

YORK CONSERVATION TRUST LIMITED

Registered charity number 504302
Registered company number 00395954

ANNUAL REPORT & FINANCIAL STATEMENTS

For the year ended 31 March 2021

YORK CONSERVATION TRUST LIMITED

MESSAGE FROM OUR CHAIR

From almost every point of view this has been an exceptional and difficult year. Some commercial occupiers that trade from our historic properties have been unable to operate for a significant period of time and have had to adapt their businesses to a situation that was simply unimaginable as recently as at the end of 2019. Residential tenants have been impacted too, some facing reduced income and others threat to livelihoods as employment in many sectors came under pressure.

In these Covid pandemic circumstances we have sought to be as understanding as possible towards our tenants' positions and to make arrangements with them that both support their interests and ensure that that our conservation purpose continues to be fulfilled. This has involved difficult discussions at times but as society moves out of restrictions towards a new normal we reflect that though our work has been negatively affected we have been successful in minimising the impact.

Fortuitously, we had begun the transition to cloud systems well ahead of Covid-19 and this meant that our small team could continue to run the business and provide a service to tenants while working remotely. We also maintained a minimal office presence throughout in order to provide access to properties for tradesmen dealing with urgent or emergency situations. Our Covid-19 precautionary arrangements have worked well and no member of our team has suffered directly from coronavirus.

Ahead of Covid-19 we determined to undertake a strategic piece of work to both review how we currently fulfil charitable purpose and determine to what extent our forward plan should look the same as, or different from, those which have gone before it. The impact of coronavirus on income, the emerging conclusion of our building condition survey programme and the results of an awareness and perception study we commissioned during 2020, are all suggesting that our model should adapt to a different type of future. The strategic work commenced March 2021 for completion Autumn 2021 and implementation from 2022.

During the year we tendered our audit work and appointed BHP LLP with effect from April 2021. This is the first trustees' annual report and financial statements the firm has audited on behalf of trustees. We are grateful to BHP for the diligence and rigor it has brought to this role.

I was very pleased to accept the trustees' invitation to take the chair from November 2020. Our non executive board has a good working relationship with the small executive team and I would like to thank both for their support through the past year and the determination with which they approach the challenges ahead.

James Morrell, Chair
July 2021

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. They have adopted the provisions of the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities, in preparing the annual report and financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts. They comply with the charity's governing document, the Charities Act 2011 and Accounting & Reporting by Charities: Statement of Recommended Practice that applies to charities preparing their accounts in accordance with financial reporting standards applicable in the UK and Republic of Ireland, published October 2019.

OBJECTS

The objects of the Trust 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 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 Ltd in June 1945. Following reviews and amendments to the Articles of Association in April 1975, it became a registered charity from October of that year. The Trust's Articles of Association were further revised in September 2017.

The directors of the charitable company are the trustees of the charity for the purpose of charity law. Throughout this report they are referred to as trustees.

Through our activities we aim to;

- Maintain and conserve the fabric of buildings of architectural and historic significance that are in our ownership
- Ensure that the economic and beneficial use of our properties is optimised
- Consider future acquisitions and disposals that support our primary purpose
- Share information and disseminate learning with others working in similar fields, especially conservation students, and with the public at large wherever practical

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

In determining our aims we have considered Charity Commission guidance on public benefit. We believe that by conserving and maintaining buildings of architectural & historic significance and making them available to the public through residential and commercial tenancies, we contribute to a community that values its history and takes pride in its future.

ACTIVITIES & ACHIEVEMENTS

During much of the year our focus was to operate as normally as possible in a Covid safe way that minimised health risk for staff, tenants, trades contractors and other suppliers. Where a vacant flat for refurbishment was in a property occupied by other tenants we put that project on temporary hold. By contrast we have been able to undertake works to commercial properties where occupiers in the food, beverage and retail sectors particularly were prohibited from trading.

Building condition surveys

Our programme of periodic surveys was instigated in 2018 and has continued over the last year. Having commenced with a rapid headline level assessment of all properties in a partnership project with the University of York and building conservation students within its department of archaeology, we placed early priority for detailed survey on the most complex of our buildings with the intention of completing all eighty-one buildings / groups of buildings over a period of five years. Experience has shown this to be too ambitious since survey information demands very thorough understanding from which deliverable programmes of work can be specified in response to each element of a building's structure and conservation needs over a practical period of time. Survey work to date has proved hugely valuable in better understanding the long term needs of our historic buildings and planning for those in advance of reactive response demands arising unexpectedly.

Uncertainty about income, at the start of the year particularly, meant that some conservation projects had to be deferred. Backlogs in building works programmes can put heritage assets at risk and are avoided wherever possible. Future planning for and funding of works will be considered as part of the 2021 strategic review.

Compliance

We are placing additional focus on compliance of our premises with statutory requirements that evolve over time in the interests of both public safety and energy efficiency. We have put some pressure on commercial occupiers in respect of their responsibilities for fire risk assessments and have supported some smaller businesses in bringing their processes and assessments up to date. Whenever a residential unit becomes vacant we take that opportunity to undertake any significant compliance related works such as fire doors, inter floor insulation and specialised intumescent surfaces as well as improvements and upgrades, where required, due to wear and tear or outdated kitchens and bathrooms.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Momentum for action on climate change is compelling. Carbon consumption of historic buildings is one of the greatest challenges that lie ahead for us and many others in the built heritage conservation sector. We anticipate considerable friction in this area between progressive pioneers who see that historic buildings regulations must adapt to a new reality and authorities for whom photovoltaic cell panels remain forbidden in conservation area roofscapes. We believe in a progressive approach and are looking for the right opportunity to pursue an exemplar case study project.

