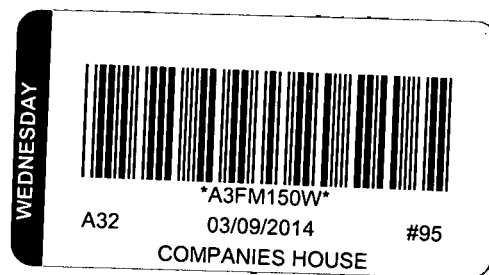


THE BLACK STORK CHARITY

Report and Financial Statements

Year ended 31 December 2013



Registered Charity in England and Wales no. 1141934
Registered Company in England and Wales no. 07619703

THE BLACK STORK CHARITY/Report and Financial Statements 2013

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1. THE BLACK STORK CHARITY/Report and Financial Statements 2013

TRUSTEES' REPORT

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, present their annual report on the affairs of the Charity, together with consolidated financial statements and auditor's report, for the year ended 31 December 2013. In addition to the requirements of the Companies Act 2006, the Charity produces its financial statements in accordance with the Charities Act 2011 and has adopted the provisions of the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the group.

LEGAL AND ADMINISTRATIVE INFORMATION

Name, Registered Office and Charity Registration Number

The full name of the Charity is The Black Stork Charity and its registered office and principal operating address is 70 Grosvenor Street, London, W1K 3JP.

The Charity is a registered Company, limited by guarantee and was incorporated on 3 May 2011. The Company's registered number is 07619703.

The Charity is registered with the Charity Commission for England and Wales (no: 1141934).

Trustees and Directors

The Trustees who served during the year and thereafter, were:

R S Broadhurst CVO CBE – appointed 11 March 2013

Mr P L Doyle

Mr J H M Newsum

Mrs J F Sandars

Sir J M Scarlett KCMG OBE – appointed 11 March 2013

No Trustee has any financial interest in the Charity.

Programme Director

General Sir T Granville-Chapman

Head of Fundraising

Miss H Butcher

Auditor

Deloitte LLP
Chartered Accountants and
Statutory Auditor
2 New Street Square
London EC4A 3BZ

Bankers

The Royal Bank of Scotland plc
London Corporate Service Centre
PO Box 39952
2½ Devonshire Square
London EC2M 4XJ

Solicitors

Boodle Hatfield
89 New Bond Street
London W1S 1DA

2. THE BLACK STORK CHARITY/Report and Financial Statements 2013

TRUSTEES' REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charitable Company was incorporated on 3 May 2011 as a private company limited by guarantee without share capital and is governed by its Memorandum and Articles of Association. In the event of the company being wound up, its members are required to contribute an amount not exceeding £1.

The Charity was established to facilitate the design, management and construction of the Defence and National Rehabilitation Centre (DNRC). The DNRC is an investment in the future of clinical rehabilitation in the UK, both military and civilian. The DNRC is in its initial phase as described later in this report under Achievements and Performance. The Charity is not a grant giving body.

Method of Election of Trustees

The Memorandum and Articles of Association of the company provide that the Charity has a minimum of three and a maximum of twelve Trustees and that the Trustees must also be members. One third of the Trustees must retire each year, but may be reappointed at the Annual General Meeting. The Trustees may at any time co-opt a suitably qualified individual to serve as a Trustee, but any Trustee so appointed may serve only until the next Annual General Meeting where he/she will be available for re-election.

The induction process for any new Trustee comprises a series of briefing meetings with the current Trustees and Programme Director covering the project aims, administration protocols and the Trustees' legal obligations under Charity law. In addition, appropriate seminars and training courses are available if required.

Organisation

The Charity's Trustees meet regularly to consider the current and longer term strategy and financial position of the Charity. Day-to-day responsibility for the running of the Charity is delegated to a small team of suitably qualified individuals including the Programme Director and a number of employees of the Grosvenor Estate.

The Programme Director is Chairman of the separate Programme Executive Board which is tasked by the Trustees to deliver, both to time and on budget, the latest phase of the Defence and National Rehabilitation Centre (DNRC) programme.

