

REGISTERED COMPANY NUMBER: 06373460 (England and Wales)  
REGISTERED CHARITY NUMBER: 1165434

REGISTRAR'S COPY  
PLEASE SIGN & RETURN

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
THE HEART OF THE CITY PARTNERSHIP



Robson Laidler Accountants Limited  
Statutory Auditor  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
Tyne and Wear  
NE2 1TJ

## **THE HEART OF THE CITY PARTNERSHIP**

### **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

|   | <b>Page</b>     |
|---|-----------------|
| <b>Reference and Administrative Details</b> | <b>1</b>        |
| <b>Report of the Trustees</b>               | <b>2 to 8</b>   |
| <b>Report of the Independent Auditors</b>   | <b>9 to 11</b>  |
| <b>Statement of Financial Activities</b>    | <b>12</b>       |
| <b>Balance Sheet</b>                        | <b>13</b>       |
| <b>Notes to the Financial Statements</b>    | <b>14 to 21</b> |

**THE HEART OF THE CITY PARTNERSHIP**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Registered Company number**  
6373460

**Registered Charity number**  
1165434

**Registered Office**  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
United Kingdom  
NE2 1TJ

**Trustees**  
**Added as Trustees in 2020:**

BELL, Gerald - 30/01/2020

**No Change:**  
BLACK, Gavin Macfarlane (Chair)  
WARD, Susan Katharine  
GRUNDY, John  
COOK, David Burford, Doctor  
PEARS, Richard Malcolm, Dr  
WOOD, Peter  
SCOTT, George  
CONLON, Linda  
JUBB, Eric  
GODDARD, John

**Resigned:**  
McGUINNESS, Kim

**Auditors**  
Robson Laidler Accountants Limited  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
NE2 1TJ

**Bankers**  
Handelsbanken  
Earl Grey House  
75-85 Grey Street  
Newcastle upon Tyne  
NE1 6EF

Virgin Money  
5 Cattle Market  
Hexham  
NE46 1NJ

## **THE HEART OF THE CITY PARTNERSHIP**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charity aims to promote the advancement of education and learning in relation to the history and heritage of the area around Newcastle Cathedral; in particular Newcastle Castle, in Newcastle Upon Tyne. In addition, it seeks to promote the advancement of culture and heritage by the encouragement of the local community, and visitors to the City, to appreciate and enjoy the history and fabric of these buildings. It endeavours to preserve and protect Newcastle Castle as a building of historic interest and public importance and specifically the Grade 1 listed buildings and Scheduled Ancient Monuments known as the Black Gate and Castle Keep.

##### **Background to current activities**

The Heart of the City Partnership (HOCP) leases Newcastle Castle from Newcastle City Council at a peppercorn rent and operates the heritage asset as a predominantly paid-for visitor attraction. By following a 4-year rolling strategic plan, financial protocols and strict budget management safeguarding the future of Newcastle Castle is best achieved through ensuring the buildings remain in use and their significance, cultural and wider commercial benefits for the city are understood and appreciated by the public as well as the local businesses. As such, in 2020, Newcastle Castle looked to offer itself principally as a paid-for visitor attraction, open 362 days of the year from 10am to 5pm, closing only for a maximum of 10 additional days to facilitate all-day venue hires e.g. weddings, as they occur. However, the Coronavirus / COVID-19 pandemic changed that offer significantly. Detail on this is covered in the section COVID-19 Impact of this report. Newcastle Castle is aware that admission fees can exclude people with low disposable incomes and is keen to ensure access to this heritage asset is possible for all. Our admission charges structure allows discounts for certain priorities e.g. unwaged, families, disabled, senior citizens, armed forces, NHS etc. In non-pandemic years our doors have opened free of charge for at least 2 days (Heritage Open Days) and one evening (The Late Shows) and we plan to continue this from 2021.

##### **Public benefit**

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. Referring to our objectives and activities, achieving and maintaining independent financial sustainability is core to preserving and protecting the buildings we operate. Keeping the buildings in the hearts and minds of local communities and those from further afield is a key engagement target. 2020 has been a challenging year for this and other areas of public benefit due to the challenges raised by the Coronavirus COVID-19 pandemic. The 4 years of performance including and prior to 2019 sees the organisation making progress towards achieving and our proposed 2020 calendar of out-of-hours events as well as our actual general admissions, digital engagement through blogs, vlogs and social media following are proof of this. Never-the-less the core issue faced in 2020 was of ensuring survival of the organisation so that it could continue to deliver public benefit in the future. The organisation therefore struck a balance in direction of resources towards maintaining income through seeking core grant funding, project grant funding to upgrade experience and adapt service offerings to the new 'pandemic' environment whilst amending other service offerings like the learning offer to allow uptake via virtual methods.