York Theatre Royal

We continue to support the theatre company to the fullest extent possible given our long term responsibilities for the structure of the theatre buildings. Regrettably Covid has had a severe impact on its operating model, one result of which is that it has not considered it appropriate to renew leases at the adjacent De Grey Rooms & De Grey House which are now vacant. These two important properties may provide us with a practical opportunity to extend our own operating functions to good effect and that will be considered within the current strategic planning process. We have also invited interest from other parties to take on long term leasehold responsibilities but have yet to receive proposals which are wholly compelling in terms of both public benefit and net revenues to support our work across the broader stage of our historic portfolio. The theatre company retains its lease of the theatre building itself and we continue to work with it in planning future improvements.

The Assembly Rooms

Further conservation of the ceilings has been undertaken some of which proved urgent and was fortuitously required during the Covid lockdown period when the occupying restaurant was forced to close. We were pleased to receive an Historic England grant of £24k toward the specific Rotunda Dome project. Other ceiling works were completed in time for the lifting of Covid restrictions in May 2021.

Goodramgate

Two of our Goodramgate properties received specific attention during the year. At number 45 a continuous twenty-year period of occupation by the La Piazza restaurant concluded as the proprietor decided to retire at the end of a lease period. We are taking the consequent vacant period as an opportunity for cyclical repair and conservation work before the next occupier, also an Italian chef, establishes himself in this important historic building. Just opposite a full conservation refurbishment was commenced at 60 Goodramgate which is at the north end of the C14th Our Lady's Row. The first phase of this work has involved removal of impervious renders that have trapped moisture and caused timber framing to rot. Only pervious lime replacement renders are being used. The second phase of works includes preparing the property for two small retail units suitable for independent traders that are a hallmark feature of York's streetscapes.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

31 St Saviourgate

An inter-let programme of refurbishment followed the departure of a long standing office occupier. The objective was to prepare the property for a ten year let following which more significant works identified through survey would be required. We continue to monitor this building for movement so included tell tale peep holes within the refurbishment works. Sadly the intended occupier withdrew due to Covid related factors but interest in the characterful spaces increased as restrictions gradually lifted.

Furnished guest accommodation

Unfortunately our six units of serviced accommodation have been unable to welcome guests for two lengthy periods of Covid restrictions but we have successfully sought financial support for those periods based on our direct business rates liability for the premises. Coastal and rural guest accommodation has benefitting most from post restriction forward bookings but cities of York's size and attraction have followed and show promise for future staycations.

Developing our organisation

We have introduced an operations role to the staff team and separated responsibility for tenant liaison and rent collection from maintenance of buildings and cyclical conservation works. The purpose of this was both to bring fresh focus to income, including arrears, and to improve standards of maintenance and conservation through a dedicated building team. Leading that is Architect Guy Bowyer who put the Covid lockdown period to exceptionally good use by achieving RIBA accreditation as Conservation Architect. The operations role combines commercial acumen, with strong customer service ethic and communication skills. Among the applicants for this position was Trust volunteer and former high street retail manager Elizabeth Taylor who was successful in the selection process and took up the position in April 2020. We were delighted that regular volunteer experience had prepared Lizzie for a new career in the charity heritage sector.

Another new member of staff since July 2020 is Finance Manager Jackie Turpin, an experienced accountant who replaced Angela Upright following her retirement. Former Property Manager, Ian Daniells has chosen part time working as preparation for his retirement in 2022 and is the second member of the building team. Towards the end of 2021 we intend to recruit a replacement full time member of staff with specific responsibility for maintenance and compliance to conservation standards.

Covid and the lockdown restrictions have required us all to develop new skills. Governance particularly has demanded new disciplines around technology and virtual meetings. Having muddled through somewhat at the beginning, we subsequently invested in a single Teams platform that embraces both the executive and non executive sides of the organisation. That is now working well both facilitating trustees' ready access to the pre-filed information they need and providing a platform for discussion on matters arising from regular executive updates.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Awareness & perception research

Developing our web site demanded better understanding of both public and stakeholder awareness of the Trust, what it stands for and the work it does. Trustee Ruth Morrell chaired a process that briefed research proposals from four agencies, selected QA Research and oversaw the project. Its conclusions were that general public awareness is low but that stakeholders respect the 'heritage landlord' role of the Trust. Options for increasing public benefit include investing more in public communications with a clear, purposeful message. Also further developing a programme of engagement with York's heritage sector. The learning from this research is informing the forward strategy work currently underway. We put web design development on hold pending completion of the forward strategy.

Supporting conservation

During the year we made three bursary awards to support the training and development of craft skills in building and building related trades. This was achieved through York Foundation for Conservation & Craftsmanship which has an established annual award programme across a broad range of conservation interests. Three recipients were Mike Groves a Phd student at University of York researching historic woodwork and carving practice; Ronan Mooney an apprentice stonemason who has previously achieved an MA in conservation studies at University of York; Amy Whitehead, who is working towards an MA in Conservation studies and sought support to complete her course during unplanned circumstances. Trustees have committed to extend this programme for a further four years and allocated £5,000 per year for this purpose. The Trust also committed to a dissertation prize for MA students in building conservation at the Department of Archaeology, University of York. This was awarded to a US student Emily Kostanecki for her work on 'challenges of adaptive re-use of the bars of York's city walls'.

FUTURE PLANS

During the year we resolved to undertake a structured piece of work to determine the extent to which the Trust's future activities and outputs should be the same, similar or different from the past. Driving this was not the unplanned disruption of Covid but long term considerations about safeguarding the built environment, climate change, financial sustainability and optimising public benefits that the Trust can deliver. With this in mind, we established a strategy working group comprising four trustees and three staff and it will make recommendations to the board of trustees in November 2021. We considered it important to bring appropriate external experience to the process and invited Michael Day CVO to work with us as facilitator. Michael's background at Historic Royal Palaces, with charity boards of many types and as a trustee of The National Trust is particularly relevant to how we respond to the opportunities and challenges ahead.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

In our financial statements for 2020/21 we have recorded a prior year adjustment as set out in note 2. to the Financial Statements. The primary reason for making this adjustment was to reflect more accurately the nature of our investment properties, primarily held for income, which had previously been classified as heritage properties. Unlike our heritage properties which are carried at cost plus restoration or building works identified prior to first let, subject to a cap of market valuation on completion of this work, investment properties are shown at valuation. The effect of the prior year adjustment was to create a revaluation reserve of £2m as at 1 April 2019.

