

YORK CONSERVATION TRUST LIMITED

(Registered charity number 504302)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2020

**HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ**

YORK CONSERVATION TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

CONTENTS	<i>Page</i>
Message from our Chair	<i>1 to 2</i>
Trustees' annual report, including directors' report	
Objects	<i>3</i>
Structure	<i>3</i>
Activities and achievements	<i>3 to 7</i>
Future plans	<i>7</i>
Financial review	<i>7 to 8</i>
Governance and management	<i>9 to 10</i>
Reference and administrative details	<i>11 to 12</i>
Statement of trustees' and directors' responsibilities in respect of their annual report and financial statements	<i>13</i>
Independent auditor's report to the trustees and directors of York Conservation Trust	<i>14 to 16</i>
Financial statements	
Statement of financial activities	<i>17</i>
Balance Sheet	<i>18</i>
Cash flow statement	<i>19</i>
Notes to the financial statements	<i>20 to 31</i>

YORK CONSERVATION TRUST LIMITED

MESSAGE FROM OUR CHAIR

When Covid-19 was first reported globally at the end of 2019, I certainly could not have predicted how much things would change during the closing months of this financial year. We are living through unprecedented times with no full certainty yet on the road ahead or the longer term implications this pandemic might have on the Trust, those who live or work in our properties and the City of York more broadly.

Although many occupiers have been adversely impacted and like us have faced difficult decisions, a spirit of hope has emerged that I find both comforting and admirable. York Theatre Royal is adamant it will survive and pledges to come back with an 'epic programme to help re-energise our community's creativity'. This is something that I wholeheartedly support.

We are currently seeing York reopen its doors in order to start the process of rebuilding the economy and supporting thousands of jobs across the city, albeit with measures in place to ensure that we continue to fight against Covid-19. I hope that residents and non-residents alike will continue to shop locally and support local business to ensure that York recovers successfully.

Although Covid-19 is at the forefront of everyone's mind, it would be remiss not to mention all the positive things that have been achieved by the Trust in the year including the advancement of the buildings condition surveys with four of our most significant buildings having had a full quinquennial inspection; completion of two conservation and refurbishment projects at 69/71 Micklegate and 14 St Saviour's Place; continued work on the collaborative project, Pavement Partners, with business, community and civic leaders on proposals for the conservation and improvement of Herbert House; overhaul of the Trust's IT systems and 'Conservation Conversations' lunchtime discussion sessions led by specialists and attended by tradesmen, contractors and other interested persons to share best practice in conservation values and practical application.

As well as the financial implications, Covid-19 also disrupted our plans for a seventy-fifth anniversary event in May 2020. We will, however, aim to have an event in 2021, with the format being dependent on what happens over the course of the next few months as we feel that it is important to look forward with optimism for the future of the Trust whilst also recognising all that has been achieved over the past seventy-five years.

The May event was also to be an opportunity for me to announce that I would be stepping down as Chair of the Trust in November 2020 after nine years. During that time I have worked with two Secretaries and, together, overseen the development of the Trust from having seventy-four properties or groups of property, to a portfolio of eighty-one. I now reflect not just on my time as Chair, but also on all that the Trust has achieved and how much it has evolved to reflect the more modern times that we live in whilst staying close to our Founders' original conception.

In December 1981, a few days before his death, my Father wrote the foreword to a publication Studies in Conservation, in which he talked about the principles that 'guide us in the conservation work we undertake'. He highlighted the importance of work being carried out to the 'highest standards by local craftsmen employed by local builders and of purchasing properties in more derelict and run down parts of the City in order to improve the streetscape and encourage others to do likewise'. I think he would be proud and humbled by what has been achieved over the years and that however large or small a project is, equal importance is placed on it and the same care and attention to detail is maintained throughout.

YORK CONSERVATION TRUST LIMITED

MESSAGE FROM OUR CHAIR

I think of the impressive large scale work to replace the Great Assembly Room ceiling. Work undertaken by local, skilled, specialist craftsmen who worked diligently under challenging conditions to replace the full lath and plaster ceiling using exactly the same materials and techniques used when the ceiling was first erected in the eighteenth century. At the other end of the scale but no less important, I recall the excellent work that was carried out by a local, award winning, York blacksmith, forging new grilles for a restoration project in Lendal. I think about the properties that we have bought in areas of the City which were not always considered the most desirable – Micklegate, for example, was one such area and is now home to award winning restaurants and the Trust's office.

My Father always hoped that his family would continue to be actively involved in the future of the Trust and I am sure therefore would be thrilled that the board of trustees has appointed my son, his grandson, James Morrell, as Chair Elect. After I stand down in November, I will continue to participate in the work of the Trust as a trustee and look forward to seeing how my son, the board of trustees and the executive team takes the Trust forward during this difficult period and for years to come.

I would like to recognise and thank our dedicated team who have worked so hard over the last few months particularly, to ensure that the Trust continues its 'business as usual' to the extent that has been possible. It has really showcased the resilience and capability of the organisation and those who work for it. This has been helped hugely by the work that has been undertaken over the last year to develop the team and build capability, including the appointment of Operations Manager, Lizzie Taylor and the movement of the team onto a cloud based system of operation. We also say farewell and huge thanks to Angela Upright who retired in July but welcome Jackie Turpin into the role of Finance Manager.

I would like to take this opportunity to commend those many people who are keeping businesses alive in our historic buildings. It is their continued and tireless effort that will keep York thriving and ensure that it is quickly back on its feet.

John B Morrell,
Chair

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

OBJECTS

The objects of the Trust, as laid out in the Articles of Association, are to;

Preserve for the benefit of the townspeople of the City of York in the County of North Yorkshire together with the extended area of the County of North Yorkshire but more particularly those areas with a YO postcode, and the nation at large, whatever of the English historical, architectural and constructional heritage may exist in and around the City of York together with the extended area of the County of North Yorkshire but more particularly those areas with a YO postcode aforesaid in the form of buildings (including any building as defined in section 290(1) of the Town & Country Planning Act 1971) of particular beauty or historical or constructional interest.