The company had two employees as at 31 December 2013 (2012: two). The administration of the Charity is carried out by staff of the Grosvenor Estate mainly through the donation of services.

Risk Management

The Trustees actively review the major risks that the Charity faces on a regular basis and ensure that there are appropriate risk strategies in place. This involves identifying the type of risks the Charity faces, prioritising them in terms of financial impact and likelihood of occurrence, and identifying means of mitigating such risks. This process will also include an ongoing review of the Charity's internal controls.

The main risk that has been identified by the Trustees is that of ensuring fundraising targets are realistic and in line with the timelines for the DNRC project as a whole. This is mitigated by ongoing monitoring and the development of detailed fundraising strategies for the short and longer term.

3. THE BLACK STORK CHARITY/Report and Financial Statements 2013

TRUSTEES' REPORT (continued)

OBJECTS AND ACTIVITIES FOR THE PUBLIC BENEFIT

Objects

The objects of the Charity, as set out in the Articles of Association, are the advancement of health through:

- the provision of assistance in the treatment and care of persons who are currently serving in the Armed Forces of the Crown and Commonwealth and who have been wounded or injured or suffered illness while serving in the Armed Forces by the provision of facilities, equipment or services for their rehabilitation;
- the promotion generally of rehabilitation medicine (being defined as the application of medical skill to the diagnosis and management of disabling disease and injury of whatever cause and affecting any system of the body) including research into rehabilitation medicine and the publication of the useful results thereof;
- the provision of facilities, equipment or services to restore persons (regardless of profession) who have experienced a disabling disease or injury to optimum physical and psychological function and to promote their vocational rehabilitation (that is to provide assistance (of whatever kind) to enable such persons to return to and remain in appropriate work); and
- the promotion of such purposes as shall be charitable for the public benefit.

Statement on public benefit

The Trustees have paid due regard to the guidance produced by the Charity Commission for England and Wales when reviewing and applying the Charity's objectives, and are satisfied that the charitable activities described below are of direct benefit to the public.

ACHIEVEMENTS AND PERFORMANCE

Our application for planning permission to build a DNRC on the Stanford Hall Estate was submitted in late 2012. The design involved extensive discussions with English Heritage as the Hall is 2 star listed and the site is registered parkland – ideally suited to our healing purpose. The Hall will be fully used but the 21st century clinical facilities will be housed in a new build adjacent to it. On 13 June 2013 Rushcliffe Borough Council granted permission and listed building consent for the development of the Stanford Hall Estate as the DNRC site. This was an important milestone along the path to realising what the Charity wants to achieve, but it does not mean that the DNRC is a 'done deal'. We succeeded in our first remit from Government – to prove the viability of a suitable site in the Midlands. The second remit is to be two thirds of the way towards our overall fundraising target by mid-2014. By the end of 2013 fundraising had achieved £18m of cash receipts and a further £133m of pledges, totalling £151m.

The Charity has a subsidiary operating company (BS Stanford Limited) which acts as the managing contractor for the design, management and in due course, construction of the DNRC. The company has donated its taxable profits for the year to the Charity.

4. THE BLACK STORK CHARITY/Report and Financial Statements 2013

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW

Total incoming resources for the year were £4,589,495 (2012: £800,030) including donations of £4,559,119 (2012: £733,385). The total resources expended for the year was £717,448 (2012: £838,804). The resulting net incoming resources of £3,872,047 (net outgoing resources 2012: £38,774) represent the movement in unrestricted funds, which have been designated by the Trustees solely for the DNRC project, as detailed above.

POLICY ON PAYMENT OF SUPPLIERS

Payment terms are agreed with suppliers on an individual basis. It is the policy of both the Charity and the Group to abide by the agreed terms, provided that the suppliers also comply with all relevant terms and conditions.

INVESTMENT POLICY AND CASH MANAGEMENT

The Memorandum and Articles of Association of the Charity permit wide powers of investment. The Trustees believe that at present the most efficient, flexible and risk averse investment approach is to retain surpluses as cash at bank or on short term deposits.