We recognise that one impact of our method of accounting for our heritage properties is that their market value is considerably in excess of the figure shown in the financial statements. In view of the particular nature of the Charitable Company's heritage properties, we are not able to give a realistic estimate of that value. However, the total value of the heritage properties for insurance purposes as at 20 March 2021 was £124m (2020 £120m), and the total sum insured was £149m (2020 £150m).

Despite a difficult year during which we had to manage the impact of the COVID-19 pandemic on our tenants and our own operations and in which we saw a reduction in our rental income, through careful stewardship we returned a net surplus of £422k (2020: £749k) before gains/losses on investments and investment gains of £146k (2020 as restated: investment losses of £2k).

While we recognise this was a healthy surplus, we are also conscious of the material demands we face for ongoing conservation works on some of our larger heritage properties which are not financially self-sustaining. Going forward we cannot be complacent about our financial strength.

At the year end our reserves were £27.3m (2020 as restated: £26.8m).

Investment powers and policy

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

Traditionally we have invested through property, enabling us to take advantage of our specialist knowledge of the lettings market. We own 15 residential units and furnished guest letting unit within our investment property portfolio with a combined value of £3.4m (2020: £3.2m). We manage all the residential units ourselves. We also hold £100k on short term deposit (2020: £100k).

We will be revisiting our approach to investment during our current strategy review.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Reserves policy

Our aim is that our income, obtained primarily from property rents and furnished guest lettings, should be sufficient to cover the routine maintenance of our properties, our overheads and our debt servicing requirements.

Nevertheless, we recognise that there will be times when our cash outflows exceed our cash inflows. For example, we had an unexpected drop in our property rental income and furnished guest lets resulting from Covid 19. Similarly, we occasionally experience unexpected calls on our funds due to unforeseen and complex emergency repairs to our heritage properties and unanticipated operational costs that may arise if a member of staff takes sick leave.

We consider that the Trust should maintain sufficient reserves as will allow the Trust to ride out these unexpected variances in income and expenditure. Our view is that a free cash reserve of £100,000 should provide sufficient cover against such contingencies until the Trust is able to reorganise its finances, if necessary, by selling one or more of its properties.

In addition, we recognise that, due to the particularly demanding conservation requirements of some of the heritage properties the Trust owns, we will need to finance, on an ongoing basis, material programmes of work that cannot be met by future income alone. Our expectation is that such excess costs may exceed £1m per annum for at least the next five years. Given that scale of expenditure it is unrealistic to expect to meet it out of our free cash reserves. To this end, such expenditure will be put on hold except to the extent that the Trust has surplus funds, can raise grant funding or finance is available via bank loans and overdrafts which can be serviced within our means.

Following the strategic review currently in process, steps will be taken to ensure that the Trust can continue to meet its conservation obligations on an ongoing basis while remaining financially sustainable into the longer term.

The balance held as unrestricted funds as at 31 March 2021 was £27.3m (2020 as restated: £26.8m). This figure reflected all known liabilities as at the balance sheet date and there are no material uncertainties. This sum comprised of assets totalling £32.4m (2020 as restated: £33.2m) and creditors totalling £5.1m (2020: £6.4m). Of the assets, £331k (2020: £997k) was held as free reserves. Of these free reserves, £212k (2020: £0) was committed to material conservation projects.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

Going concern

We recognise then when preparing our financial statements on a going concern basis, we must make our own assessment of the Trust's ability to continue as a going concern to assure ourselves of the validity of this assumption. Such an assessment is part of our ongoing oversight process that takes place throughout the year. To this end, we have adopted a robust reserves policy which we carefully monitor. We also expect that, in addition to its routine reporting to the board on income and expenditure, our management team will provide us with projected cashflow and any other relevant information about the future which covers at least the next 24 months.

Given the uncertainties which still surround us in relation to the Covid-19 pandemic, we have decided to adopt an incremental and cautious approach to the execution of our 2021/22 workplan. This approach of carefully managing our finances, together with our current level of free reserves, should be sufficient to protect us from becoming a forced seller of properties into 2022. On this basis, we are confident of the Trust's ability to continue as a going concern beyond the next 12 months.

GOVERNANCE AND MANAGEMENT

Appointment and recruitment of trustees

The directors of the charitable company are the trustees of the charity so conditions regarding appointments as set out in the written resolution apply to both. Members of the company are eligible to hold office as a trustee / director but a person may be appointed subject to becoming a member within two months of that appointment. Any person so appointed may act as a director pending becoming a member. Directors must be at least eighteen years of age as at the date of appointment. Each trustee / director can hold office for a term of three years following which they must retire but may offer themselves for reappointment. 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 the public benefit achieved through its areas of activity. Details of reimbursed expenses incurred by trustees in the course of fulfilling their duties are set out in note 18 to the financial statements.

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

Members

No dividend or any 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, there remains after satisfaction of all liabilities, any property whatsoever, it will be given or transferred to a charitable institution, or institutions, having objects similar to the objects of the company. Under no circumstance can or will, property be given or distributed to the members of the company.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

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 company and charity compliance obligations. Trustees are encouraged to participate in relevant seminars / training sessions and to broaden their knowledge of conservation management in the historic built environment sector. 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 policies of the Trust and delegate day to day management of both assets and activities to a chief executive officer who is also company secretary. The chief executive supports the trustees in establishing policy and the development of it over time. Trustees are kept regularly up to date by the chief executive and encouraged to discuss areas of both substance and general interest in between formal meetings through a Teams platform put in place during the Covid-19 lockdown period. Board decisions are made on the basis of a simple majority. If a majority cannot be established then the chair has a second and casting vote.

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 out on an annual basis.

