

Company number: 07931440 (England and Wales)

Charity number: 1146219

The Auckland Project
(A Company Limited by Guarantee)

Report and Financial Statements

For the Year Ended 31 March 2022

The Auckland Project
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees (who are also the Directors of the charity for the purposes of company law) present their annual report and audited financial statements of The Auckland Project (TAP) for the year ended 31 March 2022.

OBJECTIVES AND ACTIVITIES

TAP's vision is to revive Bishop Auckland. It is doing this through the creation of several different visitor attractions and sustainable employment for job ready people in the community.

The objects of TAP as stated in the Articles of Association are as follows:

- Creating a significant, varied and high-quality visitor destination in and around the town of Bishop Auckland capable of attracting substantial 'spending footfall' and leading to the creation of new, sustainable employment both within TAP and through the independent establishment of other businesses seeking to serve that footfall.
- Operating visitor attractions on a long term, financially sustainable way such that an operating surplus is available to support the work with the local community to make them 'job ready'.
- Identifying barriers to the job market experienced by the residents of Bishop Auckland and working with them to eliminate such barriers to allow them to take advantage of the newly created jobs.
- Raising money through fund-raising and charitable activities to further enhance the work with the local community.

Volunteers

TAP continues to recognise that volunteers are an important part of the workforce and that volunteering changes lives and enhances prospects through skills development, confidence raising, improved wellbeing, knowledge, social skills, pride of place and a sense of identity. We aim to further develop volunteer led activity within the organisation to engage the local community with the heritage and cultural assets; we also aim to diversify our volunteer base in line with the local demographic.

During the year the volunteering programme engaged with 272 active volunteers over 15,700 hours in a range of visitor facing and 'behind the scenes' activities including archaeology, flower arranging, gardening, maintenance, catering, and even bee keeping. The majority of volunteers and hours were engaged in the operation and interpretation of the visitor attractions and in the excavation of the Faith Garden.

Volunteer hours so far since 1 April 2022 are 14,400 with 33 new volunteers being processed.

The Trustees are grateful for their contribution and appreciate their continue engagement.

The Auckland Project
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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

New Trustees

Bob Bigley, who retired as Chair of Trustees in December 2022 gave outstanding service to TAP as it began its transformation from building project to implementation of the visitor attraction which has arisen out of it. His time commitment to the Charity was extensive. He took on further commitments by becoming a director both of Park Head Leisure Limited and Weardale Railway Limited, two of TAP's subsidiaries.

Rob Yorke, the new Chair, a councillor in the ward of South Bishop Auckland, is CEO of a local specialist engineering company, Teescraft. He has succeeded Bob Bigley as director of Park Head Leisure and Weardale Railway.

The Rt Revd Nick Holtam, recently retired as Bishop of Salisbury, and Brendan Finucane, a retired judge and KC, are also recent additions to the board. Mr Finucane is also a trustee of TAP's sister charity The Zurbaran Trust.

Public benefit

The Trustees have due regard to the guidance published by the Charity Commission on public benefit. TAP's activities encompass a number of the charitable purposes which are referred to in the Charities Act 2011, in particular the advancement of the arts, culture and heritage, education and environmental enhancement.

ACHIEVEMENTS AND PERFORMANCE

The visitor attractions were open between 3 July to 3 October 2021 during which a total of 4,288 visitors came to Auckland Castle, the Mining Art Gallery and the Walled Garden. The plan for the 2021 season was deliberately modest with social distancing requirements in place and visitors and staff safety a priority. The short season was a stepping stone to a fuller opening in Easter 2022. The Bishop Trevor Gallery in the Castle hosted an exhibition of Dutch and Flemish paintings by, amongst others, Rembrandt, Jan Steen, Teniers the Younger, and Paulus Potter. Outside on the Broadwalk, Durham University undertook excavations between mid-May and July. This was the third year that TAP has hosted Durham University's student excavations and marked the culmination of a major programme of investigation and research centred on the site of Auckland Castle. The excavations provided further understanding of the medieval buildings on this side of the site and the full extent of the episcopal palace complex. Volunteers were on hand to engage with visitors. The Young Archaeologists Club was re-established, again with the assistance of an enthusiastic team of volunteers.