The Trustees' current policy for investment is based on working capital requirements, financing of the charitable objectives and banking arrangements of the business.

RESERVES POLICY

The Trustees review the reserves policy annually to reassess the risks and reflect changes in the environment in which the Charity is operating.

For the Charity to be managed efficiently and to provide a buffer for uninterrupted services, the Trustees consider that unrestricted funds should be maintained which reflect at least 6 months of budgeted expenditure.

At 31 December 2013 the unrestricted funds of the Charity were £16.4m and, after taking into account anticipated expenditure in respect of DNRC, the Trustees are satisfied that the current level of reserves meets the above policy.

PLANS FOR FUTURE PERIODS

The target for the capital campaign is £300m by 2017, with an interim target of being two thirds of the way towards the final figure by the time (mid 2014) that the Government is likely to give its go-ahead for the Defence facility to be built. As such, the main priority in early 2014 will be to achieve the fundraising target. The remaining programme timescale is estimated as follows:

Task/Milestone	Date
Final authority from Ministers to proceed with the creation of a DNRC	Mid 2014
Final design phase for the Defence facility and tendering	2014
Planned construction period for the Defence facility	January 2015 – October 2017
Handover and full occupation of the Defence facility for operation in 2018	End 2017
Estimated earliest year of opening of the National facility	2019

Further information on the DNRC and the Stanford Hall redevelopment can be found on the following website:
www.stanfordhallredevelopment.org.uk

5. THE BLACK STORK CHARITY/Report and Financial Statements 2013

TRUSTEES' REPORT (continued)

GOING CONCERN

To consider whether it is appropriate to prepare the financial statements on a going concern basis, the Trustees have reviewed the forecast cashflows for twelve months from the date of signing this report. Having also considered the level of unrestricted funds available and the financial commitments expected during that period, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Black Stork Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees have a duty under Charity law to ensure that charitable funds and assets are used reasonably and properly and only in furtherance of the Charity's objects.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees who held office at the date of approval of the Trustees' report confirm that, in so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and each Trustee has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITOR

Deloitte LLP has indicated their willingness to be reappointed for another term and a resolution to reappoint it will be proposed at the forthcoming Annual General Meeting.

By order of the Trustees

P L Doyle
Trustee

1ST JULY

2014

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BLACK STORK CHARITY

We have audited the Group and Charity financial statements (the "financial statements") of The Black Stork Charity for the year ended 31 December 2013, which comprise the Consolidated Statement of Financial Activities (including an Income and Expenditure Account), the Group and Charity balance sheets, the Consolidated cash flow statement and the related notes 1 to 18. 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).

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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the 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.

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 Standard 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 group's and the parent Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially 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 group's and of the parent charitable company's affairs as at 31 December 2013, and of the group's incoming resources and application of resources for the year ended 31 December 2013;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BLACK STORK CHARITY (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Charity or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity 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.



Andrew Clark FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

8 July 2014

8. THE BLACK STORK CHARITY/Report and Financial Statements 2013

Consolidated Statement of Financial Activities (including an Income and Expenditure Account) For the year ended 31 December 2013

		Unrestricted Funds	
	Notes	2013 £	2012 £
Incoming resources			
Incoming resources from generating funds:			
Voluntary income	3	4,559,119	733,385
Investment income: Bank interest receivable		24,778	66,645
: Rental income		5,598	-
Total incoming resources		4,589,495	800,030
Resources expended			
Cost of generating funds			
Fundraising and related costs	6	(162,110)	(304,496)
Charitable activities			
Costs of activities in furtherance of Charity's objectives	6	(395,241)	(480,391)
Governance costs	5,6	(160,097)	(53,917)
Total resources expended	6	(717,448)	(838,804)
Net incoming/(outgoing) resources being net income/(deficit) for the year	7	3,872,047	(38,774)
Total funds brought forward		12,540,560	12,579,334
Total funds carried forward	16	16,412,607	12,540,560

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All income and expenditure relates to continuing operations.