Risk management

Trustees are responsible for the management of the risks faced by the Trust. We have a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks we face, categorising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. Our findings are documented in a formal risk register which is updated at least annually. This year we have established a trustee risk committee to oversee this process. We recognise, however, that we can only manage risk, we cannot eliminate it.

We consider that the principal risk to the Trust is that of not doing justice, with limited reserves, in fulfilling our charitable objects. Failure to take full advantage of the opportunities afforded to us would be damaging to our potential beneficiaries and our reputation would be put at risk. To mitigate this risk we periodically carry out a strategic review which allows us to evaluate our current position and work through change by focusing on the big external and internal challenges. Such a review is currently in process.

YORK CONSERVATION TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

We also face financial risk due to the complex and extensive restoration demands of some of our bigger properties which effectively mean they cannot be self-financing and require subsidy. To mitigate this risk, we look for grant funding where appropriate and maintain strict financial control over other areas of our work to free up funds.

Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Trust.

Conflicts of interests and related party transactions

The Trust has a conflict of interest policy which is written into our Trust deed and applies to all trustees and staff members. Related party transactions are disclosed in note 18 to the financial statements.

YORK CONSERVATION TRUST LIMITED

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

The trustees (who are also directors of York Conservation Trust Limited 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 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 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 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.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Approved by trustees on 16 July 2021 and signed on their behalf by:

James R Morrell
Chair of trustees

YORK CONSERVATION TRUST LIMITED
REFERENCE & ADMINISTRATIVE INFORMATION

Company registration number 00395954

Charity registration number 504302

Registered office 92 Micklegate
York
YO1 6JX

Bankers

CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	Virgin Money UK plc 30 St Vincent Place Glasgow G1 2HL
HSBC Bank plc 8 Canada Square London E14 5HQ	

Deposit Holder Shawbrook Bank Ltd
Lutea House
Warley Hill Business Park
Brentwood
Essex
CM13 3BE

Solicitor Drivers Solicitors
56A Bootham
York
YO30 7XZ

Auditor BHP LLP
Rievaulx House
1 St Mary's Court
Blossom Street
York
YO24 1AH

YORK CONSERVATION TRUST LIMITED
REFERENCE & ADMINISTRATIVE INFORMATION

Trustees

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

Staff

Jonathan A Bryant	Secretary & chief executive
Jackie L Turpin	Finance manager
Guy F J Bowyer	Architect
Lizzie C Taylor	Operations manager
Ian R Daniells	Compliance manager
Josh J Redhead	Tradesman

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

Opinion

We have audited the financial statements of York Conservation Trust Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the charitable company.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 1b were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions

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

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

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.

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditor

Rievaulx House

1 St Mary's Court

Blossom Street

York YO24 1AH

Date:

BHP LLP are eligible to act as an auditor in terms of section 1212 of Companies Act 2006.

YORK CONSERVATION TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	<i>Notes</i>	<i>31 March 2021</i>			<i>Total Funds</i>	<i>31 March 2020 Total Funds (as restated)</i>
		<i>Unrestricted</i>		<i>Restricted</i>		
		<i>Undesignated</i>	<i>Designated</i>			
		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Income from						
Donations and legacies	3	21,474	-	136,651	158,125	-
Charitable activities	3	1,725,619	-	-	1,725,619	2,167,043
Other trading activities	3	554	-	-	554	6,477
Investments	3	114,725	-	-	114,725	114,236
Other	3	66,951	-	-	66,951	41,284
Total income		1,929,323	-	136,651	2,065,974	2,329,040
Expenditure on						
Raising funds	4	31,611	-	-	31,611	25,935
Charitable activities	4	1,359,695	115,846	137,130	1,612,671	1,554,171
Total expenditure		1,391,306	115,846	137,130	1,644,283	1,580,106
Net income/(expenditure) before gains on investments	6	538,016	(115,846)	(479)	421,691	748,934
Gains/(losses) on investments		145,986	-	-	145,986	(2,131)
Net income/(expenditure before gains on investments plus gains/losses on investments)		684,002	(115,846)	(479)	567,677	746,803
Transfers between funds	16	(1,313,110)	1,313,110	-	-	-
Net movement in funds		(629,108)	1,197,264	(479)	567,677	746,803
Reconciliation of funds						
Total funds brought forward		5,249,356	21,500,234	6,353	26,755,943	26,009,140
Total funds carried forward		£4,620,248	£22,697,498	£5,874	£27,323,620	£26,755,943

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

The notes on page 22 to 37 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2021**

Company no. 00395954

		2021	2021	2020	2020
	<i>Notes</i>	£	£	<i>(as restated)</i>	<i>(as restated)</i>
				£	£
FIXED ASSETS					
Heritage assets	8		27,045,398		27,045,398
Tangible assets	9		690,645		799,511
Investment assets	10		3,386,000		3,240,014
			<hr/>		<hr/>
			31,122,043		31,084,923
CURRENT ASSETS					
Debtors	11	648,021		653,203	
Short term deposits		100,000		100,000	
Cash at bank and in hand	12	545,265		1,334,374	
			<hr/>		<hr/>
		1,293,286		2,087,577	
CREDITORS: amounts falling due within one year	13		1,136,688		2,154,604
			<hr/>		<hr/>
NET CURRENT ASSETS/(LIABILITIES)			156,598		(67,027)
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			31,278,641		31,017,896
CREDITORS: amounts falling due after more than one year	14		3,955,020		4,261,953
			<hr/>		<hr/>
NET ASSETS			£27,323,621		£26,755,943
			<hr/> <hr/>		<hr/> <hr/>
CAPITAL AND RESERVES					
Unrestricted Funds					
Designated fund	16		22,697,498		21,500,234
Undesignated fund	16				
- Share capital	15		130,000		130,000
- Income and expenditure account			2,388,634		3,163,727
- Revaluation reserve			2,101,615		1,955,629
Restricted Funds	16		5,874		6,353
			<hr/>		<hr/>
			£27,323,621		£26,755,943
			<hr/> <hr/>		<hr/> <hr/>