STRUCTURE

The Trust was incorporated by shares and registered as Ings Property Company Limited on 6 June 1945. Following reviews and amendments to the Articles of Association on 8 April 1975 it became a registered charity from 20 October 1975. The Trust's Articles of Association were further revised on 12 September 2017.

The directors of the charitable company are the trustees of the charity for the purposes of charity law and throughout this report are referred to as the trustees.

Through our activities we aim to;

- ▶ Ensure that we can continue to preserve the fabric of buildings of architectural & historic importance that are already in our ownership
- ▶ Consider future acquisitions of additional buildings appropriate to our area of interest
- ▶ Share information about our activities with the public at large and disseminate our learning to others working in similar fields of interest

In considering our aims we have had regard to the guidance issued by the Charity Commission on public benefit. We believe that by preserving and maintaining buildings of architectural & historic importance, and by setting standards of excellence in building conservation, we help to create a community that values its history and takes pride in its future.

ACTIVITIES & ACHIEVEMENTS

Close to the end of the year Covid-19 impacted heavily on people, lives and businesses across the nation. The full, long-term impact of this on our work and on the many organisations and individuals that occupy our buildings is not yet fully understood but it is clear that evident social, economic and technological trends have accelerated as a result of the pandemic and that wholly 'back to normal' is unlikely to prove a realistic option for most.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Very sadly Covid-19 was responsible for the cancellation of our seventy-fifth anniversary celebrations in May 2020. Author, broadcaster and former chairman of The National Trust, Sir Simon Jenkins had kindly agreed to be our guest speaker at an afternoon reception in St Anthony's gardens and many of the organisations we work with had undertaken to participate with supporting displays and demonstrations.

We will seek an appropriate future opportunity for a public celebration of that type and use it as a media opportunity to reflect on both past achievements and our forward plans.

Building Condition Surveys

Periodic condition surveys of all our buildings are critical to understanding the long term conservation, maintenance & repair requirements of the heritage asset portfolio and to inform our planning of necessary works in as phased and efficient a programme as possible. During the year we have progressed with survey work at three levels. Full QI's (quinquennial inspections) are undertaken for the most significant and complex buildings that are mostly Grade I and Grade II* listed. We have eighteen such buildings and have completed four surveys in the year - The Assembly Rooms, De Grey Rooms, De Grey House and 60 Goodramgate.

Medium level QI's are appropriate for buildings of high or medium significance but of relatively small scale or low complexity. Our approach to these has been to conduct rapid assessments as a scoping exercise to reveal the need, or otherwise, for more detailed or intrusive survey work. We have thirty-five buildings in this category and have benefited considerably from the engagement of University of York building conservation students in these surveys. We, and the University, have jointly funded a professional conservation surveyor to manage and supervise student input to this work. We are very pleased that the arrangement worked well for both organisations and for the students especially. Over time we see a strong partnership developing with the University of York and its Department of Archaeology in particular. The development of conservation skills and knowledge in young people is a significant area of public benefit that is rooted in our work.

We have twenty-eight properties for which low level QI's are the most appropriate and in general they may not need to extend beyond the rapid assessments described above. This level of QI is relevant to buildings of low significance including those we own that are not listed.

Projects

During the year we completed two conservation & refurbishment projects, one at 69/71 Micklegate and the other at 14 St Saviour's Place. At Fairfax House we also achieved a sensitive safety related internal scheme of conservation and made good progress with an exterior project.

69/71 Micklegate comprised major works to a large timber framed grade II* building that the Georgians clad in brick. We acquired the property in 2015 in a very derelict condition and prepared an appropriate scheme, largely in house. This included a two bedroom cottage to the rear of the property and the scheme as a whole secured statutory approvals in 2017. On site work commenced during April 2018 and completed in September 2019 at a cost of £1.25m, the conservation deficit having been incurred over two financial years. The accommodation comprises two retail units, three flats and a two bedroom cottage. The retail spaces let quickly and subsequently furnished, the four residential units have been offered as guest accommodation for visitors to York.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

14 St Saviour's Place is a Grade II listed brick built Georgian town house which was occupied for over twenty years by a single tenant who, regrettably was found to have mistreated areas of, and features within, the historic building. Vacant possession returned to us in 2017. We managed the refurbishment works ourselves assisted by a recent graduate volunteer intending to pursue a career as a quantity surveyor. The project was completed to a high standard in May 2019 and the four bedroom property allocated to furnished guest accommodation.

These two projects have completed our planned investment in the furnished guest accommodation trial. We will now monitor its financial contribution to our work and the public's response to their short stays in our historic buildings.

Fairfax House is a grade I listed building occupied by our partner organisation York Civic Trust. Within this building the organisation offers the public a museum of Georgian life in York and has its administration functions in rooms at an upper level. Fairfax House contains some of the finest Rococo stucco ceilings in the UK, six of which were by the famous C18th Swiss Italian stuccoist Giuseppe Cortese appointed by Viscount Fairfax's architect John Carr, to produce a scheme of unique decoration for each room. Cortese was Carr's favourite stuccoist but it is rare to find a house with more than one room by him. To have six pieces in one building is extraordinary and illustrates both the Viscount's taste in decoration and the extent of both his determination and budget at that time.

Structural survey work and associated monitoring over a number of years revealed the urgent need to better secure the historic ceilings against potential collapse and possible injury to the public. The ceilings comprise three coat lime plaster on reeds rather than laths. Specialist conservation contractors worked on the project for ten weeks 'penny washing' each ceiling back to joists at appropriate intervals and in the flat elements of the decorative schemes. Thirty washer recesses per ceiling were filled with lime putty mix and each painstakingly colour matched. This was a remarkable and sensitive project of which our team is justifiably proud.