The statement of financial activities includes all gains and losses recognised in the year.

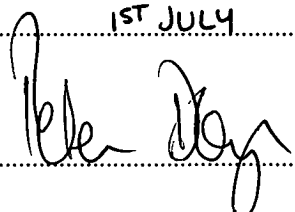
9. THE BLACK STORK CHARITY/Report and Financial Statements 2013

Balance Sheets as at 31 December 2013

	Notes	2013		2012	
		Group £	Charity £	Group £	Charity £
Fixed assets					
Tangible assets	8	13,342,204	13,657,061	6,040,420	6,204,702
Investments	9	-	120,000	-	120,000
		<u>13,342,204</u>	<u>13,777,061</u>	<u>6,040,420</u>	<u>6,324,702</u>
Current assets					
Debtors: amounts falling due within one year	10	124,649	9,929	111,033	1,195,509
Investments	11	159,820	159,820	159,232	159,232
Cash at bank and in hand		<u>3,728,082</u>	<u>3,109,590</u>	<u>6,482,579</u>	<u>5,104,283</u>
		<u>4,012,551</u>	<u>3,279,339</u>	<u>6,752,844</u>	<u>6,459,024</u>
Current liabilities					
Creditors: amounts falling due within one year	12	<u>(942,148)</u>	<u>(301,285)</u>	<u>(252,704)</u>	<u>(71,009)</u>
Net current assets		<u>3,070,403</u>	<u>2,978,054</u>	<u>6,500,140</u>	<u>6,388,015</u>
Total assets less current liabilities being net assets		<u>16,412,607</u>	<u>16,755,115</u>	<u>12,540,560</u>	<u>12,712,717</u>
Funds					
Unrestricted Funds	16	<u>16,412,607</u>	<u>16,755,115</u>	<u>12,540,560</u>	<u>12,712,717</u>

The financial statements of The Black Stork Charity, Charity number 1141934, company number 07619703, were approved and authorised for issue by the Trustees on

..... 1ST JULY 2014

 P L Doyle (Trustee)

10. THE BLACK STORK CHARITY/Report and Financial Statements 2013

Consolidated Cash Flow Statement for the year ended 31 December 2013

	Notes	2013 £	2012 £
Net cash inflow from operating activities	13	2,973,515	204,282
Returns on investments			
Interest received		26,043	97,501
Capital expenditure			
Payments to acquire tangible fixed assets		(5,753,467)	(5,844,145)
Net cash outflow before management of liquid resources		(2,753,909)	(5,542,362)
Management of liquid resources			
Net (payments)/receipts from short term investments	14,15	(588)	6,140,768
Net cash (outflow)/inflow after management of liquid resources, being (decrease)/ increase in cash in year	15	<u>(2,754,497)</u>	<u>598,406</u>

Notes to the Financial Statements for the year ended 31 December 2013

1. Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared in accordance with the Charities Act 2011, Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" revised 2005, applicable United Kingdom accounting standards and the Companies Act 2006. The accounts have been prepared under the historical cost convention and have been prepared on a going concern basis. The accounting policies have been applied consistently throughout the current and previous year.

(b) Basis of Consolidation

The Group's financial statements consolidate the financial statements of the Charity and subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. The Charity has elected under Section 408 of the Companies Act 2006 not to include its own Statement of Financial Activities in these financial statements. The results of the Charity are disclosed in note 2.

(c) Going Concern

To consider whether it is appropriate to prepare the financial statements on a going concern basis, the Directors have reviewed the forecast cashflows for twelve months. Having also considered the level of unrestricted funds available and the financial commitments expected during that period, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

(d) Fund Structure

The Charity maintains only unrestricted funds. These represent funds which have not been restricted by the donor and are expendable at the discretion of the Trustees in furtherance of the objectives of the Charity.

(e) Incoming Resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. The following accounting policies are applied to income:

Voluntary income

Donations, gifts and all other receipts from fundraising are included in incoming resources when these are receivable unless the donor specifies that the receipt is for use in a future period, in which case the income is deferred until that period.