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 16 July 2021
and signed on its behalf by:*

James R Morrell
Director and Trustee

Ruth I Morrell
Director and Trustee

The notes on pages 22 to 37 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

**STATEMENT OF CASHFLOWS
AS AT 31 MARCH 2021**

		2021	2020
	<i>Notes</i>	£	<i>(as restated)</i> £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>308,398</u>	<u>703,648</u>
Cash flows from investing activities			
Dividends, interest and net rents from investments	3	114,725	114,236
Proceeds on sale of assets		-	2,672
Purchase of property, plant and equipment	9	<u>(15,053)</u>	<u>(409,364)</u>
Net cash used in investing activities		99,672	(292,456)
Cash flows from financing activities			
Repayments of borrowing		(1,197,180)	(470,867)
Cash inflows from new borrowing		-	-
Net cash provided by financing activities		<u>(1,197,180)</u>	<u>(470,867)</u>
Change in cash and cash equivalents in the reporting period		(789,110)	(59,675)
Cash and cash equivalents at the beginning of the reporting period		<u>1,334,374</u>	<u>1,394,049</u>
Cash and cash equivalents at the end of the reporting period	12	<u><u>£545,264</u></u>	<u><u>£1,334,374</u></u>

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 22 to 37 form part of these financial statements.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

a. Organisation address and country of registration

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. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

c. Public benefit entity

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

d. Prior period adjustment

In preparing the financial statements for the year ended 31 March, several amendments were identified relating to prior periods and these were sufficient to warrant restatement. The effect and nature of the restatements are shown in Note 2.

e. 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.

Our long-term loan facilities are renewed annually. The trustees are not aware of any circumstances which might adversely affect the renewal of these facilities.

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.

f. Key judgments and estimates

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

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 restoration or building costs identified 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 do not consider that there are any other 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.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

g. Income

Grants received for restoration work are matched against the project costs in the year that the expenditure is incurred.

Retail, Hospitality and Leisure Grants made available to the charity by the Government are recognised in the year to which the relief relates.

All other income, including bank interest, is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably. Rental income invoiced in March 2021 which relates to April, May and June 2021 has been deferred in the financial statements.

h. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Raising funds includes the direct costs relating to the rental of, and provision of furnished guest accommodation through, our investment properties together with an allocation of support costs including staff costs based on these direct costs and an allocation of loan interest based on the historic cost of our investment properties.

Charitable activities includes the direct costs relating to the rental of, and provision of furnished guest accommodation through, our heritage properties together with an allocation of support costs including staff costs based on these direct costs, depreciation and an allocation of loan interest based on the historic cost of our heritage properties.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i. Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, governance related legal fees and Trust meetings together with an apportionment of overhead and support costs.

Governance costs and support costs have been allocated to raising funds and charitable activities on the basis of their relative direct costs.

j. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Generally, 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	- 5 years straight line
Fixtures and fittings	- 5 years straight line

Due to their exceptional nature, the costs of refurbishing York Theatre Royal in 2016 are being written off over 20 years straight line.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

k. Heritage assets

The Charitable Company holds 78 freehold properties or groups of properties dating from the C14th. Details can be found on the website www.yorkconservationtrust.org.

All properties are included at purchase cost and any restoration or building costs identified 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.

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.

l. Investments

All of the 4 investment properties are freehold. They comprise of 15 residential units and one which is used for furnished guest accommodation. They are included in the balance sheet at fair value (market value) at the balance sheet date. The valuations were all prepared within a month of the year end by reputable local estate agents. Gains and losses are reflected in the Statement of Financial Activities and allocated to the respective funds.

m. Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

n. 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.

o. Short term deposits, bank and cash in hand

Short term deposits represent amounts held on deposit with a maturity of between three months and one year. 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.

n. 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.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

p. Funds Structure

Unrestricted funds are funds which 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. The aim and use of each restricted fund is set out in the notes to the financial statements.

q. 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.

r. Pension scheme

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.

s. Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

t. Related party transactions

Transactions with related parties are disclosed in the notes to these financial statements. The Trust's policy is for trustees, co-optees, staff and advisors to declare their interest and exempt themselves from all relevant discussions and decisions which may involve a transaction with a related party or in which they may have a conflict of interest.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. PRIOR YEAR ADJUSTMENT

CHANGES TO THE BALANCE SHEET

	<i>As previously reported</i>	<i>Adjustment at 1 April 2019</i>	<i>Adjustment at 31 March 2020</i>	<i>As restated at 31 March 2020</i>
	£	£	£	£
Fixed assets				
Heritage assets	28,394,225	(1,348,827)	-	27,045,398
Tangible assets	799,511	-	-	799,511
Investments	-	3,242,145	(2,131)	3,240,014
Current assets				
Debtors	653,203	-	-	653,203
Short term deposits	-	100,000	-	100,000
Cash at bank and in hand	1,434,374	(100,000)	-	1,334,374
Creditors: amounts falling due within one year	(2,154,604)	-	-	(2,154,604)
Creditors: amounts falling due after more than one year	(4,261,953)	-	-	(4,261,953)
	£24,864,756	£1,893,318	£(2,131)	£26,755,943
Capital and reserves				
Designated fund	22,784,619	(1,284,385)	-	21,500,234
Undesignated fund:				
- Share capital	130,000	-	-	130,000
- Income and expenditure account	1,943,784	1,219,943	-	3,161,596
- Revaluation reserve		1,957,760	(2,131)	1,957,760
Restricted funds	6,353	-	-	6,353
	£24,864,756	£1,893,318	£(2,131)	£26,755,943

CHANGES TO THE STATEMENT OF FINANCIAL ACTIVITIES

	<i>As previously reported</i>	<i>Adjustment at 31 March 2020</i>	<i>As restated at 31 March 2020</i>
	£	£	£
Total income	2,329,040	-	2,329,040
Expenditure on raising funds	-	(25,935)	(25,935)
Expenditure on charitable activities	(1,580,106)	25,935	(1,554,171)
Loss on revaluation of fixed assets	-	(2,131)	(2,131)
Net movement in reserves	£748,934	£(2,131)	£746,803