To the left of Fairfax House is the faience entrance to the former St George's cinema. During the year we commenced a project to conserve the faience which had been damaged by metal expansion due to corroding early C20th steels embedded in the masonry work.

Grade I listed Herbert House and Grade II* listed Lady Peckett's Yard were bequeathed by our founders in 1946. Until recently they had for many years been occupied by Jones the Bootmaker at retail ground floor level and by the charity Relate on upper floors. Both went into administration in 2017. The complex of significant historic structures requires an extensive scheme of conservation and improvement to repurpose the whole for viable uses in today's environment. We have worked with a group of business, community & civic leaders to plan a future for this important set of buildings that provides a focus of attention for the wider problems of vacant retail and upper floor spaces in the high street, an issue that is set to escalate as a result of Covid-19.

The process of working on this project with a diverse group of community representatives has been invaluable resulting in a more imaginative set of proposals than could otherwise have been possible. The collaborative project, named Pavement Partners, became a candidate for High Street Heritage Action Zone support through Historic England but sadly was not selected for funding.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Developing Our Organisation

During the year we reviewed the allocation of responsibilities across the staff team and concluded that separation of responsibility for tenant liaison, leases and rents from repairs, maintenance and works projects would improve our effectiveness and efficiency.

With this in mind we recruited an operations manager towards the end of the year and revised our property manager's role to focus on improvements to buildings and compliance works in particular.

We are increasingly alert to the climate change impact of our activities and seek to reduce these wherever possible. We reviewed the need to own a Trust vehicle and have disposed of the diesel van which had generally been used for short journeys through York City Centre.

Building on the investment in cloud based systems the team has developed new skills around those and is constantly seeking to improve the ways in which it works. During the enforced lockdown from March 2020 we continued to operate remarkably smoothly with daily conference calls and one person in the York office scanning and uploading data for all to share.

Daily conference calls have kept team members in touch with each other and shortly after the year end the first ever remote board meeting of trustees was held seventy five years to the day that our founders subscribed to the memorandum of association of Ings Property Company Limited, establishing what we know today as York Conservation Trust

In contrast, our May 2019 board meeting was held at New Lanark, where we had the opportunity to meet its trustees and tour the historic complex of industrial buildings and former workers housing that is now a noted World Heritage Site. As soon as circumstances permit, we intend to arrange further such experiences for both trustees and staff as important and shared learning experiences from which our work in York can only benefit.

While in Scotland we also visited the recently restored Willow Tea Rooms in Glasgow and Charles Rennie MacIntosh's Windy Hill at Kilmacolm, projects under the independent management of a charity and a private owner respectively. Standards of conservation work, programmes of public interest and engagement and underlying business activities are key comparators to our own activities in York.

We have continued to host and promote Conservation Conversations, a series of lunch time discussion sessions on topics of both conservation value and practical application. These are led by specialists and attended by tradesmen, contractors and other interested persons. Notable sessions during the year were those on faience as a decorative and construction material and methods of cathodic protection for historic buildings that have integral structural steel. Both sessions were particularly relevant to the Fairfax House facade project involving repairs to and crafting of new faience tiles and capitals due to damage caused by deteriorating internal support steelwork from the early C20th when the adjacent St George's Hall was converted to a cinema. The aim of these sessions is to engage tradesman in discussion about conservation principles, to move new ideas around and encourage improved standards of workmanship.

Volunteers

We are hugely appreciative of the important work carried out by our enthusiastic volunteers. We plan to broaden the scope of volunteer involvement in future years.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Administration, back office & cloud systems

Our investment in cloud based systems continued into this year and as a result we were able to function reasonably well from our respective homes at the height of the lockdown, providing a remote service to our tenants albeit scaled back in scope.

Communications

Following a tender selection process we appointed two small York firms to develop our proposed new web site, from the content and technical sides respectively. We also commissioned a photographer specialising in historic environments to capture the essence of our buildings and occupiers, for use throughout the web site.

Web development was put on hold during the Covid-19 lock down and we intend to review both our identity and tone of voice prior to re-commencing design work.

Importantly the new web site will be an essential tool for communicating with a larger and broader public than we have previously considered to be our audience. Volunteers are preparing simple & appealing summary descriptions of our buildings for the main content; mobile functionality will engage the general public while out and about in York; detailed historical and conservation information including statements of significance will be posted in the background and readily downloadable.

Our seventy-fifth anniversary event had been planned as a significant step forward in communicating what we do, who we are and the public benefit we deliver. We were grateful for Sir Simon Jenkins enthusiastic response to our guest speaker invitation to frame that story of achievement in building conservation over seventy-five years against the national picture of public, private and third sector heritage endeavour. We look forward to the opportunity to do this on a future occasion.

FUTURE PLANS

Most of our properties were acquired when suitable opportunities or specific needs arose. We have subsequently classified the portfolio into categories along dimensions of historic significance, income potential, cost of ownership and public benefit. The purpose has been to develop a strategic model that informs our approach to future acquisitions, the structure of our leases, alternative forms of investment and disposals where appropriate.

That model is a work in progress. To develop it further we intend to establish a strategy group comprising a small number of trustees, some staff and appropriate external expertise.

FINANCIAL REVIEW

Income during the year, which is principally derived from our tenancies, increased to £2.33m (2019 £2.26m) while expenditure reduced to £1.58m (2019 £1.65m).

Restructuring our finances in March 2019 and the decision not to proceed with the intended purchase of property at 29 Castlegate meant that we approached the Covid-19 period in a better cash position than would otherwise have been the case.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

The total impairment charge resulting from conservation and refurbishment of 69/71 Micklegate was incurred over two financial years. The charge to 31 March 2020 was £101k (2019 £247k).

Investment powers & policy

Our investment powers and policy are governed by the Articles of Association which permit funds to be deposited or invested.

