hall for cornwall

The Hall For Cornwall Property Trust

(Limited by Guarantee)

Trustees' Annual Report and Financial Statements

For the year ended 31 March 2017

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COMPANIES HOUSE

Company registration number 02525645
Charity registration number 1001611

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The Hall For Cornwall Property Trust (Limited by Guarantee)

Reference and administrative information

For the year ended 31 March 2017

Name of charity:	The Hall For Cornwall Property Trust	
Company registration number:	02525645	
Charity registration number:	1001611	
Governing document:	Memorandum and Articles of Association	
Constitution:	Limited company (Limited by Guarantee)	
Charity objects:	The main objects of the charity as defined by the Memorandum of Association are: To restore and preserve for the benefit of the public the City Hall Truro being a building of historic, architectural and constructional interest. To provide facilities for the use of the inhabitants of Cornwall without distinction of political, religious or other opinions including use for meetings, lectures, and classes and for other forms of recreation and leisure time occupation in the interest of social welfare with the object of improving the conditions of life of the said inhabitants.	
Charity Trustees:	Colin Breed	
	Tim Brooksbank	
	Susan Hill	
	Clare Latimer	
	Chris Pomfret OBE	Co-Chair Appointed 31 May 2016
	Rosemary Squire OBE	Co-Chair
	Susan Whitford	
	Niamh Lamond	Resigned 31 May 2016
	Sue Wolstenholme	Resigned 5 September 2016
Secretary:	Sara Dauncey	Resigned 31 August 2017

The above Trustees constitute directors of the charity for the purpose of the Companies Act 2006. No trustee has any beneficial interest in the charity. All Trustees are members of the charity and guarantee to contribute £1 in the event of a winding up.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Reference and administrative information

For the year ended 31 March 2017

Principal address of the charity:	Hall For Cornwall Back Quay TRURO, TR1 2LL
Registered address of the charity:	Hall For Cornwall Back Quay TRURO, TR1 2LL
Country of Registration:	Registered in England and Wales
Auditor:	Robinson Reed Layton Peat House Newham Road TRURO, TR1 2DP
Solicitor:	Stone King LLP 13 Queen Square BATH, BA1 2HJ
Bankers:	Barclays Bank Plc 20-21 Lemon Street TRURO, TR1 2NB
Reporting currency:	GBP's

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

The Trustees present their annual report and audited financial statements for the year ended 31 March 2017 which are prepared to meet statutory reporting and disclosure requirements. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective date 1 January 2016.

Chairs' report

In August 2016, Sue Wolstenholme stood down from her appointments as Trustee and chair of Hall for Cornwall's charitable companies. Sue had long served the boards and most recently as chair guiding the companies through the early ambitions to redevelop the theatre. This work included taking the long term view on the theatre's sustainability and leadership role. Sue accomplished much during her tenure and the Trusts owe her a debt of gratitude, particularly now that the plans are nearing fruition.

We took over from Sue, given our complementary skills as joint chairs, to help shape the delivery phase of the plans and help build the organisation to be fit and purposeful in what we hope will be its redeveloped venue.

In approaching this phase of the plans, we have recognised the need to take a fresh approach to governance and for this reason we will be working towards winding up the Property Trust and giving our focus to the remaining Hall for Cornwall Trust. This work is underway and our plan is to complete it by the end of the summer.

We would like to take this opportunity to thank all of those individuals who helped shape the early years of this company, without their vision, determination and talent back in the 1990's Hall for Cornwall would never have been in the position it is now with nearing 200,000 audience attendances each year enjoying a range of wonderful theatre and entertainment, and a team ready to take on the next phase. Equally important to this success is of course the continued support of our stakeholders Cornwall Council and Arts Council England. Without their financial backing and the support of the teams from Cornwall Council, none of this would have been possible.

We are fortunate that one of our funders for the redevelopment project is Heritage Lottery Fund, and through the development phase with them we are researching and documenting the history of the Hall through collating evidence from stories of those who have been involved in it over the centuries. We very much look forward to committing the recent past to add to this history and for future generations to see what an important role the Property Trust played in providing a venue for the enjoyment of all since 1997.