Our formal (schools and groups) education provision, informal learning (outreach and early-years provision) and informal lifelong learning (interpretation, events, talks, lectures etc) is at the heart of delivering our ability to preserve and protect Newcastle Castle, by nurturing and fostering understanding of the building's historical significance, as well as promoting the advancement of culture and heritage. In early 2020 we encouraged a record number of visits from local schools, and we targeted travel groups as well as individual visitors to the City. Our schools programme actively supported the National Curriculum and whilst a paid for service it was charged at a fair price, benchmarked against other cultural organisations within the area, to ensure it was accessible to all schools whilst covering the core costs to deliver it. Mid to later 2020 has seen an adaptation of this offering which is now being rolled out which will allow more versatility in our on and offsite engagement with and support of national learning as well as with the diverse communities that surround us.

## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### OBJECTIVES AND ACTIVITIES

##### Public benefit

In addition to the primary offer, to ensure that those not engaged actively in visiting heritage attractions are included and drawn into the fold, we would normally offer a range of immersive, interactive experiences and events, such as film nights, talks, lectures, theatre shows and workshops on carefully selected days and evenings. These are usually aimed at children, families and adults and work towards attracting and involving different audiences to just the 'heritage consumers'.

Newcastle Castle would normally play host to a wide range of alternative cultural events, ghost hunts, re-enactments and provide unique corporate and personal venue hire experiences as well as filming on location hire. Monies made from these income streams usually support the overall sustainability of Newcastle Castle and the delivery of the HOCP charitable objects. Whilst several location filming sessions took place, in general, 2020 gave us very little chance to deliver any of these other opportunities but they will be revived in 2021 and 2022 when it is safe to do so.

Venue hire / private hire offered people a way to engage and interact with their heritage whilst providing an additional income stream to support the sustainability of Newcastle Castle and the delivery of the charitable objects. Many bookings made for 2020 including corporate and weddings were moved to future years upon the request of the client.

Our retail offer, in the times we have been open in 2020, provided further educational resources (books, toys etc) relating to the Castle and its direct surroundings. By having local suppliers and crafters such as The Crafty Bag and Turn It Up sell their products via the retail store, Newcastle Castle involved local communities and displayed their culture to locals and people from afar, alike. Equally, money made from the retail offer supported the overall sustainability of Newcastle Castle and the delivery of the HOCP charitable objects.

##### Our staff and Volunteers

HOCP's staff-base remained consistent with 2019 at 15 persons. Staff roles covered senior management, supervisory management, marketing, venue hire, retail display and purchasing, learning, informal learning, finance and front-of-house. The whole team was supported by strong leadership through management who were in turn supported by the board of trustees and a sub-group of the board, the Business Management Committee (BMC). Staff were further supported by a team of up to 40 volunteers about half of whom were active on a regular basis. The volunteers were involved in several aspects of the running of the Castle including delivering:

- **Learning:** around 12 volunteers came in regularly to deliver tours to schools, assist in workshops and carry out FREE family activities. (Pre-COVID-19 assisting with school session delivery and during COVID-19 the group of volunteers have kept together and supported each using virtual meetings and the like. Most are happy to return to full volunteering once the vaccine programme is rolled out.)

- **Events:** a pool of volunteers assisted staff during events by taking responsibility for such tasks as setting up and taking down chairs and tables, guiding customers, checking tickets, and selling refreshments. 1 event was held pre-COVID-19. The full years programme was put on hold until further notice due to COVID-19 safety measures on site.

- **Re-enactment:** We have a small group of around 12 volunteers called the Newcastle Array who provided live historical interpretation including displays of medieval food, games, demonstration of trades such as leatherwork & portrayal of members of Newcastle's Town Militia. No re-enactment events were carried out in 2020. These were put on hold until further notice due to COVID-19 safety measures on site.

- **Work Placements:** These were put on hold until further notice due to COVID-19 safety measures on site.

## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### OBJECTIVES AND ACTIVITIES COVID-19 Impact

Due to the Coronavirus COVID-19 pandemic, HOCP temporarily closed Newcastle Castle operations prior to lockdown 1.0. This was to protect staff and volunteers as well as the public. Newcastle Castle re-opened to the public on 24th July 2020 with new safety measures, booking processes, additional staffing and kitemark qualification from VisitBritain's Good to Go Scheme and the COVID-19 Secure venue certification. A reasonable rate of customer return was experienced versus expectation however numbers were significantly down on 2019. Considering almost 54% of our paying admissions are overseas visitors alongside factoring in low customer sentiment and confidence across the industry, this is unsurprising. When local restrictions were introduced in September bookings fell to almost zero overnight and continued at a very low level throughout those restrictions until Lockdown 2.0 closed Newcastle Castle once again. Never-the-less the open period allowed us to top up some vital reserves. Since November 2020 Newcastle Castle has been unable to re-open either due to restrictions or lockdown 3.0. Following the February 2021 government announcements on the easing of restrictions over time we now anticipate re-opening on 21st May 2021.