Traditionally the vast majority of our surplus funds have been invested by acquiring buildings or land in York and throughout the County of North Yorkshire, taking advantage of our specialist knowledge of the lettings market. The efficacy of this approach will be considered by the proposed strategy group.

Reserves policy

While recognising that the vast majority of our reserves are unrestricted, our working policy is to hold a free reserve of cash or cash equivalents at a level adequate to meet our financial obligations and maintain the fabric of our buildings without becoming a forced seller of properties should there be a downturn in the market. We consider that this approach is sufficient to fulfil the obligations of the Trust and to enable it to pursue its charitable objectives

Going concern

The balance held as unrestricted funds at 31 March 2020 totalled £24.9m. This figure reflected all known liabilities as at the balance sheet date and there were no material uncertainties. The sum comprised assets totalling £31.3m and creditors totalling £6.4m.

Our view is that the balance held as unrestricted funds understates the true strength of our balance sheet since the market value of freehold properties is considerably in excess of the figure shown in our financial statements. The historic and conservation significance of the majority of our properties means that realistic valuations cannot be regularly obtained at reasonable or acceptable cost. We believe it is adequate to note that the total year end declared value for insurance purposes was £124m (2019 £119m) and the total sum insured £154m.

Of the assets, £1.4m were free reserves in the form of liquid cash assets.

Given the strength of our unrestricted reserves and liquidity position together with our projected net expenditure level, we are of the view that the Trust is likely to remain a going concern for the foreseeable future.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

GOVERNANCE AND MANAGEMENT

Appointment and recruitment of trustees

The directors of the charitable company are the trustees of the charity and so the conditions applicable to the appointment of directors under the terms of the Articles of Association of the company are also applicable to the trustees. Members of the company are eligible to hold office as a director but a person may be appointed as a director subject to them becoming a member within two months of that appointment. Any person so appointed may act as a director pending them becoming a member. Directors must be at least eighteen years of age as at the date of appointment. Each director can hold office for a term of three years following which they must retire but may offer themselves for re-appointment. The maximum number of directors of the company is twelve and the minimum three.

Trustees give their time and expertise on a wholly voluntary basis and receive no benefits from the Trust other than personal satisfaction from continuing public benefit achieved in its area of activity. Details of reimbursed expenses incurred by trustees in the course of fulfilling their duties are set out on note 16 to the financial statements.

All trustees are related directly or indirectly to the founders although this is not an eligibility requirement.

Members

No dividend or other form of distribution has been or will be declared or paid on any or all of the shares of the company.

If on winding up or dissolution of the company, there remains after satisfaction of all liabilities, any property whatsoever, it is to be given or transferred to a charitable institution or institutions having objects similar to the objects of the company. Under no circumstances will property be given or distributed to the members of the company.

Trustees' induction and training

Prior to and following appointment, trustees are familiarised with the objects, policies and processes of the Trust including their responsibilities in respect of both Trust and charity regulations. Trustees are encouraged to participate in relevant seminars and training sessions. They seek to learn from the experience of other heritage and conservation bodies and to contribute to the shared pool of knowledge and best practice.

Organisation

Trustees determine the general policies of the Trust and delegate day to day management to a principal executive officer who is also company secretary. Trustees are consulted about and involved with the appointment of other members of a small staff which currently includes an architect, operations manager, finance manager, residential property compliance manager and a tradesman.

Board decisions are made on the basis of a simple majority. If a majority cannot be established for a particular decision then the chair of the relevant meeting has a second and casting vote.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Staff remuneration

Trustees review staff remuneration annually on the basis of individual and collective contributions to the objects and work of the Trust. An appraisal system has been established to assess staff contribution and performance in respect of specific personal goals that are set on an annual basis.

Risk management

Our management strategy comprises

- Periodic review of risks the Trust may face
- Establishment of systems and procedures to minimise risk
- Planning and budgeting for activity to mitigate the impact of risk, should risk events materialize

We have identified inadequate building maintenance as a potential area of risk and consequently have put in place a rolling programme of building condition surveys. Output from these surveys inform future programmes of maintenance and back log repair work where the latter proves necessary.

We are mindful of the special risks presented by Covid-19. We have amended our spending plans to mitigate the impact on our rental income and have taken professionally informed steps to minimise the risk in the work environment of contagion to our staff, tenants and suppliers.

The Trust's sole dependence on income from property may present risk arising from unexpected events. Alternative forms of investment income are to be considered as part of forward strategic planning.

Conflicts of interest and related party transactions

The Trust's policy for managing conflicts of interest is in line with that laid out in the Articles of Association of the company and applies to staff and advisors as well as trustees.

Related party transactions are disclosed in Note 16 of the financial statements.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 00395954

Charity registration number: 504302

Registered and principal office: 92 Micklegate
York
YO1 6JX

Advisors:

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Yorkshire Bank
CYBG Limited
McIntosh Way
Normanton
Wakefield
WF6 1TN

HSBC
13 Parliament Street
York
YO1 8XS

Deposit holder: Shawbrook Bank Ltd
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
Essex
CM13 3BE

Solicitors: Drivers Solicitors
56A Bootham
York
YO30 7XZ

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Auditor: HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

Trustees:

Trustees in office throughout the year:

John B Morrell	Nicholas C Morrell
Patricia A Butler	Peter S Morrell
Margaret A Morrell	Charles H E Butler
Vanessa R M Butler	Jeremy S Morrell
James R Morrell	Olivia H Morrell
Ruth I Morrell	

Staff:

Jonathan A Bryant	Secretary and chief executive
Angela K Upright	Accountant (to 31 July 2020)
Guy F J Bowyer	Architect
Ian R Daniells	Property / compliance manager
Josh J Redhead	Tradesman
Lizzie C Taylor	Operations manager (from 1 April 2020)
Jackie L Turpin	Finance manager (from 20 July 2020)

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In preparing this report, the trustees took advantage of the special provisions of Part 156 of the Companies Act 2006 relating to small companies and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Approved by trustees on 20 November 2020 and signed on their behalf by:

John B Morrell
Director and Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
YORK CONSERVATION TRUST LIMITED

Opinion

We have audited the financial statements of York Conservation Trust Limited for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cashflows 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditor's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK CONSERVATION TRUST LIMITED

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK CONSERVATION TRUST LIMITED

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.