Thank you to all our supporters and funders.

Chris Pomfret OBE, Rosemary Squire OBE

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

Purpose and activities

Principal activity

The principal activity of the company has been to maintain and carry-out essential repairs to the City Hall, Truro, which was redeveloped in the 1990's and is the subject of a 125 year lease from the County Council. The premises are commonly referred to as The Hall. The Hall For Cornwall Property Trust (The Property Trust) entered into an under-lease arrangement with its related party, The Hall For Cornwall Trust (The Trust) through which The Trust operate its performance activities.

The Property Trust, together with The Trust, shared in the development of The Hall which opened in 1997. Development costs relating to the shell of the structure were recorded in the Property Trust, whilst the fitting-out of the internal spaces was taken in to The Trust's accounts to reflect the operational element of The Trust and the venue.

Review of activities for the year

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's aims and objectives and in planning its future activities. The Property Trust continued its regular activities in the year, which were the collection of rent from The Trust, which presented a programme of arts, entertainment, education and community events. Essential repair work to The Hall was undertaken in the year.

The main concern of Trustees in the year has been to reach a suitable stage with its plans for re-developing The Hall that enable them to wind up The Property Trust in order to provide the most suitable governance structure to undertake the re-development and operate the theatre in future years.

Trustees met and agreed in March 2017 that the transactions under RIBA 3 and outline planning were sufficiently advanced to trigger winding up of the Trust. Trustees agreed that the company assets and liabilities should be transferred to its related party, The Hall for Cornwall Trust, to enable the objects of the Property Trust to be continued under a single Trust. To bring this about in an orderly fashion and with due diligence in mind the following tasks have been undertaken:

- a valuation of the leasehold property, carried out in accordance with RICS guidance on property valuations for charitable companies. This gave rise to a revaluation of some £1.4m which is reflected in the accounts at 31 March 2017.

- the provision of a licence to enable the transfer of the residue leasehold interest in The Hall premises. The parties to the transfer are Cornwall Council as freeholder, Hall for Cornwall Property Trust as current leaseholder and Hall for Cornwall Trust, the current operator of The Hall. Hall for Cornwall Trust occupies the premises under a Tenancy at Will which will be dissolved once the transfer is formalised.

- communication with historic funders of the Property Trust and recent donors notifying them of the intention to wind up the charity and transfer the assets and liabilities to its related party, Hall for Cornwall Trust. Notification to current funders that the planned re-development project will be undertaken by The Trust and where appropriate any contracted funding offers will be novated from the Property Trust to The Trust.

- application to the Charity Commission for approval to the proposed transfer.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

Structure, Governance and Management

Key information about the charity and its trustees is set out on pages 1 and 2 of this report.

The Trustees are responsible for the overall management and control of the charity and receive regular reports from the executive management team who are employees of its related company, The Hall For Cornwall Trust. The Board oversee the business of the Charity.

Recruitment and Induction of Trustees

Trustees have kept the governance of the charity under regular review. In winding up The Property Trust any requirement for the continuation of Trustees will be fully explored with the Trust's legal advisors and information given to appointees as needs be.

Plans for the future

In the course of 2017 the charity will complete the work necessary to conclude the transfer of the assets and liabilities of the Property Trust to its related party, the Hall for Cornwall Trust and in doing so formalise its winding up with the Charity Commission, Companies House and HMRC.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

Financial review for the year

The result for the year is shown in the statement of financial activities on page 11.

The financial transactions shown in the statement are separated between unrestricted and restricted activities. The restricted activities refer to the original 1997 capital development and the current development plans which have been supported by stakeholder grants and awards.

The main focus of activity during the financial year was to conclude work on RIBA stage 3 and complete work on a funding application to ERDF. In May 2016 Arts Council England (ACE) confirmed its £5m award to the project. In November 2016, a contract was entered into with The Secretary of State for Communities & Local Government (DCLG) to secure £2,090,864 toward the project. Both awards have been negotiated to be transferable to the Hall for Cornwall Trust.

