

NORTH EAST CIVIC TRUST

REPORT AND ACCOUNTS

31 MARCH 1997

COMPANY NO: 1654806 (England and Wales)



NORTH EAST CIVIC TRUST

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NORTH EAST CIVIC TRUST

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 1997.

Principal activity

The company's principal activity during the year continued to be that of improvement of the environment of the North East including the restoration, renovation and re-use of historic buildings.

Directors

The directors who served during the year were:-

Professor D Wise	-	Chairman
Sir R Norman	-	Vice Chairman
Professor P Brenikov		
Mr P T Deakin		
Viscount Devonport		
Professor E A V Ebsworth		
Mr P Moth		
Mr R Rackham		
Mr A Kilburn	-	(Appointed 25 June 1996)

Directors' responsibilities for the accounts

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NORTH EAST CIVIC TRUST

DIRECTORS' REPORT

Auditors

The auditors, Robinson & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Small Company Exemptions

The Directors have taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.


Accounting Policy

The objectives of the Trust are delivered through three forms of activity: fee-earning consultancy commissions, property restoration and general charitable support. Often individual projects extend beyond a single financial year. The Trust has therefore reviewed its accounting policy. Costs incurred in connection with building, restoration and conservation projects are written off to profit and loss account in the year in which the costs arise. Income from projects is accounted for on the basis of amounts receivable during the accounting period.

The Trust has incurred particular costs during this financial year associated with a planned re-organisation, including the formation of the Northern Heritage Trust as a separate charitable trust and company limited by guarantee.

Other exceptional costs have been incurred in the development of property restoration projects, including particularly Exchange Buildings in Sunderland, which alone has already been nearly two years in the planning.

On behalf of the board


D WISE

16 September 1997

NORTH EAST CIVIC TRUST

AUDITORS' REPORT
TO THE MEMBERS OF NORTH EAST CIVIC TRUST

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

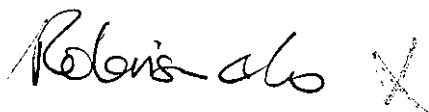
Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 1997 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Robinson & Co
Registered Auditors and
Chartered Accountants
7 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QQ

16 September 1997

NORTH EAST CIVIC TRUST
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1997

	<u>NOTES</u>	<u>1997</u>	<u>1996</u>
Operating income		34064	22307
Administrative expenses		<u>(48441)</u>	<u>(29850)</u>
OPERATING LOSS	(2)	(14377)	(7543)
Loss on sale of fixed asset		<u>(185)</u>	<u>-</u>
		(14562)	(7543)
Interest receivable		232	997
Interest payable		<u>(5)</u>	<u>(6)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(14335)	(6552)
Taxation	(3)	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	(9)	<u>£(14335)</u>	<u>£(6552)</u>

There were no recognised gains or losses other than those already dealt with in the profit and loss account.

The notes on pages 6 to 8 form part of these accounts.

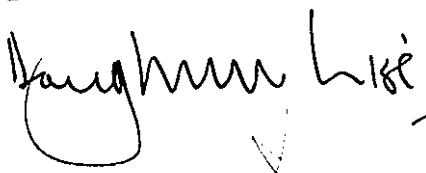
NORTH EAST CIVIC TRUST
BALANCE SHEET
AS AT 31 MARCH 1997

	<u>NOTES</u>	<u>1997</u>	<u>1996</u>
TANGIBLE FIXED ASSETS	(4)	2157	2241
CURRENT ASSETS			
Investments	(5)	467	8322
Debtors	(6)	1713	535
Cash at bank and in hand		<u>2852</u>	<u>5210</u>
		5032	14067
CREDITORS: Amounts falling due within one year	(7)	<u>(7616)</u>	<u>(2400)</u>
NET CURRENT (LIABILITIES) ASSETS		<u>(2584)</u>	<u>11667</u>
		<u>£(427)</u>	<u>£13908</u>
CAPITAL AND RESERVES			
Profit and loss account	(9)	<u>£(427)</u>	<u>£13908</u>

The directors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.

D Wise
Chairman

16 September 1997



The notes on pages 6 to 8 form part of these accounts.

NORTH EAST CIVIC TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the Directors report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Furniture, fittings and equipment	-	10 years
Painting	-	NIL

Freehold land and buildings

No valuation is placed on freehold land and building interests which have been sold as long leaseholds.

Operating leases

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

Long term projects

Costs incurred in connection with building, restoration and conservation projects are written off to profit and loss account in the year in which the costs arise. Income from projects is accounted for on the basis of amounts receivable during the accounting period.

NORTH EAST CIVIC TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1997

2. OPERATING LOSS

The operating loss is stated after charging:	<u>1997</u>	<u>1996</u>
Depreciation of tangible fixed assets	96	99
Auditors' remuneration	1000	1710
Operating lease rentals - equipment	1607	1368
- other	1842	1758

3. TAXATION

The company is a registered charity which is exempt from corporation tax.

4. TANGIBLE FIXED ASSETS

	<u>Furniture fittings and equipment</u>	<u>Painting</u>	<u>Total</u>
COST			
At 1 April 1996	4418	1350	5768
Additions	397	-	397
Disposals	(428)	-	(428)
At 31 March 1997	<u>4387</u>	<u>1350</u>	<u>5737</u>
DEPRECIATION			
At 1 April 1996	3527	-	3527
Charge for the year	96	-	96
On disposals	(43)	-	(43)
At 31 March 1997	<u>3580</u>	<u>-</u>	<u>3580</u>
NET BOOK VALUES			
At 31 March 1997	<u>£807</u>	<u>£1350</u>	<u>£2157</u>
At 31 March 1996	<u>£891</u>	<u>£1350</u>	<u>£2241</u>

The company owns freehold land at Belford Hall, Northumberland. No valuation has been attributed to this asset. The original cost of the land was nil. (See also note 11).