Auditor's 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 an auditor's report 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.

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. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adrian Rodaway FCA DChA (Senior Statutory Auditor)
for and on behalf of
HPH, Statutory Auditor

54 Bootham
York
YO30 7XZ

20 November 2020

YORK CONSERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020			31 March 2019	
		Unrestricted		Restricted	Total Funds	Total Funds
		Undesignated	Designated			
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	2	-	-	-	-	395
Charitable activities	2	2,279,330	-	-	2,279,330	2,247,872
Other trading activities	2	6,477	-	-	6,477	4,955
Investments		1,949	-	-	1,949	1,214
Other	2	41,284	-	-	41,284	4,160
Total		2,329,040	-	-	2,329,040	2,258,596
Expenditure on:						
Charitable activities	3	1,416,988	162,810	308	1,580,106	1,651,425
Total		1,416,988	162,810	308	1,580,106	1,651,425
Net income/(expenditure)	5	912,052	(162,810)	(308)	748,934	607,171
Transfers between funds	14	(915,112)	915,112	-	-	-
Net movement in funds		(3,060)	752,302	(308)	748,934	607,171
Reconciliation of funds:						
Total funds brought forward		2,076,844	22,032,317	6,661	24,115,822	23,508,651
Total funds carried forward		£2,073,784	£22,784,619	£6,353	£24,864,756	£24,115,822

The notes on pages 20 to 31 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

BALANCE SHEET
AS AT 31 MARCH 2020

Company no. 00395954

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		799,511		841,363
Heritage assets	7		28,394,225		28,114,225
			<u>29,193,736</u>		<u>28,955,588</u>
CURRENT ASSETS					
Debtors	9	653,203		626,662	
Cash at bank and in hand		1,434,374		1,494,049	
		<u>2,087,577</u>		<u>2,120,711</u>	
CREDITORS: amounts falling due within one year	11	1,409,781		1,500,607	
			<u>677,796</u>		<u>620,104</u>
NET CURRENT ASSETS/(LIABILITIES)					
			<u>29,871,532</u>		<u>29,575,692</u>
CREDITORS: amounts falling due after more than one year	12		5,006,776		5,459,870
			<u>£24,864,756</u>		<u>£24,115,822</u>
NET ASSETS					
			<u>£24,864,756</u>		<u>£24,115,822</u>
CAPITAL AND RESERVES					
Unrestricted Funds					
Designated fund	14		22,784,619		22,032,317
Undesignated fund					
- Share capital	13		130,000		130,000
- Income and expenditure account			1,943,784		1,946,844
Restricted Funds	14		6,353		6,661
			<u>£24,864,756</u>		<u>£24,115,822</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities SORP (FRS 102).

*Approved by the Board on 20 November 2020
and signed on its behalf by:*

John B Morrell
Director and Trustee

James R Morrell
Director and Trustee

The notes on pages 20 to 31 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

STATEMENT OF CASHFLOWS
AS AT 31 MARCH 2020

	<i>Notes</i>	<i>2020</i> £	<i>2019</i> £
Cash flows from operating activities:			
Net cash provided by operating activities	15	815,935	894,550
		<hr/>	<hr/>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,949	1,214
Proceeds on sale of assets		2,672	-
Purchase of property, plant and equipment		(409,364)	(856,303)
		<hr/>	<hr/>
Net cash used in investing activities		(404,743)	(855,089)
Cash flows from financing activities:			
Repayments of borrowing		(470,867)	(1,498,757)
Cash inflows from new borrowing		-	3,369,392
		<hr/>	<hr/>
Net cash provided by financing activities		(470,867)	1,870,635
Change in cash and cash equivalents in the reporting period		(59,675)	1,910,096
Cash and cash equivalents at the beginning of the reporting period		1,494,049	(416,047)
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	10	£1,434,374	£1,494,049
		<hr/> <hr/>	<hr/> <hr/>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

The notes on pages 20 to 31 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charitable Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy note.

York Conservation Trust Limited is a company limited by shares (00395954) registered in England and Wales, and a registered charity (504302). The address of the registered office and principal place of business is 92 Micklegate, York, YO1 6JX.

b) Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and therefore it is appropriate to prepare the financial statements on a going concern basis.

Key judgments that the charity has made which have a significant impact on the financial statements include the valuation of our heritage properties at purchase cost and any initial restoration or building costs prior to first let, subject to a cap of market valuation on completion of this work. Trustees consider that this approach is likely to significantly understate the market value of our property portfolio.

The trustees have considered the impact of Covid-19 and forecast that the effect on rental income will be mitigated by managing expenditure and, if necessary, drawing on reserves.

The trustees do not consider that there are any material sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the reporting period.

c) Tangible Fixed Assets and Depreciation

All tangible fixed assets are capitalised and included at cost.

Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant and equipment	- at 25% reducing balance or 10 years straight line
Fixtures and fittings	- at 20% reducing balance or 20 years straight line

The only motor vehicle was disposed of in the period with the proceeds exceeding the book value, therefore no depreciation was charged in the period.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

d) Heritage Assets

The Charitable Company holds 81 freehold properties or groups of properties dating from 1317 to early 2000's. Details can be found on the website www.yorkconservationtrust.org.

All properties are included at purchase cost and any initial restoration or building costs prior to first let, subject to a cap of market valuation on completion of this work.

Any further preservation costs are released through the statement of financial activities when they are carried out.

Due to the historic nature of the land and buildings they are deemed to have indefinite lives and therefore the Charitable Company values the assets at full cost with no depreciation.