Certain amendments have been identified in the previously reported financial information related to priors years including:

- 1) The re-categorisation of investment properties previously treated as heritage properties
- 2) The re-categorisation of short term deposits previously treated as cash at bank and in hand
- 3) The re-categorisation of operational conservation works previously capitalised as heritage artefacts

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. INCOME AND ENDOWMENTS

	2021	2020
	£	(as restated) £
DONATIONS AND LEGACIES		
Grants - restricted	136,651	-
Other donations	21,474	-
	<u>£158,125</u>	<u>£-</u>
CHARITABLE ACTIVITIES		
Rental income	1,686,130	2,009,165
Recharges	10,308	87,796
Furnished guest accommodation	29,181	70,082
	<u>£1,725,619</u>	<u>£2,167,043</u>
OTHER TRADING ACTIVITIES		
Property management	554	6,467
Walking tour income	-	10
	<u>£554</u>	<u>£6,477</u>
INVESTMENTS		
Rental income	105,325	105,820
Recharges	72	-
Furnished guest accommodation	7,221	6,467
Bank interest	2,107	1,949
	<u>£114,725</u>	<u>£114,236</u>
OTHER		
Grants: unrestricted - Covid 19 related funding	45,081	40,000
Dilapidations	20,662	-
Sundry income	1,208	1,284
	<u>£66,951</u>	<u>£41,284</u>

Other than the restricted grant income noted above, all the income was unrestricted.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. ANALYSIS OF EXPENDITURE (CURRENT YEAR)

	<i>Cost of raising funds</i>	<i>Charitable activities</i>	<i>Governance costs</i>	<i>Support costs</i>	<i>2021 total</i>	<i>2020 total (as restated)</i>
	£	£	£	£	£	£
Property management costs unrestricted	17,501	803,104	-	-	820,605	892,749
Property management costs restricted	-	137,130	-	-	137,130	308
Staff costs	4,973	228,179	11,284	43,227	287,663	272,709
Legal and professional fees	741	72,434	-	6,644	79,819	86,553
Auditor's remuneration	-	-	9,975	-	9,975	3,115
Office costs	-	-	1,367	62,440	63,807	93,188
Depreciation	-	123,919	-	-	123,919	68,674
Loan interest	5,518	115,846	-	-	121,364	162,810
	28,733	1,480,612	22,626	112,311	1,644,282	1,580,106
Allocation of support costs	2,284	104,842	5,185	(112,311)	-	-
	31,017	1,585,454	27,811	-	1,644,282	1,580,106
Allocation of governance costs	594	27,217	(27,811)	-	-	-
Total expenditure 2021	£31,611	£1,612,671	£-	£-	£1,644,282	£1,580,106
Total expenditure 2020	£25,935	£1,554,171	£-	£-	£1,580,106	

ANALYSIS OF EXPENDITURE (PRIOR YEAR)

	<i>Cost of raising funds</i>	<i>Charitable activities</i>	<i>Governance costs</i>	<i>Support costs</i>	<i>2020 total (as restated)</i>
	£	£	£	£	£
Property management costs unrestricted	12,800	879,949	-	-	892,749
Property management costs restricted	-	308	-	-	308
Staff costs	3,448	237,057	11,112	21,092	272,709
Legal and professional fees	-	59,797	-	26,756	86,553
Auditor's remuneration	-	-	3,115	-	3,115
Office costs	-	-	15,958	77,230	93,188
Depreciation	-	68,674	-	-	68,674
Loan interest	7,461	155,349	-	-	162,810
	23,709	1,401,134	30,185	125,078	1,580,106
Allocation of support costs	1,714	117,840	5,524	(125,078)	-
	25,423	1,518,974	35,709	-	1,580,106
Allocation of governance costs	512	35,197	(35,709)	-	-
Total expenditure 2020 (as restated)	£25,935	£1,554,171	£-	£-	£1,580,106

Other than the property management costs: restricted noted above, all the expenditure was unrestricted.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5 STAFF COSTS

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Gross wages and salaries	252,987	233,262
Employer's National Insurance	16,800	23,076
Pension contributions	17,876	16,371
	<u>£287,663</u>	<u>£272,709</u>

The trustees received no remuneration during either year.

One employee earned between £90,000 and £99,999 during the year (2020 One).

The average weekly number of employees during the year was:

	<i>No.</i>	<i>No.</i>
Administration	6	4
Maintenance	-	1
	<u>6</u>	<u>5</u>

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

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

The key management personnel of the charitable company are the chief executive officer, the architect and the finance manager. The total employee emoluments of the key management personnel were £207,648 (2019 £220,659).

6. NET INCOME

This is stated after charging:

	<i>£</i>	<i>£</i>
Auditor's remuneration	£9,975	£3,115
	<u>£9,975</u>	<u>£3,115</u>

7. AUDITOR'S REMUNERATION

Audit of the financial statements	9,975	3,115
-----------------------------------	-------	-------

OTHER FEES TO AUDITOR

Other services	-	15,419
	<u>£9,975</u>	<u>£18,534</u>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. HERITAGE FIXED ASSETS

	<i>Historic Artefacts</i> £	<i>Freehold Properties</i> £	<i>Total</i> £
Cost or Valuation			
At 1 April 2020 (as previously stated)	82,870	29,066,526	29,213,838
Prior year adjustment	-	(1,284,385)	(1,348,827)
1 April 2020 (<i>as restated</i>)	82,870	27,782,141	27,865,011
Additions	-	-	-
Disposals	-	-	-
31 March 2021	<u>£82,870</u>	<u>£27,782,141</u>	<u>£27,865,011</u>
Impairment			
1 April 2020	-	819,613	819,613
Provision for the year	-	-	-
31 March 2021	<u>£-</u>	<u>£819,613</u>	<u>£819,613</u>
Net book values			
31 March 2021	<u>£82,870</u>	<u>£26,962,528</u>	<u>£27,045,398</u>
31 March 2020 (<i>as restated</i>)	<u>£82,870</u>	<u>£26,962,528</u>	<u>£27,045,398</u>
Valuation	65,000	-	65,000
Cost including restoration charges and after impairment charge	17,870	26,962,528	26,980,398
Total	<u>£82,870</u>	<u>£26,962,528</u>	<u>£27,045,398</u>

The Charitable Company owns 78 freehold properties or groups of properties, of which there are 75 commercial units, 70 residential units, 5 furnished guest accommodation units, a mausoleum and an administrative unit with preservation and conservation interest dating from the C14th. Details of the 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 £582,503 at the year end (2020 £590,744).