Additionally, Trustees agreed to support the re-development project by allocating sums from its general reserve to meet legal and consulting fees which were beyond the reach of funding available from the development grants. The amount so expended in 2017 was £17,480 (2016: £37,911). This expenditure has covered the costs of legal opinion, bid writing and related business expertise.

In 2016 the charity received a sum of £172,000 from Cornwall Council to facilitate the planning application process, its related research, consultation and design work. In the previous year the terms of this facility were described under the heading Contingent Liability (stated in note 15 to the 2015/16 accounts). In June 2017 the Trust received confirmation from Cornwall Council that the amount of £172,000 is included in their total award to Hall for Cornwall Trust which was confirmed in a signed contract dated 17 May 2017. Trustees therefore consider that at the balance sheet date no liability arises from the facility as accounted for in 2015/16 and that the risk stated in the prior year no longer exists.

Financial statements have been prepared at 31 March with the winding up in mind and other than balance sheet transactions there will be few accounting transactions beyond 31 March 2017. This work continues to be undertaken and Trustees have been advised and guided in completing the winding up by its legal and financial advisers. It is intended that the work will be completed at the end of the summer 2017 when all formal notices to Companies House and The Charity Commission will have been completed. A final set of accounts will be prepared and filed to reflect the asset and liability transfer.

Hall for Cornwall Trust has agreed to meet the legal and professional fees that will be incurred in the transfer.

Reserves policy

General reserve

The unrestricted reserve derives from the accumulation of rent received less maintenance costs incurred in previous years.

Trustees agreed to allocate sums from the general reserve to support the application and design stage of the building improvement plans for The Hall, these costs are set out in note 4.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

Restricted Funds

Restricted reserves are shown under three separate headings: The Development Project; The Capital and Repairs Fund; The Revaluation Reserve. The Capital Fund reflects the 1997 development and has arisen from five grants. The related capital expenditure is shown under fixed assets. Annual depreciation of the charity's fixed assets is charged against these reserves. The Development Project reserves describes and accounts for the current development plans and reflect the income and expenditure in connection with the RIBA 3 and planning phases. At 31 March 2017, the future re-development remained uncertain, consequently income and expenditure related to the re-development plans has been expensed in the year it has been incurred and not capitalised or treated as work in progress. The revaluation reserve arises from the revaluation of the leasehold property at 31 March 2017.

Investment powers and policy

The charity's investment powers are set out in its Memorandum and Articles. The Trustees consider the cash flow requirements of the charity have been such that any surplus funds should be held on a short, rather than a long term basis.

Risk management

The Trustees have maintained a comprehensive risk management strategy and all major risks identified to ensure the Trustees are satisfied that systems have been in place to mitigate such risks. The Trustees recognise that the charity operates in an area where reputational and financial risk are key areas the charity face. The risk management strategy has comprised of:

- A review at each of its Board meetings of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

In its plans to wind down the Trust, access to the risk management policy and register of The Property Trust has also been reviewed by the trustees of The Trust.

Connected charity

The Trustees of the charity are also Trustees of The Hall For Cornwall Trust (Limited by guarantee). The principal activity of that charity has been the fitting-out of the interior of The Hall and its subsequent operation for the presentation of its programme.

Tax status

The Hall For Cornwall Property Trust is a registered charity and therefore exempt from corporation tax on its investment and other non-trading income.

Auditors

The auditor, Robinson Reed Layton, is deemed to be reappointed under 487(2) of the Companies Act 2006.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Trustees' report

For the year ended 31 March 2017

Trustees' responsibilities

The Trustees (who are also directors of the Hall for Cornwall Property Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the charitable company and of the incoming resources and application of resources including the income and expenditure, of the charitable company for the 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 (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. 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.

Statement of disclosure to auditor

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

This report has been prepared in accordance with the special provision of part 15 of the Companies Act 2006 relating to small companies.

By order of the Board

Christopher Pomfret OBE
Trustee

28 | 9 | 2017

Hall for Cornwall
Back Quay
TRURO
TR1 2LL

The Hall For Cornwall Property Trust (Limited by Guarantee)

Independent auditor's report
to the members of The Hall For Cornwall Property Trust (Limited by Guarantee)

We have audited the financial statements of The Hall For Cornwall Property Trust (Limited by Guarantee) for the year ended 31 March 2017 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), 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), including FRS 102.