In the opinion of the trustees, the market value of the freehold properties is considerably in excess of the figure shown in the financial statements. In view of the particular nature of the Charitable Company's properties the trustees are not able to give a realistic estimate of that value. The total value of the properties for insurance purposes during the period was £124m (2019 £119m), and the total sum insured was £154m (2019 £148m).

The Charitable Company holds historic artefacts which were purchased with The Assembly Rooms. They were professionally valued on purchase and restoration costs have been capitalised on a cost basis. They are not depreciated as they are classed as heritage assets with indefinite lives.

e) Income

Rental income is included in the financial statements on a receivable basis. Rental income invoiced in March 2020 which relates to April, May and June 2020 has been deferred in the financial statements.

Furnished guest accommodation income is included on a receivable basis.

The government has made the Retail, Hospitality and Leisure Grant available to the company which has been recognised as income using the accrual model. This grant is specifically intended for the purpose of giving immediate financial support and is therefore recognised in the period it became receivable.

Donations received are included on a receivable basis.

f) Expenditure

All expenses are accounted for on an accruals basis and summarised under functional headings. Costs are allocated on an actual cost basis. All irrecoverable VAT is allocated to the relevant costs on an actual basis.

g) Funds Structure

Unrestricted funds are funds which as such are available for use or retention at the discretion of the trustees, in accordance with the Charitable Company's objects.

Designated funds represent the written down value of land and buildings less the outstanding loans charged on the properties and related creditors.

Restricted funds are funds where the income can only be used for a specific purpose.

h) Pension Costs

The Charitable Company operates a defined contribution pension scheme for all staff members. The assets of the schemes are invested and managed independently of the finances of the Charitable Company. The charge for pension costs represents the contributions payable in the period.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

i) Debtors

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

j) 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.

k) 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.

l) Financial instruments

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

	<i>2020</i>	<i>2019</i>
2. INCOME AND ENDOWMENTS		
DONATIONS AND LEGACIES		
Donations - unrestricted	<u>£-</u>	<u>£395</u>
CHARITABLE ACTIVITIES		
Rental income and recharges represents amounts receivable from the letting of land and buildings and recharged costs, excluding value added tax. Furnished guest accommodation represents income from the public's short stays in our historic buildings.		
	<i>2020</i>	<i>2019</i>
	£	£
Rental income	2,114,985	2,150,005
Recharges	87,796	84,933
Furnished guest accommodation	76,549	12,934
	<u>£2,279,330</u>	<u>£2,247,872</u>
OTHER TRADING ACTIVITIES		
Property management	6,467	4,955
Walking tour income	10	-
	<u>£6,477</u>	<u>£4,955</u>
OTHER		
Retail, hospitality and leisure grants	40,000	-
Sundry income	1,284	4,160
	<u>£41,284</u>	<u>£4,160</u>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
3. EXPENDITURE		
CHARITABLE ACTIVITIES		
Property expenses	895,340	1,027,612
Operating and management expenses	669,828	614,165
Governance costs	14,938	9,648
	<hr/>	<hr/>
	£1,580,106	£1,651,425
	<hr/> <hr/>	<hr/> <hr/>
PROPERTY EXPENSES		
Insurance	119,444	141,577
Preservation costs	427,692	512,463
Professional fees	60,652	59,807
Sundries	1,242	3,333
Heat and light	20,299	14,476
Rates	16,731	12,763
Water rates	82	425
Gardening	18,569	18,802
Cleaning	16,904	9,205
Compliance costs	40,909	3,354
Survey fees	36,264	-
Furnished guest accommodation costs	35,553	4,772
Property impairment	100,999	246,635
	<hr/>	<hr/>
	£895,340	£1,027,612
	<hr/> <hr/>	<hr/> <hr/>
OPERATING AND MANAGEMENT EXPENSES		
Management remuneration	272,709	276,561
Administration fees	15,419	21,605
Training	365	-
Stationery	1,511	1,812
Postages	354	256
Telephone	1,876	1,309
Travel	6,515	3,381
Motor expenses	1,754	4,169
Legal and professional fees	11,515	45,592
Computer and web site costs	28,743	15,034
Insurance	20,177	14,355
General expenses	7,284	9,820
Bad debts	58,643	10,645
Marketing and PR	6,169	-
Donations	3,520	230
Interest and charges payable	2,919	16,437
Loan interest	162,810	126,054
Depreciation on fixtures and fittings	68,674	66,905
Profit on disposal of assets	(1,129)	-
	<hr/>	<hr/>
	£669,828	£614,165
	<hr/> <hr/>	<hr/> <hr/>
GOVERNANCE COSTS		
Travelling expenses	11,823	6,635
Auditor's remuneration	3,115	3,013
	<hr/>	<hr/>
	£14,938	£9,648
	<hr/> <hr/>	<hr/> <hr/>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
4 STAFF COSTS (including directors)		
Gross wages and salaries	233,262	230,660
Employer's National Insurance	23,076	23,340
Benefits in kind	-	4,605
Pension contributions	16,371	17,956
	<u>£272,709</u>	<u>£276,561</u>

The trustees received no remuneration during the year.

One employee earned between £90,000 and £99,999 during the year (2019 One).

The average weekly number of employees during the year was:

	No.	No.
Administration	4	4
Maintenance	1	1
	<u>5</u>	<u>5</u>

During the year the number of higher paid employees who were receiving benefits was as follows:

	No.	No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

The key management personnel of the charitable company are the chief executive officer, the property manager and the company architect. The total employee emoluments of the key management personnel were £220,659 (2019 £221,354).