The Charitable Company obtained many historic artefacts with the purchase of The Assembly Rooms in Blake Street, York. The artefacts were professionally valued at £115,000 in 2003 as part of the purchase arrangements, since which time one item of furniture has been sold.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. HERITAGE FIXED ASSETS cont'd

Five year financial summary of heritage asset transactions

	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i> <i>(as restated)</i>	<i>2017</i>
	£	£	£	£	£
Additions - purchases and restoration (cost):					
Properties	-	380,999	831,447	2,128,419	714,259
Artefacts	-	-	-	-	-
Total additions	£ -	£ 380,999	£ 831,447	£ 2,128,419	£ 714,259
Disposals (cost):					
Properties	-	-	-	-	-
Artefacts	-	-	-	18,495	-
Total disposals	£ -	£ -	£ -	£ 18,495	£ -
Disposals (proceeds):					
Properties	-	-	-	-	-
Artefacts	-	-	-	-	-
Total proceeds	£ -	£ -	£ -	£ -	£ -

9. TANGIBLE FIXED ASSETS

	<i>Fixtures and Fittings</i>	<i>Plant and Equipment</i>	<i>Total</i>
	£	£	£
Cost:			
1 April 2020	1,170,084	140,236	1,310,320
Additions	-	15,053	15,053
Disposals	(248,259)	(89,630)	(337,889)
31 March 2021	£921,825	£65,659	£987,484
Depreciation:			
1 April 2020	417,324	93,485	510,809
Provision for the year	87,682	36,237	123,919
Written off on disposals	(248,259)	(89,630)	(337,889)
31 March 2021	£256,747	£40,092	£296,837
Net book values:			
31 March 2021	£665,078	£25,567	£690,645
31 March 2020	£752,760	£46,751	£799,511

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

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. INVESTMENTS

	<i>Properties</i> £
At valuation	£
At 1 April 2020 (as previously stated)	-
Prior year adjustment	3,240,014
1 April 2020 (<i>as restated</i>)	3,240,014
Revaluation	145,986
Additions	-
Disposals	-
31 March 2021	£3,386,000

The investment properties include units at Malt Shovel Court, Morrell Cottage and Morrell Yard and Trinity Cottage.

The units at Malt Shovel Court, Morrell Cottages and Morrell Yard were valued by David Beattie MNAEA of Quantum Sales and Lettings as at 25 April 2021. Their combined value was £2.986 million.

Trinity Cottage was valued by Rosie Crux MRICS of Barry Crux and company as at 30 March 2021. Its value was £400,000.

The combined historic cost of all the investment properties was £1.3m.

11. DEBTORS: amounts falling due within one year

	<i>2021</i> £	<i>2020</i> £
Rents	468,278	425,652
Prepayments	170,485	187,551
Accrued income	9,258	40,000
	£648,021	£653,203

12. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<i>2021</i> £	<i>2020</i> £
Cash in hand	3	50
Cash at bank	545,262	1,334,324
Total cash and cash equivalents	£545,265	£1,334,374

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Bank loans (secured)	306,864	1,197,111
Rents received in advance	306,690	354,406
Trade creditors	245,599	304,395
Other taxes and social security costs	49,563	45,631
Other creditors	204,128	201,034
Pension contributions	4,245	1,837
Accruals	19,599	50,190
	<u>£1,136,688</u>	<u>£2,154,604</u>

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

Bank loans (secured)	<u>£3,955,020</u>	<u>£4,261,953</u>
----------------------	-------------------	-------------------

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/2 Blake 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	306,864	1,197,111
More than one year but not more than two years	315,319	306,864
More than two years but not more than five years	999,684	972,518
More than five years	2,640,017	2,982,571
	<u>£4,261,884</u>	<u>£5,459,064</u>

The loans represent 34% of the cost (heritage) or valuation (investment) of the properties against which they are charged (2020 *(as restated)* 43%).

15. 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>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16. FUNDS

Fund balances at 31 March 2021 are represented by:

	<i>Fixed assets</i>	<i>Net current assets/ (liabilities)</i>	<i>Long-term liabilities</i>	<i>2021</i>	<i>2020 (as restated)</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds	26,962,528	(310,010)	(3,955,020)	22,697,498	21,500,234
Undesignated funds	4,159,515	460,734	-	4,620,249	5,249,356
	<u>31,122,043</u>	<u>150,724</u>	<u>(3,955,020)</u>	<u>27,317,747</u>	<u>26,749,590</u>
Restricted funds					
Little Ouseburn Mausoleum	-	5,874	-	5,874	6,353
	<u>£31,122,043</u>	<u>£156,598</u>	<u>£(3,955,020)</u>	<u>£27,323,621</u>	<u>£26,755,943</u>