The Spanish Gallery opened October 2021 and work on the adjacent tapas bar progressed well towards an April 2022 launch. Planning for the Faith Museum also continued throughout 2021 with concept designs and briefs signed off, and the first round of loan requests issued.

We have continued to develop the Walled Garden, park grounds and the curtilage of the Castle for visitors. These with the Roman Fort at Binchester and the Eco farm, and planned links to the Kyren site will generate significant footfall on the eastern side of Bishop Auckland. We are in discussion with Durham County Council to improve visitor access and are redeveloping the Park Head Hotel to provide refreshment and lodging for those staying overnight and longer. All of these will provide employment opportunities for Bishop Auckland and add to the wider County Durham & North East visitor destination.

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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2022

The Engagement Department has connected with the local community and visitors further afield, linking them to our purpose and attractions and the team has been expanded to include a Head of Learning and Skills and a Senior Community Officer. This year two properties have reopened in the Market Place – Mrs M's and Number 43. Mrs M's is used by community groups and organisations as an event venue and meeting space. As a result, great connections have been made with businesses in the town and across Weardale. Three highlights of this year have been the development of our schools' programme, working with six schools in Bishop Auckland and welcoming over 3,000 young people to our sites. An excellent work experience programme for young people has been developed and delivered.

The work to bring the Weardale Railway back into operational service has progressed after delays for planning, licences and structural repairs. Whilst the latter are still being completed the railway line is now open between Bishop Auckland and Stanhope. A weekly heritage serve ran during the summer and a Christmas event train ran during December 2022. For next season both the event train and heritage train programmes will be expanded.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Financial summary

Full details of TAP's financial position can be found in the accompanying financial statements attached to this report. The Statement of Financial Activities shows total incoming resources of £6,586,792 (2021 - £11,293,630), total resources expended of £8,244,597 (2021 - £7,996,774) resulting in a deficit for the year of £1,657,805 (2021 surplus - £3,296,856).

Reserves policy

TAP is still in the development phase and has sufficient reserves to complete its medium term plans. In due course the Trustees will develop a reserves policy in line with its operating plan that secures the long term future of TAP. Currently all funds received are held as unrestricted unless the funding body specifically requires TAP to utilise the funding on particular activities.

At 31 March 2022 TAP had free reserves of £24,741,753 (2021 - £29,687,520).

Principal funding

The principal funding was obtained from Lempriere Pringle 2015. Details of other funds received during the year can be found in note 4 of the financial statements.

PLANS FOR THE FUTURE

The Spanish Gallery initially opened in October 2021, bringing the visitor attraction to a point where, for the 2022 season, TAP will have a varied attraction to occupy visitors for a full day. When an overnight stay becomes a natural part of a visit to Bishop Auckland the area and the County will achieve a substantial economic benefit.

Community engagement programmes are now expanding post-lockdown and a community hub has been created in the Market Place to deliver community programmes and training courses. Partnerships with other organisations are being explored to widen the benefit to the community that TAP can enable.

As a member of the Town Board, TAP is involved in the delivery of over £50m of projects funded through the Government's High Street Fund and Stronger Towns Fund that are in combination designed to upgrade the infrastructure and revitalise the town as a place to live, work and visit.

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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)* FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1146219
Company number: 07931440
Registered office: 58 Kingsway, Bishop Auckland, Co. Durham, England, DL14 7JF

Advisors

Auditors Haines Watts 17 Queens Lane, Newcastle upon Tyne, NE1 1RN
Bankers Barclays Bank Plc 6 Market Place, Durham, DH1 3ND

Directors and Trustees

The Directors of TAP are the Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Trustees: Bob Bigley (Chair) (Resigned 06 December 2022)
Robert Yorke (Chair) (Appointed 26 October 2022)
Jane Dean (Resigned 24 June 2022)
Anna Lynch
Myles Marmion
Jonathan Ruffer
Daniel Wolfe
Malcolm Rogers (Resigned 16 September 2021)
Brendan Finucane (Appointed 26 October 2022)
The Rt Revd Nick Holtam (Appointed 26 October 2022)