Whilst the pandemic has had a significant effect on operations and will affect them going forward, HOCP have been prudent putting all non-essential staff on furlough leave where possible, mothballing where necessary, utilising cash reserves and attracting numerous specialist COVID-19 government grants totalling £388,647 to be used towards core running costs and towards service adaptation and development. This included grant from the Heritage Emergency Fund and the Culture Recovery Fund (Round 1). A short-term COVID-19 strategy is in place alongside a funding plan where we are actively seeking funding from the Culture Recovery Fund (Round 2), The Sir James Knott Trust, other independent funding organisations as well as making timely applications for government-led grant schemes that we are eligible for. Our funding strategy is at the core of what we do and alongside our short-term strategy for re-opening and staffing will help ensure the organisations resilience whilst we also continually review, revise and adapt short, medium and long-term plans.

Operations and service offerings have adapted significantly since Lockdown 1.0 and a return to a more 'normal' style of visitation is being delivered through a four phase re-opening plan. It is clear that a number of benefits from re-evaluating how we work, and deliver have come from this including the introduction of: an online booking system, English and foreign language audio guides, digital guidebooks, digital schools materials for curriculum learning alongside virtual school visits all of which are now starting to bed in in terms of uptake. Adapting our service offerings has made us further consider who our audiences are and are not and how we might therefore engage a broader audience base. A review of the rolling 4-year strategic plan for example looks at introducing more community engagement, additional digital engagement through podcasts, blogs and vlogs and an ongoing revised marketing campaign to attract a more 'home-grown' audience during 2021 and 2022 whilst tourism from overseas comes back to full strength hopefully by 2023.

Currently, HOCP have no other operational activities aside from Newcastle Castle, however, visioning for the future will take place over the next few years to inform the road ahead.

#### ACHIEVEMENT AND PERFORMANCE Charitable activities

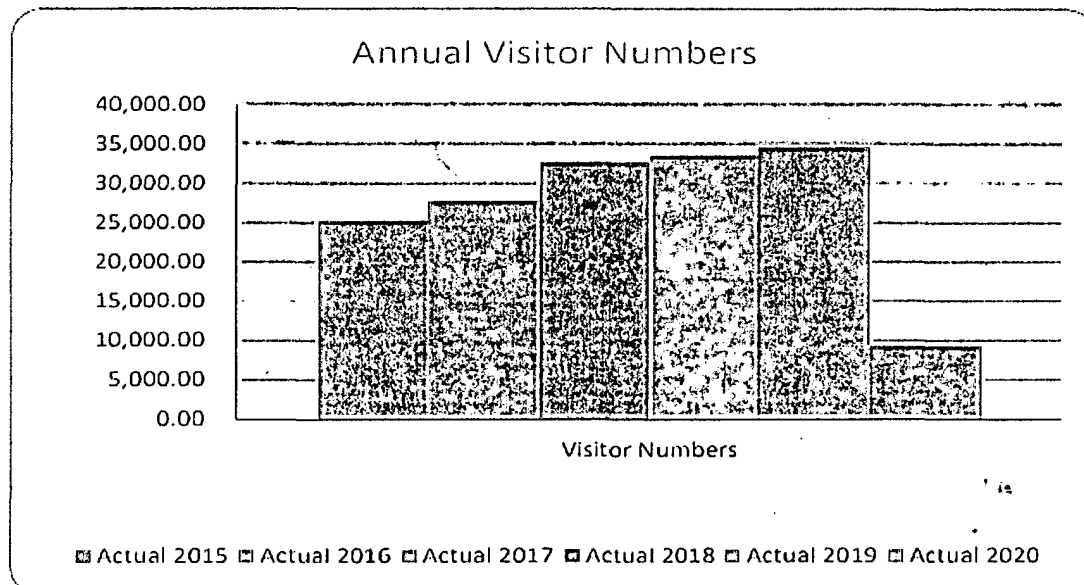
The audited accounts show a significant end-of-year surplus produced in 2020 with the major source of income, not surprisingly being grant funding, due to the pandemic. It should be noted however that most of that surplus is restricted by nature as being part of time restricted and output measured grant funding. What unrestricted funds remain are subject to our reserves policy but will be utilised to help sustain the organisation into 2022 with hopeful support from grant funders who will see the measured successes made prior to 2020.

2020 ticketed admissions numbers (excludes learning programme admissions and out-of-hours events admissions) unsurprisingly decreased significantly from previous years. Pre-COVID, 2019 numbers increased however, for the 4th year running by 4.13% from 2018 to 34,690 paying visitors. 2019 shows an increase of 5.7% in ticketed admissions numbers from 2017. 2016 saw a total 27,664 paying visitors with 2019 figures representing a 20.25% increase on that year. Our UK to non-UK visitor split over 2018 and 2019 was 46% UK to 54% non-UK averaged across the years. Clearly this was significantly lower in 2020 due to the major drop in visitors from overseas to the UK.

## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### ACHIEVEMENT AND PERFORMANCE



In 2019, recognising that not all may be able to afford the admission fees levied by Newcastle Castle, we opened its doors to over 2500 free admissions over 2020. In 2020 this just was not possible with the vastly reduced opening days and hours we had available. This will however be carried on in the future. At the end of 2020 we had maintained our e-newsletter subscriber levels at just over 2019 end of year levels, closing at 1754 subscribers. Generally, subscribers appear to be persons who are interested in Newcastle Castle's out-of-normal hours programme of events, talks, lectures, film nights and the like. Given the lack of ability to deliver any of these in 2020 a drop-off in subscribers would have forecast however it is a notable success that we have managed to maintain and fractionally increase readership through diversifying the content that we put out via the newsletter to include informative blogs, information about other offerings in the area / online and updates on what we think will happen when with castle opening. In 2019 our newsletter open rate averaged 32.8%, a very acceptable industry average. In 2020 that average fell slightly to 30.8% but given the circumstances this was not concerning.

The Newcastle Castle website was refreshed with a new online booking system added which also allowed people to purchase digital guidebooks and audio guides. The website saw 42000 unique visits in 2020. This accompanied by 66,000 pageviews. A drop on previous years not unsurprising given the impact of the pandemic. Across the year social media engagement consisted of a rise of around 2400 Facebook business page followers to 1000, a rise of around 150 Twitter followers to 3862 and a rise of just over 370 Instagram followers to 2900. 2020 saw more resources focused on use of Google MyBusiness to engage customers across Google's platform and to raise profile. Almost 70% of customers were searching directly for us. We appeared in search results on average 450k times per quarter across all Google search platforms and including Google Maps. Our photos which appear across these platforms are very successful in gaining engagement. We were proud to be ranked 1 place higher than 2019 as no. 13 out of 128 things to do in Newcastle on TripAdvisor this year, whilst also receiving a Traveller's Choice 2020 Award from them and had an overall rating of 4.5 out of 5 with 870 total reviews. We believe that alternative, out-of-hours cultural event programming can attract a more diverse audience and introduce them to the history and heritage of the site. Whilst in 2019 we put on 56 film nights, 9 theatre nights (across 3 shows), 4 music nights across 4 local performers, 10 talks and several other cultural activities, out of hours, like workshops and tours the impact of the pandemic meant we were only able to put on one Valentine's film night. We will continue this tentatively in 2021 and to a greater extent in 2022.

#### Charitable activities

Throughout the pandemic we have supported DMOs, local authority other organisations within our sector, the Bank of England and the Chamber of Commerce by giving timely and critical feedback and intelligence to help inform policymakers.

## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### FINANCIAL REVIEW

##### Financial position

The results for the year are shown on the Statement of Financial Activities. Incoming resources totalled £472,264 (2019: £347,253) of which £260,321 is considered to be unrestricted in nature.

Resources expended totalled £318,647 (2019: £330,918) such that overall the charity accrued a surplus of £153,617 (2019: £16,335). At 31 December 2020, the charity has closing reserves totalling £328,361 (2019: £174,744) of which £203,903 (2019: £171,670) are unrestricted. Free reserves, being unrestricted reserves less that tied up in fixed assets, stood at £196,515 (2019: £165,585).

##### Principal funding sources

As the tapering grant for Newcastle Castle ended in 2017, a strategy was developed allowing the business to work towards financial self-sufficiency between 2016 to 2019 and beyond. 2019 saw the organisation generate a small surplus, one year ahead of plan, which, when measured against previous years indicated the organisation was on a path to a stable and self-sustaining operational model, equally bolstered by the significant public benefit from its core activities through admissions, learning and outreach.

However, given the impact of the Coronavirus / COVID-19 pandemic on 2020, the principle sources of funding for 2020 were grant-aid and admissions, not as previous years. On a return to a more operational 'norm', which looks likely to start in mid-2021 the principle sources of funding will expand gradually again to include retail, learning provision, venue hire, events and donations.

As with many other similar organisations the national progress against the Coronavirus Pandemic will significantly affect our 2021 outturn. We recognise this is an external factor over which we have very little influence, but we continually review, revise and adapt to the ever-changing situation to ensure the best chance of maximising every opportunity.

##### Notable Items from the Accounts

Although the organisation ends 2020 with a significant surplus, the majority of the surplus earned this year is tied up as restricted funds, this being due to Culture Recovery Fund (Round 1) grant funds being fully entitled and therefore necessarily recognised in our 2020 audited accounts. However, the grant fund covers two accounting periods from Oct 2020 through to end Mar 2021 hence the restricted nature of the funds being brought over into 2021. Whilst the organisation retains reasonable unreserved funds at the end of 2020 and with prudent and cautious budget and strategy measures in place for 2021 the organisation remains in a reasonable position to see the likely difficult year of 2021 through however grant funding to strengthen and maintain that position will be a primary concern given the volatile visitor economy at present.