Donated services and facilities are included at the value to the Charity where this can be quantified.

Investment income

Investment income is accounted for when receivable.

(f) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. The following accounting policies are applied to expenditure:

Cost of generating funds

Fundraising and related costs include expenditure of the fundraising department together with relevant donated services. It also includes expenditure incurred during fundraising events.

Notes to the Financial Statements for the year ended 31 December 2013

1. Accounting Policies (cont'd)

(f) Resources Expended (continued)

Costs of activities in furtherance of the Charity's objectives

This includes all expenditure directly related to the objectives of the Charity.

Governance costs

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements. Strategic management costs are also included.

Support costs

These costs represent expenditure directly incurred in support of expenditure on the objects of the Charity and include such operational and management costs which cannot be directly attributable to the provision of the objects.

Allocation of costs

The Charity's operating costs are allocated between the expenditure categories in the Statement of Financial Activities on a basis that reflects the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of time spent.

(g) Tangible Fixed Assets

Tangible fixed assets are stated at cost, net of depreciation and any provisions for impairment. Provisions for impairment are considered annually. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on straight line basis over its expected useful life, as follows:

Plant and equipment - 25% per annum

No depreciation is provided for on assets under the course of construction.

(h) Investment Properties

Investment properties, including freehold and long leasehold properties, are those which are held for their investment potential. Investment properties are initially measured at cost, including transaction costs. After initial recognition investment properties are carried at their market value and are not depreciated. Any surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

(i) Fixed Asset Investments

Investments held as fixed assets in the charitable company's financial statements are stated at cost less provision for impairment.

(j) Current Asset Investments

Current asset investments comprise short term cash deposits.

(k) Foreign Currency

Transactions denominated in foreign currencies are recorded at the exchange rate ruling on the date of the transaction.

(l) Taxation

On the basis that the Charity's activities fall within their charitable purposes and their funds are applied only for these purposes, no provision for corporation tax is made.

13. THE BLACK STORK CHARITY/Report and Financial Statements 2013

Notes to the Financial Statements for the year ended 31 December 2013

2. Results of the parent company

As permitted by paragraph 397 of SORP "Accounting and Reporting by Charities" revised 2005, these accounts do not include a separate SOFA for the parent Charity. The results of the parent Charity alone (including gift aid receipts from its subsidiary as detailed in note 9) are:

	2013 £	2012 £
Incoming resources	4,757,746	969,915
Resources expended	(715,348)	(837,053)
Net movement in funds	<u>4,042,398</u>	<u>132,862</u>

3. Voluntary income – donations

	2013 £	2012 £
Unrestricted donations	4,274,379	365,084
Donated services	284,740	368,301
	<u>4,559,119</u>	<u>733,385</u>

4. Information regarding employees and Trustees

	2013 £	2012 £
Wages and salaries	100,808	74,515
Social Security contributions	11,692	8,738
	<u>112,500</u>	<u>83,253</u>

There were two employees of the group during the year (2012: two). No remuneration was paid to the Trustees or any expenses reimbursed.

The number of staff paid over £60,000 during the year was:

	2013 No.	2012 No.
£70,000 - £80,000	1	-
	<u>1</u>	<u>-</u>

5. Governance costs

	2013 £	2012 £
Legal advice	40,363	16,307
Trustee indemnity insurance	12,462	12,758
Other insurance	3,907	2,730
Audit Fee	7,140	6,850
Taxation advice	96,225	15,271
Other	-	1
	<u>160,097</u>	<u>53,917</u>

14. THE BLACK STORK CHARITY/Report and Financial Statements 2013

Notes to the Financial Statements for the year ended 31 December 2013

6. Total resources expended

	Fundraising £	Charitable Activities* £	Governance £	2013 £	2012** £
Staff costs	78,606	33,894	-	112,500	83,253
Support costs	22,310	49,190	-	71,500	73,068
Other costs	61,194	312,157	160,097	533,448	682,483
	<u>162,110</u>	<u>395,241</u>	<u>160,097</u>	<u>717,448</u>	<u>838,804</u>

The following support costs have been allocated on the basis of time spent:

	2013 £	2012 £
Finance	26,880	22,750
Secretarial support	44,620	50,318
	<u>71,500</u>	<u>73,068</u>

*Charitable activities relate to the furtherance of the Charity's objectives through the facilitation of the design, management and construction of the DNRC.