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 its 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 statement of Trustees' responsibilities set out on page 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 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' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or material inconsistent with the knowledge acquired by us in the course of performing the audit. 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 Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Independent auditor's report
to the members of The Hall For Cornwall Property Trust (Limited by Guarantee)

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 which the financial statements are prepared is consistent with the financial statements and this report has been prepared in accordance with applicable legal requirements. In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

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 or 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, take advantage of the small companies exemption in preparing the Trustees Report and take advantage of the small companies exemption to prepare a strategic report.

Robinson Reed Layton

MARK WILLIAMS (Senior Statutory Auditor)
For and on behalf of Robinson Reed Layton
Chartered Accountants
Statutory Auditors

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

28/9/2017

The Hall For Cornwall Property Trust (Limited by Guarantee)

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

	note	Unrestricted Fund	Hall Restricted Funds		Total 2017	Total 2016
			Development Project	Capital Fund		
		£'s	£'s	£'s	£'s	£'s
Income from:						
Income from charitable activities:						
Hall Development Project grants	3	-	19,495	-	**19,495**	389,000
Rent receivable		30,000	-	-	**30,000**	30,000
Investment income		11	-	-	**11**	-
Total Income		**30,011**	**19,495**	**-**	**49,506**	419,000
Expenditure on:						
Expenditure on charitable activities:						
Capital project development costs	4	(17,480)	(28,377)	-	**(45,857)**	(665,359)
General costs	5	(3,038)	-	(64,550)	**(67,588)**	(48,631)
Total Expenditure		**(20,518)**	**(28,377)**	**(64,550)**	**(113,445)**	(713,990)
Net (expenditure)/income for the year		**9,493**	**(8,882)**	**(64,550)**	**(63,939)**	(294,990)
Revaluation of asset (unrealised)	6	-	-	1,386,048	**1,386,048**	-
Net movement in funds		**9,493**	**(8,882)**	**1,321,498**	**1,322,109**	(294,990)
Reconciliation of funds:						
Total funds brought forward		104,482	60,052	1,261,604	**1,426,138**	1,721,128
Total funds carried forward	11	**113,975**	**51,170**	**2,583,102**	**2,748,247**	**1,426,138**

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

In 2016 of the total income of £419,000, £30,000 was unrestricted income and £389,000 was restricted income. Of the total expenditure of £713,990, £39,292 was unrestricted expenditure and £674,698 was restricted expenditure.

The Hall For Cornwall Property Trust (Limited by Guarantee)

Balance Sheet

As at 31 March 2017

	note	2017	2016
		£	£
Fixed assets	6	**2,585,007**	1,243,134
Current assets			
Debtors	7	-	400
Cash at bank and in hand		**500,990**	303,581
		500,990	303,981
Creditors: amounts falling due within one year	8	**(337,750)**	(120,977)
Net current assets		**163,240**	183,004
Net Assets		**2,748,247**	1,426,138
Represented by:			
Total Unrestricted Funds	9	**113,975**	104,482
Hall Development Project		**51,170**	60,052
Hall Capital and Repair Funds		**1,197,054**	1,261,604
Revaluation reserve		**1,386,048**	-
Total Restricted Funds	10	**2,634,272**	1,321,656
TOTAL FUNDS	11	**2,748,247**	1,426,138

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and FRS (102).

These financial statements were approved and authorised for issue by the Board of Trustees on 28 SEPTEMBER 2017 and were signed on its behalf by:

Christopher Pomfret OBE
Trustee and co-chair
Company registration no: 02525645

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and the Companies Act 2006 and follow the recommendations in Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102). Update bulletin 1 (effective date 1 January 2016) has been adopted in the preparation of the financial statements. Under this election the Charity is exempt from preparing a cash flow statement on the grounds that it is a small charity.

1.1 Accounting convention

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether *capital* or *revenue* grants is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Grants and incoming resources are credited to the statement of financial activities when they are receivable.