##### Reserves policy

The trustees have agreed that at all times they will endeavour to keep six months running costs of the charity to be held in reserve, readily available. They have also agreed to endeavour to maintain the real value of any funds set aside and to generate a sustainable, low risk return through investments with an acceptable level of risk. Such returns to be drawn down to the trading account at the discretion of BMC or the board of trustees, to fund projects or business proceedings.



## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### FUTURE PLANS

Prior to the outbreak of Coronavirus (COVID-19) and the UK's lockdowns, we had anticipated focusing on the below, as in 2019.

1. Increase visitor figures
2. Focus on raising awareness to local visitors and visitors from overseas
3. Become more family-friendly
4. Introduce Early Years provision
5. Raising awareness of Newcastle Castle as a wedding venue
6. Raising awareness of Newcastle Castle as a venue for hire
7. Make Newcastle Castle more personable using Castle Characters
8. Putting the Castle back into Newcastle as part of the lifeblood of the city
9. More targeted events schedule

As the environment has changed dramatically due to the Coronavirus outbreak and the post-lockdown business sphere will be very different, we will be looking to focus on the following in 2021:

1. Re-opening in a COVID-Secure manner
2. Re-open and recovery strategy
3. Operational stabilisation through maximising revenue from income streams and grant funding
4. Longer-term planning

As with many visitor attractions, Newcastle Castle relies predominantly on visitor admissions income to fund operations and other areas of public benefit. From March 2020 through 2021 we anticipate vastly reduced capacity for visitor throughput as well as a vastly reduced audience willing to physically visit. We anticipate that the audience willingness will steadily rise and in segments, with the first segment being a local and regional audience, then national moving to international mid-2021 onwards. We anticipate audience recovery towards near 2019 levels no earlier than 2022 but recognise that the situation is fluid. We know that we must communicate effectively to our audiences about the measures we still have in place to ensure their safety during castle visit. This will be critical in raising sentiment to come and willingness to pay.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

HOCP is a Private Company Limited by Guarantee incorporated under the Companies Act 2006 and is a registered Charity. The objects for which HOCP was incorporated and its powers are contained within its Articles of Association.

##### Organisational structure

The Articles of Association provide that: The business of HOCP shall be managed by the Trustees, being the Members of HOCP, who may exercise its powers. The number of Trustees to be appointed as Directors of HOCP shall not be less than 6 and shall not be more than 12 of whom:

- Up to two shall be appointed by Newcastle City Council
- Up to 2 shall be appointed by the Dean & Chapter of Newcastle Cathedral
- Up to 2 shall be appointed by the Society of Antiquaries of Newcastle upon Tyne

The most senior manager, the Chief Executive Officer, is appointed by the Trustees for the purpose of ensuring the future sustainability of Newcastle Castle and promoting and developing the wider objects of the charity. Trustee meetings are held quarterly with BMC meeting at minimum 6 times per year to specifically inform the direction of Newcastle Castle and to support the Chief Executive Officer.

##### Induction and training of new trustees

Trustees are recruited as per the Articles of Association. Trustees recruited, but not from member parties, are recruited around the skills, knowledge and experience required to help steer the organisation.

##### Policy Notes

A safeguarding policy has been put in place. This is reviewed annually.

## THE HEART OF THE CITY PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Key management remuneration

Key management remuneration is determined by the Trustees.

##### Risk management

HOCP takes a comprehensive and systematic approach to risk-management, identifying significant risks under 6 main headings: strategic/business, HR / resources, property, operational, governance & financial. Procedures are in place to mitigate or otherwise manage the most significant risks identified and a Risk Register is in place. The Risk Register is regularly reviewed and updated and when new risks are identified policies and / or procedures are developed to mitigate the risk.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Heart of the City Partnership for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

#### AUDITORS

The auditors, Robson Laidler Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

09/04/2021

Approved by order of the board of trustees on ..... and signed on its behalf by:



.....  
Mr G M Black - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE HEART OF THE CITY PARTNERSHIP**

### **Opinion**

We have audited the financial statements of The Heart of the City Partnership (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE HEART OF THE CITY PARTNERSHIP

### **Matters on which we are required to report by exception**

In the light of the 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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the 'Statement of Trustees' Responsibilities, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The risk of material misstatement due to error or fraud is deemed to be low within the entity as the Trustees operate strong internal controls to mitigate any such risk. Substantive testing is performed on all material balances and therefore any irregularities should be identified or considered as insignificant. The audit was therefore considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE HEART OF THE CITY PARTNERSHIP**

**Use of our report**

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 auditors' 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.

*M Moran*

Michael T Moran (Senior Statutory Auditor)  
for and on behalf of Robson Laidler Accountants Limited  
Statutory Auditor  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
Tyne and Wear  
NE2 1TJ

Date: 9 April 2021.....