** During the current year, the Trustees have concluded that it is appropriate for certain expenses classified as Fundraising costs in 2012 to be reclassified as expenditure incurred in the furtherance of the Charity's objectives. The reallocation from Fundraising costs to Charitable Activities in the comparative year amounts to £161,420.

7. Net incoming/(outgoing) resources

Net incoming/(outgoing) resources for the year are stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets - owned	10,092	2,625

The analysis of auditor's remuneration is as follows:

	2013 £	2012 £
Fees payable to the Charity's auditor for the audit of the Charity's annual financial statements	5,040	5,100
Fees payable to the Charity's auditor for other services to the Group: the audit of the Charity's subsidiary	2,100	1,750
	<u>7,140</u>	<u>6,850</u>

There were no non-audit services provided during the year.

Notes to the Financial Statements for the year ended 31 December 2013

8. Tangible fixed assets for use by the Charity

Group	Investment Properties	Payments on account and assets in course of construction £	Plant and Equipment £	Total £
Cost				
At 1 January 2013	-	6,032,545	10,500	6,043,045
Additions	484,690	6,797,318	29,868	7,311,876
At 31 December 2013	<u>484,690</u>	<u>12,829,863</u>	<u>40,368</u>	<u>13,354,921</u>
Depreciation				
At 1 January 2013	-	-	2,625	2,625
Charge for year	-	-	10,092	10,092
As at 31 December 2013	<u>-</u>	<u>-</u>	<u>12,717</u>	<u>12,717</u>
Net book values:				
31 December 2013	<u>484,690</u>	<u>12,829,863</u>	<u>27,651</u>	<u>13,342,204</u>
31 December 2012	<u>-</u>	<u>6,032,545</u>	<u>7,875</u>	<u>6,040,420</u>

Charity	Investment properties £	Payments on account and assets in course of construction £	Total £
Cost			
As at 1 January 2013	-	6,204,702	6,204,702
Additions	484,690	6,967,669	7,452,359
As at 31 December 2013	<u>484,690</u>	<u>13,172,371</u>	<u>13,657,061</u>
Depreciation			
As at 1 January 2013	-	-	-
Charge for year	-	-	-
As at 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>
Net book values:			
31 December 2013	<u>484,690</u>	<u>13,172,371</u>	<u>13,657,061</u>
31 December 2012	<u>-</u>	<u>6,204,702</u>	<u>6,204,702</u>

Notes to the Financial Statements for the year ended 31 December 2013

9. Fixed Asset investments

Charity	2013	2012
	£	£
Shares in subsidiary undertakings	<u>120,000</u>	<u>120,000</u>

The investment relates to the entire share capital of BS Stanford Limited, a company registered in England and Wales. The principal activity of the company is to provide Managing Contractor services to the Charity in relation to the design, management and construction of the DNRC. All activities have been consolidated on a line-by-line basis in the Statement of Financial Activities

BS Stanford Limited was incorporated on 12 January 2011 and was acquired by the Charity on 21 October 2011. It donates its taxable profits to The Black Stork Charity. A summary of the results of the trading company is shown below.

BS Stanford Limited
Profit and loss account
For the year ended 31 December 2013:

	2013	2012
	£	£
Turnover	6,793,188	6,026,515
Cost of sales	<u>(6,622,837)</u>	<u>(5,854,359)</u>
Gross profit	170,351	172,156
Administrative expenses	<u>(2,100)</u>	<u>(1,750)</u>
Operating profit	168,251	170,406
Net interest payable	<u>(20,406)</u>	<u>(36,219)</u>
Amounts donated to the Charity	<u>(147,845)</u>	<u>(133,666)</u>
Retained profit on ordinary activities	-	521
Balance brought forward	-	<u>(521)</u>
Balance carried forward	<u>-</u>	<u>-</u>