5 NET INCOME	£	£
This is stated after charging:		
Auditor's remuneration	<u>£3,115</u>	<u>£3,013</u>
6 AUDITOR'S REMUNERATION		
Audit of the financial statements	3,115	3,013
OTHER FEES TO AUDITORS		
Other services	15,419	21,605
	<u>£18,534</u>	<u>£24,618</u>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

7. HERITAGE FIXED ASSETS

	<i>Historic Artefacts</i>	<i>Freehold Properties</i>	<i>Total</i>
Cost or Valuation:	£	£	£
1 April 2019	147,312	28,685,527	28,832,839
Additions	-	380,999	380,999
31 March 2020	<u>147,312</u>	<u>29,066,526</u>	<u>29,213,838</u>
Impairment:			
1 April 2019	-	718,614	718,614
Provision for the year	-	100,999	100,999
31 March 2020	<u>-</u>	<u>819,613</u>	<u>819,613</u>
Net book values:			
31 March 2020	<u>147,312</u>	<u>28,246,913</u>	<u>28,394,225</u>
31 March 2019	<u>147,312</u>	<u>27,966,913</u>	<u>28,114,225</u>
Valuation	65,000	-	65,000
Cost	82,312	29,066,526	29,148,838
Total	<u>£ 147,312</u>	<u>£ 29,066,526</u>	<u>£ 29,213,838</u>

The Charitable Company owns 81 freehold properties or groups of properties, of which there are 75 commercial units, 91 residential units, a mausoleum and an administrative unit with preservation and conservation interest dating from 1317 to present day. All present day properties have been built as part of the preservation and conservation of the area surrounding the older buildings. Details of properties held can be found on our website www.yorkconservationtrust.org.

The Thompson Mausoleum was donated to the Charitable Company in 2010. Due to the nature of the building it has been deemed to have no marketable value. The building was insured for £590,744 at the year end (2019 £568,570).

The Charitable Company obtained many historic artefacts with the purchase of The Assembly Rooms in Blake Street, York. The artefacts were professionally valued as part of the purchase arrangements, since which time one item of furniture has been sold. Further restoration of the artefacts was carried out in the year ended 31 March 2018 and totalled £45,947.

The impairment charge of £100,999 relates to 69/71 Micklegate. This charge reflects the acquisition and refurbishment costs exceeding the property value at the year end date. The loss is included under the Property Expenses heading in Note 3.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Five year financial summary of heritage asset transactions

	2019-20	2018-19	2017-18	2016-17	2015-16
	£	£	£	£	£
<u>Additions - purchases and restoration (cost):</u>					
Properties	380,999	831,447	2,128,419	714,259	932,952
Artefacts	-	-	45,947	-	-
Total additions	£ 380,999	£ 831,447	£ 2,174,366	£ 714,259	£ 932,952
<u>Disposals (cost):</u>					
Properties	-	-	-	-	-
Artefacts	-	-	-	-	-
Total disposals	£ -	£ -	£ -	£ -	£ -
<u>Disposals (proceeds):</u>					
Properties	-	-	-	-	-
Artefacts	-	-	-	-	-
Total proceeds	£ -	£ -	£ -	£ -	£ -

8. TANGIBLE FIXED ASSETS

	<i>Motor vehicle</i>	<i>Fixtures and Fittings</i>	<i>Plant and Equipment</i>	<i>Total</i>
	£	£	£	£
Cost:				
1 April 2019	6,500	1,144,650	137,305	1,288,455
Additions	-	25,434	2,931	28,365
Disposals	(6,500)	-	-	(6,500)
31 March 2020	-	1,170,084	140,236	1,310,320
Depreciation:				
1 April 2019	4,957	357,188	84,947	447,092
Provision for the year	-	60,136	8,538	68,674
Written off on disposals	(4,957)	-	-	(4,957)
31 March 2020	-	417,324	93,485	510,809
Net book values:				
31 March 2020	£-	£752,760	£46,751	£799,511
31 March 2019	£1,543	£787,462	£52,358	£841,363

All fixed assets are used in the furtherance of the Charitable Company's objects.

9. DEBTORS: amounts falling due within one year

	2020	2019
	£	£
Rents	425,652	470,220
Prepayments	187,551	156,442
Accrued income	40,000	-
Total	£653,203	£626,662

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10. ANALYSIS OF CASH AND CASH EQUIVALENTS	<i>2020</i> £	<i>2019</i> £
Cash in hand	50	58
Cash at bank	1,434,324	1,493,991
Total cash and cash equivalents	<u>£1,434,374</u>	<u>£1,494,049</u>

11. CREDITORS: amounts falling due within one year	<i>2020</i> £	<i>2019</i> £
Bank loans (secured)	452,288	470,061
Rents received in advance	354,406	409,257
Trade creditors	304,395	334,519
Other taxes and social security costs	45,631	51,397
Other creditors	201,034	192,570
Pension contributions	1,837	1,652
Accruals	50,190	41,151
	<u>£1,409,781</u>	<u>£1,500,607</u>

12. CREDITORS: amounts falling due after more than one year

Bank loans (secured)	<u>£5,006,776</u>	<u>£5,459,870</u>
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The bank loans are secured on the properties 111 Walmgate, 56 Bootham, 66 Bootham, De Grey Rooms and House, Brereton Cottage, Corner and House, 1 Museum Street, Assembly Rooms, 14/16 Lendal, 23 Stonegate, 13-14 Fossgate, Morrell Yard and 15/16 Fossgate. They are repayable as follows:

Within one year	452,288	470,061
More than one year but not more than two years	462,931	437,136
More than two years but not more than five years	1,455,965	1,386,938
More than five years	3,087,880	3,635,796
	<u>£5,459,064</u>	<u>£5,929,931</u>

The loans represent 48% of the cost of the properties against which they are charged (2019 53%).