THE HEART OF THE CITY PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Notes | Unrestricted<br>fund<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|--|-------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>      |       |                           |                          |                             |                             |
| Donations and legacies                 | 3     | 164,200                   | 211,943                  | 376,143                     | 2,858                       |
| <b>Charitable activities</b>           |       |                           |                          |                             |                             |
| Ticket sales                           |       | 70,673                    | -                        | 70,673                      | 231,620                     |
| Other trading activities               | 4     | 24,875                    | -                        | 24,875                      | 111,950                     |
| Investment income                      | 5     | 573                       | -                        | 573                         | 825                         |
| <b>Total</b>                           |       | <b>260,321</b>            | <b>211,943</b>           | <b>472,264</b>              | <b>347,253</b>              |
| <br><b>EXPENDITURE ON</b>              |       |                           |                          |                             |                             |
| Raising funds                          |       | 9,678                     | 299                      | 9,977                       | 39,776                      |
| <b>Charitable activities</b>           |       |                           |                          |                             |                             |
| General running costs                  |       | 36,816                    | 18,766                   | 55,582                      | 69,039                      |
| Staff costs                            |       | 170,405                   | 67,336                   | 237,741                     | 213,251                     |
| Professional fees                      |       | 15,347                    | -                        | 15,347                      | 8,852                       |
| <b>Total</b>                           |       | <b>232,246</b>            | <b>86,401</b>            | <b>318,647</b>              | <b>330,918</b>              |
| <br><b>NET INCOME</b>                  |       | <b>28,075</b>             | <b>125,542</b>           | <b>153,617</b>              | <b>16,335</b>               |
| Transfers between funds                | 15    | 4,158                     | (4,158)                  | -                           | -                           |
| Net movement in funds                  |       | 32,233                    | 121,384                  | 153,617                     | 16,335                      |
| <br><b>RECONCILIATION OF FUNDS</b>     |       |                           |                          |                             |                             |
| Total funds brought forward            |       | 171,670                   | 3,074                    | 174,744                     | 158,409                     |
| <br><b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b><u>203,903</u></b>     | <b><u>124,458</u></b>    | <b><u>328,361</u></b>       | <b><u>174,744</u></b>       |

The notes form part of these financial statements


THE HEART OF THE CITY PARTNERSHIP (REGISTERED NUMBER: 06373460)

**BALANCE SHEET**  
**31 DECEMBER 2020**

|  | Notes | 2020<br>£       | 2019<br>£       |
|--|-------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                          |       |                 |                 |
| Tangible assets                              | 10    | 7,388           | 6,085           |
| <b>CURRENT ASSETS</b>                        |       |                 |                 |
| Stocks                                       | 11    | 10,682          | 14,718          |
| Debtors                                      | 12    | 110,522         | 6,790           |
| Cash at bank and in hand                     |       | <u>234,463</u>  | <u>174,848</u>  |
|  |       | 355,667         | 196,356         |
| <b>CREDITORS</b>                             |       |                 |                 |
| Amounts falling due within one year          | 13    | <u>(34,694)</u> | <u>(27,697)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>320,973</u>  | <u>168,659</u>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>328,361</u>  | <u>174,744</u>  |
| <b>NET ASSETS</b>                            |       | <u>328,361</u>  | <u>174,744</u>  |
| <b>FUNDS</b>                                 | 15    |                 |                 |
| Unrestricted funds                           |       | 203,903         | 171,670         |
| Restricted funds                             |       | <u>124,458</u>  | <u>3,074</u>    |
| <b>TOTAL FUNDS</b>                           |       | <u>328,361</u>  | <u>174,744</u>  |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 09/04/2021 and were signed on its behalf by:



Mr G M Black - Trustee

The notes form part of these financial statements

## THE HEART OF THE CITY PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. STATEMENT OF COMPLIANCE

Heart of the City Partnership is an incorporated charity (charity number: 1165434). The registered office is based at Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Additional disclosures have been made in the Report of the Trustees in relation to the potential impact the Covid-19 pandemic may have on future operations and the measures in place to reduce this impact. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

Heart of the City Partnership meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial accounts are prepared in Sterling (£).

The financial statements are rounded to the nearest £1.

##### **Financial reporting standard 102 - reduced disclosure exemptions**

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

##### **Income**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income received by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

##### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.



