u>	<u>—</u>	<u>800,666</u>
Unrestricted Income Funds:				
Designated Funds	108,000	179,000	—	287,000
General Funds	652,339	163,203	(210,643)	604,899
	<u>760,339</u>	<u>342,203</u>	<u>(210,643)</u>	<u>891,899</u>
Total Funds	<u>1,560,339</u>	<u>342,869</u>	<u>(210,643)</u>	<u>1,692,565</u>

TYNE AND WEAR BUILDING PRESERVATION TRUST LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2013

21. CONTINGENCIES

The Old Low Light restricted income was created by receipt of monies from North Tyneside Council and spent as part of the refurbishment on the Old Low Light property. This restricted income was given with a twelve year clawback clause. The clawback is subject to a clause which is only enacted if the property is disposed of at greater than the Conservation Deficit Scheme value (detailed on the grant claim form) and would require repayment of a proportion of £192,694, up to the full amount dependent upon sale price at disposal. The trustees have considered this and whilst they do not intend to dispose of the property, once this twelve year period has elapsed in 2025, or if the property was disposed at a lower value, the contingent liability will be removed.

22. RELATED PARTY TRANSACTIONS

M R C Brunton is the Honorary Treasurer of the Trust. M R C Brunton is a partner with Tait Walker LLP. During the year Tait Walker LLP provided accountancy and administrative services for fees of £15,228 (2012 - £9,650, of which £Nil (2012 - £Nil) was owed at the year end).

The Trust paid for indemnity insurance on behalf of the Trustees an amount of £876 (2012 - £891).

No Trustee (2012 - Nil) received any remuneration from the Trust during the year. There were no expenses reimbursed to Trustees during the year (2012 - None).

23. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association.

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

24. ULTIMATE CONTROLLING PARTY

The members of council consider that the charitable company has no ultimate controlling party other than the board of trustees, themselves.