Where the donor imposed conditions require that the resource is expended in a future accounting period, income is recorded as deferred income at the balance sheet date. Depreciation on assets financed by capital grants are charged against the relevant restricted fund.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.3 Fund accounting

Unrestricted funds are available to spend on furthering the activities and purpose of the charity.
Restricted funds are applied to activities for which the funds have specifically been provided.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified as either Capital project development expenditure, or General expenditure and is designated as unrestricted or restricted according to its related income allocation to those funds. Irrecoverable VAT is shown as a separate cost within the relevant classification.

1.5 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.6 Cash

Cash at bank and in hand includes cash and short term highly liquid investments with short maturity of up to six months from the date of acquisition or opening of the deposit or similar account.

1.7 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any trade discounts due.

1.8 Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost less residual value of tangible fixed assets over their estimated useful lives on a straight line basis as follows:

Long leasehold property improvements	50 years
Plant and Equipment	5 – 10 years

1.9 Contingent liabilities

Contingent liabilities arise as a result of past events when (a) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date, or (b) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the charity's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow is remote.

2 Legal status

The charity is also a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 Income from charitable activities

	Total 2017	Total 2016
	£	£
Hall Development Project		
Arts Council England	**19,495**	217,000
Cornwall Council	-	172,000
Restricted Funds received	**19,495**	389,000

4 Analysis of expenditure on charitable activities

	Total 2017		Total 2016	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Hall Development Project				
Design team fees	-	-	-	432,025
Project management fees	-	**5,000**	-	40,050
Other costs	**14,293**	**18,176**	31,593	53,819
Irrecoverable VAT	**3,187**	**5,201**	6,318	101,554
Development expenditure	**17,480**	**28,377**	37,911	627,448

Expenditure relates to The Hall re-development project. From restricted funds: initial designs, planning and related activities to RIBA stage 3 funded by the development awards from ACE and Cornwall Council. Unrestricted funds were allocated to support the project beyond the level of public funds available and covered costs of capital funding applications and legal advice.

5 General costs

	Total 2017		Total 2016	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Governance:				
Audit fees	**1,000**	-	1,100	-
Advisory costs	**2,000**	-	251	-
	3,000	-	1,351	-
Bank charges	**38**	-	30	-
Unrestricted expenditure	**3,038**	-	1,381	-
Depreciation	-	**44,175**	-	47,250
Hall repairs and maintenance	-	**20,375**	-	-
Restricted expenditure	-	**64,550**	-	47,250

6 Tangible Fixed Assets

	Long leasehold Property Improvements	Plant and equipment	Total
	£	£	£
Cost / Valuation			
At March 2016	1,957,297	69,252	**2,026,549**
Revaluation at 31 March 2017	1,386,048	-	**1,386,048**
At March 2017	3,343,345	69,252	**3,412,597**
Depreciation			
At 1 April 2016	724,199	59,216	**783,415**
charge for the period	39,146	5,029	**44,175**
At 31 March 2017	763,345	64,245	**827,590**
Net Book Value at March 2017	**2,580,000**	**5,007**	**2,585,007**
At March 2016	1,233,098	10,036	1,243,134

Long leasehold property improvements relate to refurbishment of the premises at the City Hall, Truro, known as the Hall For Cornwall (The Hall). The re-development, to which these assets refer, took place between 1996 and 1997. The premises are subject to two separate leases granted in 1995 for a term of 125 years by the then Carrick District Council to The Hall For Cornwall Property Trust. These leases, which are distinguished between the frontages, one to the Back Quay, the other to Boscawen Street, were subsequently novated from Carrick District Council to Cornwall Council under the same terms.

The cost of re-development which relates to the fabric of the building was made possible by a series of grants. Following the opening of The Hall, The Property Trust has provided essential repairs and maintenance to the fabric of the building. The capital values are shown in their respective categories above and written down to a net value at depreciation rates set out in the accounting policies. The allocation between funds is shown in note 11.