## THE HEART OF THE CITY PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2. ACCOUNTING POLICIES - continued

##### **Expenditure**

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to charitable objects. No tax charges have arisen in the charity.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Cash at bank and in hand**

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

##### **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 amount after allowing for any trade discounts due.

**THE HEART OF THE CITY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. DONATIONS AND LEGACIES**

|           | 2020           | 2019         |
|-----------|----------------|--------------|
|           | £              | £            |
| Donations | 272            | 619          |
| Grants    | <u>375,871</u> | <u>2,239</u> |
|           | <u>376,143</u> | <u>2,858</u> |

**4. OTHER TRADING ACTIVITIES**

|                          | 2020          | 2019           |
|--------------------------|---------------|----------------|
|                          | £             | £              |
| Retail                   | 11,231        | 33,612         |
| Venue income             | 1,816         | 23,392         |
| Event income             | 3,650         | 33,131         |
| Other trading activities | <u>8,178</u>  | <u>21,815</u>  |
|                          | <u>24,875</u> | <u>111,950</u> |

**5. INVESTMENT INCOME**

|                          | 2020       | 2019       |
|--------------------------|------------|------------|
|                          | £          | £          |
| Deposit account interest | <u>573</u> | <u>825</u> |

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

|                             | 2020         | 2019         |
|-----------------------------|--------------|--------------|
|                             | £            | £            |
| Depreciation - owned assets | 2,855        | 2,068        |
| Audit fees                  | <u>3,240</u> | <u>3,807</u> |

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

THE HEART OF THE CITY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

8. STAFF COSTS

|                       | 2020           | 2019           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 220,028        | 194,291        |
| Social security costs | 10,147         | 9,420          |
| Other pension costs   | 7,566          | 6,540          |
|                       | <u>237,741</u> | <u>210,251</u> |

Key management remuneration totalled £41,600 (2019: £37,712)

The average monthly number of employees during the year was as follows:

|                               | 2020 | 2019 |
|-------------------------------|------|------|
|                               | 17   | 15   |
| Management and administration |      |      |

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                                    | Unrestricted<br>fund<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|---------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |                           |                          |                     |
| Donations and legacies             | 619                       | 2,239                    | 2,858               |
| <b>Charitable activities</b>       |                           |                          |                     |
| Ticket sales                       | 231,620                   | -                        | 231,620             |
| Other trading activities           | 111,950                   | -                        | 111,950             |
| Investment income                  | 825                       | -                        | 825                 |
| <b>Total</b>                       | <u>345,014</u>            | <u>2,239</u>             | <u>347,253</u>      |
| <b>EXPENDITURE ON</b>              |                           |                          |                     |
| Raising funds                      | 39,776                    | -                        | 39,776              |
| <b>Charitable activities</b>       |                           |                          |                     |
| General running costs              | 68,874                    | 165                      | 69,039              |
| Staff costs                        | 213,251                   | -                        | 213,251             |
| Professional fees                  | 8,852                     | -                        | 8,852               |
| <b>Total</b>                       | <u>330,753</u>            | <u>165</u>               | <u>330,918</u>      |
| <b>NET INCOME</b>                  | <u>14,261</u>             | <u>2,074</u>             | <u>16,335</u>       |
| <b>RECONCILIATION OF FUNDS</b>     |                           |                          |                     |
| Total funds brought forward        | 157,409                   | 1,000                    | 158,409             |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <u>171,670</u>            | <u>3,074</u>             | <u>174,744</u>      |

THE HEART OF THE CITY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

10. TANGIBLE FIXED ASSETS

|                       |                            |
|-----------------------|----------------------------|
|                       | Computer<br>equipment<br>£ |
| <b>COST</b>           |                            |
| At 1 January 2020     | 15,131                     |
| Additions             | <u>4,158</u>               |
| At 31 December 2020   | <u>19,289</u>              |
| <b>DEPRECIATION</b>   |                            |
| At 1 January 2020     | 9,046                      |
| Charge for year       | <u>2,855</u>               |
| At 31 December 2020   | <u>11,901</u>              |
| <b>NET BOOK VALUE</b> |                            |
| At 31 December 2020   | <u>7,388</u>               |
| At 31 December 2019   | <u>6,085</u>               |

11. STOCKS

|        |               |               |
|--------|---------------|---------------|
|        | 2020          | 2019          |
|        | £             | £             |
| Stocks | <u>10,682</u> | <u>14,718</u> |

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                |                |              |
|--------------------------------|----------------|--------------|
|                                | 2020           | 2019         |
|                                | £              | £            |
| Trade debtors                  | 600            | 2,226        |
| Prepayments and accrued income | <u>109,922</u> | <u>4,564</u> |
|                                | <u>110,522</u> | <u>6,790</u> |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 |               |               |
|---------------------------------|---------------|---------------|
|                                 | 2020          | 2019          |
|                                 | £             | £             |
| Trade creditors                 | 5,497         | 8,561         |
| Social security and other taxes | 3,969         | 3,680         |
| Other creditors                 | 13,772        | 2,509         |
| Accruals and deferred income    | <u>11,456</u> | <u>12,947</u> |
|                                 | <u>34,694</u> | <u>27,697</u> |

THE HEART OF THE CITY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

|                     | Unrestricted<br>fund<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|---------------------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| Fixed assets        | 7,388                     | -                        | 7,388                       | 6,085                       |
| Current assets      | 231,209                   | 124,458                  | 355,667                     | 196,356                     |
| Current liabilities | (34,694)                  | -                        | (34,694)                    | (27,697)                    |
|                     | <u>203,903</u>            | <u>124,458</u>           | <u>328,361</u>              | <u>174,744</u>              |