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 (as restated)</i>	<i>2019 (as restated)</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds	26,962,528	(1,200,341)	(4,261,953)	21,500,234	20,747,932
Undesignated funds	4,122,395	1,126,961	-	5,249,356	5,254,547
	<u>31,084,923</u>	<u>(73,380)</u>	<u>(4,261,953)</u>	<u>26,749,590</u>	<u>26,002,479</u>
Restricted funds					
Little Ouseburn Mausoleum	-	6,353	-	6,353	6,661
	<u>£31,084,923</u>	<u>£(67,027)</u>	<u>£(4,261,953)</u>	<u>£26,755,943</u>	<u>£26,009,140</u>
Designated funds		<i>Balance at 1 April 2020 (as restated)</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2021</i>
Heritage assets		<u>£21,500,234</u>	<u>£(115,846)</u>	<u>£1,313,110</u>	<u>£22,697,498</u>
		<i>Balance at 1 April 2019 (as restated)</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2020 (as restated)</i>
Heritage assets (as restated)		<u>£20,747,932</u>	<u>£(162,810)</u>	<u>£915,112</u>	<u>£21,500,234</u>

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

16 FUNDS cont'd

Undesignated funds:

	<i>Balance at 1 April 2020 (as restated)</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£
Share capital	130,000	-	-	130,000
Income and expenditure	3,163,727	538,017	(1,313,110)	2,388,634
Revaluation reserve	1,955,629	145,986	-	2,101,615
Undesignated assets	<u>£5,249,356</u>	<u>£684,002</u>	<u>£(1,313,110)</u>	<u>£4,620,248</u>
	<i>Balance at 1 April 2019 (as restated)</i>	<i>Income/ (expenditure)</i>	<i>Transfers</i>	<i>Balance at 31 March 2020 (as restated)</i>
	£	£	£	£
Share capital	130,000	-	-	130,000
Income and expenditure	3,166,787	912,052	(915,112)	3,163,727
Revaluation reserve	1,957,760	(2,131)	-	1,955,629
Undesignated assets <i>(as restated)</i>	<u>£5,254,547</u>	<u>£909,921</u>	<u>£(915,112)</u>	<u>£5,249,356</u>

The undesignated fund has remained in credit during the year (2020 the fund remained in credit).

During the year £1,313,110 was transferred from undesignated funds to designated funds (2020 £915,112). This figure represents the balance of the purchase cost of heritage properties and the draw down and repayments of loans.

Restricted funds:

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Little Ouseburn Mausoleum	6,353	-	(479)	-	5,874
York Citizens Theatre Trust	-	112,699	(112,699)	-	-
Historic England	-	23,952	(23,952)	-	-
	<u>£6,353</u>	<u>£136,651</u>	<u>£(137,130)</u>	<u>-</u>	<u>£5,874</u>
	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
Little Ouseburn Mausoleum	<u>£6,661</u>	<u>£-</u>	<u>£(308)</u>	<u>£-</u>	<u>£6,353</u>

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.

During the year we received £112,699 from York Citizen's Theatre Trust for works related to the roof space and the historic ceiling and for improving access for future inspections at the Theatre Royal York. In addition we received £23,952 from Historic England to restore the rotunda in the Assembly Rooms. We are extremely grateful to both organisations for their support in conserving these heritage properties to operating standards. Both grants were fully spent in the year.

YORK CONSERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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

	<i>2021</i>	<i>2020</i>
	£	<i>as restated</i> £
Net income for the reporting period	421,691	748,934
Adjustments for:		
Depreciation charges	123,919	68,674
Profit on disposal of assets	-	(1,129)
Property impairment	-	100,999
Returns from investments and interest	(114,725)	(114,236)
Decrease/(increase) in debtors	5,182	(26,541)
(Decrease) in creditors	(127,669)	(73,053)
Net cash provided by operating activities	<u>£308,398</u>	<u>£703,648</u>

18. RELATED PARTY TRANSACTIONS

During the year no travel and hotel expenses (2020 £11,823) were reimbursed to any of the trustees (2020 8)

The chief executive officer is a member of key management personnel and rented a flat during the year. This was an arms length transaction at market value of £6,900 per year (2020 £6,900).

There was no remuneration paid to trustees during the year (2020 none).

Occasionally we make grants to organisations with which our trustees and staff members are involved or have connections to. This is not unexpected, given that trustees and staff are expected to bring relevant experience in the specialist area in which we work. All such conflicts are declared and are managed according to our Trust Deed and our conflict of interest policy. During the year a grant of £5,000 (2020 £0) was made to York Foundation for Conservation and Craftsmanship of which Jonathan Bryant, chief executive officer, is a trustee. He did not, and will not, participate in any decisions relating to the Trust's funding of the organisation.

19. CAPITAL COMMITMENTS

	<i>2021</i>	<i>2020</i>
Future capital expenditure not otherwise included in these accounts:		
Contracted for	<u>£212,000</u>	<u>£-</u>

20. VOLUNTEERS

Due to Covid-19, we were not able to utilise any volunteers during the year. However, we are hugely appreciative of the important work they carry out and plan to broaden the scope of volunteer involvement in future years.

21. 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 was 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 2021

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

	31 March 2020 <i>(as restated)</i>			Total Funds £
	Unrestricted		Restricted £	
	Undesignated £	Designated £		
Income and endowments from				
Donations and legacies	-	-	-	-
Charitable activities	2,167,043	-	-	2,167,043
Other trading activities	6,477	-	-	6,477
Investments	114,236	-	-	114,236
Other	41,284	-	-	41,284
Total income	2,329,040	-	-	2,329,040
Expenditure on				
Raising funds	25,935	-	-	25,935
Charitable activities	1,391,053	162,810	308	1,554,171
Total expenditure	1,416,988	162,810	308	1,580,106
Net income/(expenditure)before gains on investments	912,052	(162,810)	(308)	748,934
Losses on investments	(2,131)	-	-	(2,131)
Net income/expenditure	909,921	(162,810)	(308)	746,803
Transfers between funds	(915,112)	915,112	-	-
Net movement in funds	(5,191)	752,302	(308)	746,803
Reconciliation of funds				
Total funds brought forward	5,254,547	20,747,932	6,661	26,009,140
Total funds carried forward	£5,249,356	£21,500,234	£6,353	£26,755,943