In January 1997 The Property Trust granted an under-lease to The Hall For Cornwall Trust, a related party, for a term of twenty years. The rental agreement of £30,000 pa was set and agreed in 1999.

The Property Trust is in discussion with Cornwall Council and The Hall for Cornwall Trust regarding the transfer of the leases to provide the most suited governance structure for the re-development project for The Hall and related winding up of the Property Trust. In working towards this aim, the Trust commissioned a revaluation of the asset at 31 March 2017. This resulted in the revaluation stated above of £1,386,048, leaving the net book value in accordance with the valuation of £2,580,000.

7 Debtors

	2017	2016
	£	£
Other Debtors	-	400
	-	400

8 Creditors

	2017	2016
	£	£
Trade creditors	-	46,246
Deferred Income	**321,500**	65,000
Other creditors and accruals	**4,876**	9,576
Amount due to The Hall For Cornwall Trust	**11,374**	155
	337,750	120,977

9 Unrestricted Funds – General Reserve

	£
Balance at 1 April 2016	**104,482**
Net income in the year	**9,493**
Balance at 31 March 2017	**113,975**

10 Restricted Funds

	Hall Development project	Hall Repair Fund	Hall Capital Project	Leasehold revaluation reserve	Total
	£	£	£	£	£
Balance at 1 April 2016	60,052	30,411	1,231,193	-	**1,321,656**
Income in the year	19,495	-	-	-	**19,495**
Expenditure in the year	(28,377)	(25,404)	(39,146)	-	**(92,927)**
Revaluation	-	-	-	1,386,048	**1,386,048**
Balance at 31 March 2017	**51,170**	**5,007**	**1,192,047**	**1,386,048**	**2,634,272**

11 Analysis of Net Assets between Funds

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Tangible Fixed Assets	2,585,007	-	**2,585,007**
Current Assets	370,765	130,225	**500,990**
Current Liabilities	(321,500)	(16,250)	**(337,750)**
	2,634,272	**113,975**	**2,748,247**

12 Related party transactions

The trustees of The Hall For Cornwall Property Trust (The Property Trust) are also the trustees of The Hall For Cornwall Trust (The Trust).

The Property Trust charged The Trust a sum of £30,000 representing a charge for use of The Hall during the year (2016: £30,000).

At 31 March 2017, The Property Trust owed The Trust £11,374 (2016: £155).

13 Staff Numbers and Costs

The Property Trust has no direct employees

14 Trustees' Emoluments

The directors of the charitable company are Trustees under charity law. No Trustee received any remuneration during the period, nor claimed any expenses.

15 Contingent liability

In January 2016 Cornwall Council provided the charity with a cash facility of £172,000 to fund the Planning Application phase of the re-development plans. This work was satisfactorily concluded in June 2016.

The terms of the facility were such that at 31 March 2016 trustees considered the inflow of cash should be treated as an incoming resource, to be accounted for as a restricted inflow on the Statement of Financial Activities (SOFA). At that time the terms further indicated that a risk element existed. Such risk was however dependent upon the outcome of two capital funding applications, which should they fail to materialise to result in a satisfactory outcome, i.e. a funding award, would have rendered some or all of the cash facility repayable.

The applications rest with the European Regional Development Fund (ERDF) and the Local Economic Partnership, (LEP). During the course of 2016/17 a contract was entered into for the ERDF award and on 12 June 2017 confirmation was received from Cornwall Council that the £172,000 is to be treated as part of their total grant towards the capital project. Therefore the amount is no longer considered to hold a risk element.

16 Post Balance Sheet events

Since 31 March 2017 relevant third parties have been contacted regarding the proposed transfer of assets and liabilities from the Trust to its related party, Hall for Cornwall Trust. The parties include: the funders to the 1990's refurbishment project; current funders of the redevelopment plans; and parties contracted to deliver the redevelopment. Cornwall Council has granted a licence to transfer the lease between the Trusts. Additionally, the Charity Commission granted a Section 105 order approving the transfer between the related charities.

The Property Trust has obtained legal and financial advice concerning the transfer, and it is expected that final accounts will be prepared for the period to 30 September 2017. At that stage a Deed of Transfer will be executed.