Balance Sheet as at 31 December 2013:

	2013	2012
	£	£
Tangible fixed assets	27,651	7,875
Current assets	893,537	1,488,593
Creditors: Amounts falling due within one year	<u>(801,188)</u>	<u>(1,376,468)</u>
Net Assets	<u>120,000</u>	<u>120,000</u>
Share Capital	120,000	120,000
Profit and loss account	-	-
Shareholder's funds	<u>120,000</u>	<u>120,000</u>

Notes to the Financial Statements for the year ended 31 December 2013

10. Debtors

	2013		2012	
	Group £	Charity £	Group £	Charity £
Amounts falling due within one year:				
Prepayments and accrued income	124,649	9,929	90,674	4,212
Other tax and social security	-	-	20,359	-
Amounts due from subsidiary	-	-	-	1,191,297
	<u>124,649</u>	<u>9,929</u>	<u>111,033</u>	<u>1,195,509</u>

11. Current Asset investments

	2013		2012	
	Group £	Charity £	Group £	Charity £
Cash on short term deposit	159,820	159,820	159,232	159,232

12. Creditors - Amounts falling due within one year:

	2013		2012	
	Group £	Charity £	Group £	Charity £
Accruals and deferred income	938,740	137,552	249,252	67,557
Other tax and social security	3,408	3,408	3,452	3,452
Amounts due to subsidiary	-	160,325	-	-
	<u>942,148</u>	<u>301,285</u>	<u>252,704</u>	<u>71,009</u>

13. Reconciliation of net incoming/(outgoing) resources to net cash inflow from operating activities

	2013 £	2012 £
Net incoming/(outgoing) resources for the year	3,872,047	(38,774)
Depreciation	10,092	2,625
Net interest receivable	(24,778)	(66,645)
Decrease in debtors	1,179,893	2,083,505
Decrease in creditors	(2,063,739)	(1,776,429)
Net cash inflow from operating activities	<u>2,973,515</u>	<u>204,282</u>

Notes to the Financial Statements for the year ended 31 December 2013

14. Reconciliation of net cashflow to movement in net funds

	2013 £	2012 £
(Decrease)/increase in cash in year	(2,754,497)	598,406
Cash outflow/(inflow) from increase/(decrease) in liquid resources	588	(6,140,768)
Movement in net funds in year	(2,753,909)	(5,542,362)
Net funds brought forward	6,641,811	12,184,173
Net funds carried forward	<u>3,887,902</u>	<u>6,641,811</u>

15. Analysis of net funds

	At 31 December 2012 £	Cashflow £	At 31 December 2013 £
Cash at bank and in hand	6,482,579	(2,754,497)	3,728,082
Current asset investments	159,232	588	159,820
	<u>6,641,811</u>	<u>(2,753,909)</u>	<u>3,887,902</u>

16. Analysis of charitable funds

The Group:	Balance as at 31 December 2012 £	Incoming resources £	Resources expended £	Balance as at 31 December 2013 £
General funds	12,540,560	4,757,746	(885,699)	16,412,607
BS Stanford Limited	-	6,797,782	(6,797,782)	-
Total unrestricted funds	<u>12,540,560</u>	<u>11,555,528</u>	<u>(7,683,481)</u>	<u>16,412,607</u>

The Charity:	Balance as at 31 December 2012 £	Incoming resources £	Resources expended £	Balance as at 31 December 2013 £
General funds	12,712,717	4,757,746	(715,348)	16,755,115
Total unrestricted funds	<u>12,712,717</u>	<u>4,757,746</u>	<u>(715,348)</u>	<u>16,755,115</u>

The above unrestricted funds are designated for the DNRC by the Trustees.

17. Financial Commitments

	2013 Group £	Charity £	2012 Group £	Charity £
Capital commitments				
Contracted but not provided for	-	-	1,148,599	-

18. Related party transactions

Other than as disclosed in notes 9 and 12 there were no material related transactions during the year.