13. CALLED UP SHARE CAPITAL

Allotted, called up and fully paid: 130,000 Ordinary shares of £1 each	<u>£130,000</u>	<u>£130,000</u>
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YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

14. FUNDS

**Fund balances at 31 March 2020
are represented by:**

	<i>Fixed assets</i>	<i>Net current assets/ (liabilities)</i>	<i>Long-term liabilities</i>	<i>2020</i>	<i>2019</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds	28,246,913	(455,518)	(5,006,776)	22,784,619	22,032,317
Undesignated funds	946,823	1,126,961	-	2,073,784	2,076,844
	<u>29,193,736</u>	<u>671,443</u>	<u>(5,006,776)</u>	<u>24,858,403</u>	<u>24,109,161</u>
Restricted funds					
Little Ouseburn Mausoleum	-	6,353	-	6,353	6,661
	<u>£29,193,736</u>	<u>£677,796</u>	<u>£(5,006,776)</u>	<u>£24,864,756</u>	<u>£24,115,822</u>

**Fund balances at 31 March 2019
are represented by:**

	<i>Fixed assets</i>	<i>Net current assets/ (liabilities)</i>	<i>Long-term liabilities</i>	<i>2019</i>	<i>2018</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds	27,966,913	(474,726)	(5,459,870)	22,032,317	22,731,216
Undesignated funds	988,675	1,088,169	-	2,076,844	770,488
	<u>28,955,588</u>	<u>613,443</u>	<u>(5,459,870)</u>	<u>24,109,161</u>	<u>23,501,704</u>
Restricted funds					
Little Ouseburn Mausoleum	-	6,661	-	6,661	6,947
	<u>£28,955,588</u>	<u>£620,104</u>	<u>£(5,459,870)</u>	<u>£24,115,822</u>	<u>£23,508,651</u>

Restricted funds

	<i>Balance at 1 April 2019</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2020</i>
Little Ouseburn Mausoleum	<u>£6,661</u>	<u>£(308)</u>	<u>£-</u>	<u>£6,353</u>

	<i>Balance at 1 April 2018</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2019</i>
Little Ouseburn Mausoleum	<u>£6,947</u>	<u>£(286)</u>	<u>£-</u>	<u>£6,661</u>

Restricted funds

Little Ouseburn Mausoleum	<u>£6,947</u>	<u>£(286)</u>	<u>£-</u>	<u>£6,661</u>
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Little Ouseburn Mausoleum

The Charitable Company took over the assets of Little Ouseburn Mausoleum Limited in 2010. The balance of the monies received are to be spent on the upkeep of the Mausoleum.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	<i>Balance at 1 April 2019</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2020</i>
Designated funds				
Heritage Assets	£22,032,317	£(162,810)	£915,112	£22,784,619
	<u>£22,032,317</u>	<u>£(162,810)</u>	<u>£915,112</u>	<u>£22,784,619</u>

	<i>Balance at 1 April 2018</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2019</i>
Designated funds				
Heritage Assets	£22,731,216	£(126,054)	£(572,845)	£22,032,317
	<u>£22,731,216</u>	<u>£(126,054)</u>	<u>£(572,845)</u>	<u>£22,032,317</u>

During the year £915,112 was transferred from undesignated funds to designated funds (2019 £572,845 transferred from designated funds to undesignated funds). This figure represents the balance of the purchase cost of heritage assets for the Charitable Company's own use, and draw down and repayments of loans.

Undesignated funds

The undesignated fund has remained in credit during the year (2019 the fund remained in credit).

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<i>2020 £</i>	<i>2019 £</i>
Net income for the reporting period	748,934	607,171
Adjustments for:		
Depreciation charges	68,674	66,905
Profit on disposal of assets	(1,129)	-
Property impairment	100,999	246,635
Dividends, interest and rents from investments	(1,949)	(1,214)
Increase in debtors	(26,541)	(124,843)
(Decrease)/Increase in creditors	(73,053)	99,896
Net cash provided by operating activities	<u>£815,935</u>	<u>£894,550</u>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16. RELATED PARTY TRANSACTIONS

During the year travel and hotel expenses amounting to £11,823 (2019 £6,635) were reimbursed to 8 (2019 11) of the trustees.

The chief executive officer is a member of key management personnel and rented a flat from the charitable company during the year. This was an arms length transaction at market value of £6,900 per year (2019 £6,900).

There was no remuneration paid to trustees during the year (2019 £none).

17. CAPITAL COMMITMENTS

	2020	2019
Future capital expenditure not otherwise included in these accounts:		
Contracted for	<u>£-</u>	<u>£363,959</u>

18. VOLUNTEERS

We are hugely appreciative of the important work carried out by our volunteers. We plan to broaden the scope of volunteer involvement in future years.

19. TAXATION

No corporation tax has been provided in the Charitable Company's financial statements because the income of the entity, a registered charity, is within the exemption granted within Sections 466 to 493 of the Corporation Tax Act 2010.

20. CONTINGENT LIABILITY

A contingent liability exists in respect of restricted donations totalling £2,658,068 which were received from the Arts Council of England in 2015/16 and related to the refurbishment of York Theatre Royal which were subsequently completed. As a pre-requisite of the funding, a 20 year charge was put in place by the Arts Council. At the end of this period, the charge will be revoked provided that certain conditions laid out by the Arts Council have been met.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

	31 March 2019			Total Funds £
	Unrestricted		Restricted £	
	Undesignated £	Designated £		
Income and endowments from:				
Donations and legacies	395	-	-	395
Charitable activities	2,234,938	-	-	2,234,938
Other trading activities	17,889	-	-	17,889
Investments	1,214	-	-	1,214
Other	4,160	-	-	4,160
Total	2,258,596	-	-	2,258,596
Expenditure on:				
Charitable activities	1,525,085	126,054	286	1,651,425
Total	1,525,085	126,054	286	1,651,425
Net income/(expenditure)	733,511	(126,054)	(286)	607,171
Transfers between funds	572,845	(572,845)	-	-
Net movement in funds	1,306,356	(698,899)	(286)	607,171
Reconciliation of funds:				
Total funds brought forward	770,488	22,731,216	6,947	23,508,651
Total funds carried forward	£2,076,844	£22,032,317	£6,661	£24,115,822