15. MOVEMENT IN FUNDS

|                                   | At 1.1.20<br>£ | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31.12.20<br>£ |
|-----------------------------------|----------------|----------------------------------|------------------------------------|---------------------|
| <b>Unrestricted funds</b>         |                |                                  |                                    |                     |
| General fund                      | 171,670        | 28,075                           | 4,158                              | 203,903             |
| <b>Restricted funds</b>           |                |                                  |                                    |                     |
| CCTV installation                 | 1,000          | (782)                            | -                                  | 218                 |
| Defibrillator                     | 1,644          | -                                | -                                  | 1,644               |
| Explorers Road                    | 430            | -                                | -                                  | 430                 |
| Costumes for Live Interpretations | -              | 1,243                            | -                                  | 1,243               |
| Culture Recovery Fund             | -              | 125,081                          | (4,158)                            | 120,923             |
|                                   | <u>3,074</u>   | <u>125,542</u>                   | <u>(4,158)</u>                     | <u>124,458</u>      |
| <b>TOTAL FUNDS</b>                | <u>174,744</u> | <u>153,617</u>                   | <u>-</u>                           | <u>328,361</u>      |

Net movement in funds, included in the above are as follows:

|                                   | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|-----------------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>         |                            |                            |                           |
| General fund                      | 260,321                    | (232,246)                  | 28,075                    |
| <b>Restricted funds</b>           |                            |                            |                           |
| CCTV installation                 | 4,000                      | (4,782)                    | (782)                     |
| Costumes for Live Interpretations | 1,243                      | -                          | 1,243                     |
| Culture Recovery Fund             | 206,700                    | (81,619)                   | 125,081                   |
|                                   | <u>211,943</u>             | <u>(86,401)</u>            | <u>125,542</u>            |
| <b>TOTAL FUNDS</b>                | <u>472,264</u>             | <u>(318,647)</u>           | <u>153,617</u>            |

THE HEART OF THE CITY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

|                           | At 1.1.19<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.12.19<br>£ |
|---------------------------|----------------|----------------------------------|---------------------|
| <b>Unrestricted funds</b> |                |                                  |                     |
| General fund              | 157,409        | 14,261                           | 171,670             |
| <b>Restricted funds</b>   |                |                                  |                     |
| CCTV installation         | 1,000          | -                                | 1,000               |
| Defibrillator             | -              | 1,644                            | 1,644               |
| Explorers Road            | -              | 430                              | 430                 |
|                           | <u>1,000</u>   | <u>2,074</u>                     | <u>3,074</u>        |
| <b>TOTAL FUNDS</b>        | <u>158,409</u> | <u>16,335</u>                    | <u>174,744</u>      |

Comparative net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 345,014                    | (330,753)                  | 14,261                    |
| <b>Restricted funds</b>   |                            |                            |                           |
| Defibrillator             | 1,644                      | -                          | 1,644                     |
| Explorers Road            | 595                        | (165)                      | 430                       |
|                           | <u>2,239</u>               | <u>(165)</u>               | <u>2,074</u>              |
| <b>TOTAL FUNDS</b>        | <u>347,253</u>             | <u>(330,918)</u>           | <u>16,335</u>             |

**CCTV**

The charity received a grant of £1,000 in 2018 from Wm Webster Trust and a grant of £4,000 in 2020 from Newcastle City Council for the installation of a CCTV system.

**Defibrillator**

The charity received a grant of £1,644 in 2019 from Monument Ward Committee for the installation of a defibrillator in the castle and cathedral area.

**Explorers Road**

The charity is working to become part of a multi-stop touring route through the cultural and historical heart of England by Visit Britain and received a grant of £595 from NGI.

**Costumes for Live Interpretations**

The charity received a grant of £1,243 from CO-OP to buy costumes for live interpretations and relevant events.

**Culture Recovery Fund**

This relates to a grant received from the Heritage Fund towards staff salaries and other running costs of the charity.

**THE HEART OF THE CITY PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. MOVEMENT IN FUNDS - continued**

**Transfers between funds**

**Culture Recovery Fund**

The transfer relates to the purchase of capital equipment covered by the Heritage Fund grant.

**16. RELATED PARTY DISCLOSURES**

Included within creditors at the year end is a £nil (2019: £180) owed to Newcastle City Council.

Newcastle City Council has provided a grant of £1,644 to purchase a defibrillator and a grant of £4,000 to purchase a CCTV system.

**17. POST BALANCE SHEET EVENTS**

Since the end of the financial year, due to the impact of the Coronavirus and the related Government policies on social distancing, the charity has been forced to temporarily close. The Trustees are aware of the potential financial impact of these measures and have made additional disclosure within the Trustees report in relation to this.