5. INVESTMENTS

	<u>1997</u>	<u>1996</u>
The Charities Deposit Fund	<u>£467</u>	<u>£8322</u>

6. DEBTORS

	<u>1997</u>	<u>1996</u>
Other debtors	<u>£1713</u>	<u>£535</u>

NORTH EAST CIVIC TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1997

7. CREDITORS: Amounts falling due within one year

	<u>1997</u>	<u>1996</u>
Other creditors	£7616	£2400
	=====	=====
Other creditors include £550 (1996 - nil) in respect of taxation and social security.		

8. SHARE CAPITAL

The company is limited by guarantee, and therefore does not have a share capital.

9. PROFIT AND LOSS ACCOUNT

	<u>1997</u>	<u>1996</u>
At 1 April 1996	13908	20460
Loss for the year	<u>(14335)</u>	<u>(6552)</u>
At 31 March 1997	<u>£(427)</u>	<u>£13908</u>
	=====	=====

10. COMMITMENTS

At 31 March 1997 the company had annual commitments under non-cancellable operating leases as set out below:

	<u>Land and buildings</u>		<u>Other</u>	
	<u>1997</u>	<u>1996</u>	<u>1997</u>	<u>1996</u>
Operating leases which expire:				
within one year	-	-	684	-
within two to five years	-	-	-	1607
in over five years	<u>1842</u>	<u>1842</u>	<u>-</u>	<u>-</u>
	<u>£1842</u>	<u>£1842</u>	<u>£684</u>	<u>£1607</u>
	=====	=====	=====	=====

11. POST BALANCE SHEET EVENTS

The company sold its land at Belford Hall on 13 May 1997 for £35,000, incurring selling costs of £665.

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North East Civic Trust

Annual Report 1996 - 97

Great progress has continued to be made during the year, both in terms of the domestic arrangements for the Trust and its work within the region.

An early highlight was the visit by our Patron, HRH The Duke of Gloucester in June, at which the emerging programme of projects and activities attracted great interest and support. The Trust has long enjoyed His Royal Highness's professional insight and the honour of his patronage; both are widely appreciated.

In December 1996 the office of the Trust was moved into the Dominican friary of Blackfriars, built during the thirteenth century, and, during the sixteenth century leased to nine of the town's craft guilds. The building narrowly escaped demolition in the 1960's and was restored by the City of Newcastle in 1981. The Trust occupies the Cordwainers', Butchers' and Tanners' Halls as its administrative offices and as a venue for exhibitions and events. The move was facilitated by the City, to whom we are most grateful, and gives us a splendid home for the developing work of the Trust.

The 1996-97 session is mid-way through the Trust's new three-year Plan, introduced last year, with nearly all targets successfully achieved. The portfolio of projects, which will form the basis of substantial work in the future, is growing impressively, showing the confidence which we have been able to build up in the last two years amongst our supporters in the public and private sectors.

During the year we welcomed Alan Kilburn as a trustee, bringing his wide experience and sound judgement.

In terms of work completed, two projects stand out.

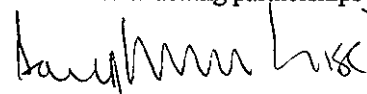
The Trust completed a study of the conservation needs of the buildings of the Settle-Carlisle Railway, producing a guide to future conservation of station buildings, Station Masters' houses and railway workers' cottages. The work was funded by English Heritage, Craven District Council, The Yorkshire Dales National Park authority, Eden District Council and Carlisle City Council. In addition, a booklet for children, designed to enhance their experience of the line, was produced with generous support from Northern Rock. In contrast to the evocative setting of the Settle-Carlisle, a striking art deco landmark in Newcastle upon Tyne, the former Wills Factory, was the subject of a feasibility study undertaken to assess its true importance and potential for re-use. The study showed that the building is of national significance and identified expressions of interest from potential tenant end-users. The building awaits a possible local inquiry into its future.

Other work has included the start of investigations into the conservation and re-use of the remaining buildings at Ravensworth Castle in Gateshead, funded by the Architectural Heritage Fund and English Heritage; a similar study is underway at Gayle Mill near Hawes. New commissions include a conservation guide for roofs for the City of Newcastle and work in the Bedlington Conservation Area for Wansbeck District Council.

As the year's end approached, the largest Heritage Lottery grant to date nationally for restoration of a single building - £2.7 million - was anticipated (and can now be confirmed). This has been jointly offered to Tyne and Wear Development Corporation and the North East Civic Trust to secure the future of Exchange Buildings, once Sunderland's merchant and civic focus.

It has been a critical year financially, with the need to expand staff and resources from limited reserves. It has meant some difficult decisions. Though the year-end balance reflects the consequences of this commitment to invest in new projects, it cannot adequately illustrate the rewards, which will not yield results until the next financial year and beyond. In the meantime, sale of the Trust's land at Belford Hall is imminent and will provide working capital.

All this has been in addition to the constant work with Local Authorities in the region, amenity societies and the like. We can claim, with confidence, that the Trust has endeavoured in the year to fulfil its remit to conserve the best of the region's built heritage, restore to gainful use tracts of derelict land, and to engage the potential within the local communities to help achieve these ambitions. But, we still need the active support of our well-wishers in the business community in order to continue our work, much of which is not of a fee-earning nature. We are immensely grateful to those who do, for without such support we could not reach our objectives. We look forward to widening partnerships in our work during the coming year.



Douglass Wise
Chairman NECT