Patrons: Lord Rothschild
Most Rev. and RT Hon. J P Welby

Company Secretary: Nicholas Eldred

Senior Management Team: David Madden
Edward Perry (Resigned 25 June 2021, appointed 13 September 2022)
Lyndsey Short (Appointed 1 November 2021, Resigned 10 January 2023)
Rebecca Coates (Resigned 31 August 2022)
Liz Fisher (Resigned 31 January 2023)
Adrian Jenkins (Resigned 30 June 2022)
Robyn Brown
Andrew Taylor
Keith Boiston (Appointed 23 January 2023)

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

TAP is registered as a charitable company (number 07931440) limited by guarantee and was set up by a Memorandum of Association on 1 February 2012. TAP is constituted under its Memorandum of Association and is a registered charity (number 1146219). The original Articles have been approved by the Charity Commission, and subsequent amendments were approved by Special Resolution of the Members on 5 August 2016.

Appointment of Trustees

The management of TAP is the responsibility of the Trustees. New Trustees are appointed by the existing Trustees after consideration of the skills, experience and knowledge required by the Board. The Trustees hold no shares in TAP, but each Trustee, as a member, is a guarantor of TAP to an amount not exceeding £1 in the event of TAP being wound up.

Induction and training of Trustees

New Trustees are welcomed to Auckland Castle by the Chair, and introduced to the general aims and work of TAP. They are invited to take a proactive interest in those areas in which they bring particular skills, knowledge and experience. They are subsequently provided with a pack of information containing future dates, minutes of previous Trustees' meeting, the Articles of Association, contact details of fellow Trustees, the latest Audited Accounts, etc.

All Trustees are encouraged to maintain an up to date knowledge of Trustee responsibilities and to read the helpful booklets provided by the Charity Commission in this respect.

Throughout the year, between Trustees' formal meetings, they receive reports to update them on all key matters.

Organisational structure

The Trustees have appointed a Chief Executive Officer who together with senior management team is charged with the day to day running of TAP. The Senior Management team comprises heads of Development, Finance and IT, Commercial Operations, Engagement and HR.

Pay policy for senior staff

The Trustees comprise the board of Directors. The senior management team comprises the key management personnel of the charity in charge of directing and controlling, running and operating TAP on a day to day basis.

All Directors give their time freely and no Directors received remuneration in the year. Details of Directors' expenses are disclosed in note 13 to the accounts and related party transactions are disclosed in note 23 to the accounts.

The pay of the key management team is reviewed annually.

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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

Risk Assessment

Lockdowns slowed the growth of visitor numbers and delayed the completion and opening of projects reducing anticipated revenues. By way of example the costs to bring the Weardale Railway line back into operation have grown as the detail of the works required became clearer and visitor opening delayed. However, railway events offer the prospect of the railway making a positive contribution in a year or so. More broadly, TAP has the financial resources to deliver its programme and, to reduce the reliance on the principal funder, consideration is being given to identifying partners for some projects.

Related parties

TAP has a close working relationship with Jonathan Ruffer, and has received significant financial support from him, and also from Lempriere Pringle 2015 where he is a Trustee.

Contributions received from Lempriere Pringle 2015 can be found in note 4 to these accounts.

TAP also has a close working relationship with The Zurbaran Trust, where Jonathan Ruffer and Brendan Finucane are Trustees and Eleven Arches Trust where Jonathan Ruffer is a Trustee. Full details of the relationships can be found in note 23 to the accounts.

The Charitable Company provides financial support to TAP Trading Limited, Park Head Leisure Limited and Weardale Railway Limited whose results are included in the consolidated accounts of TAP. The financial support is given by way of loans which are carried in the books of the individual companies as fully repayable or recoverable and in the case of Weardale Railway Limited are secured on the assets of the company. The support is given in the furtherance of the overall charitable objectives in order to allow the underlying entities to become established. It is intended that the loans will be repaid over time as the financial circumstances of the borrower allow. The total value of the loans can be found in 'Amounts due from group undertakings' in note 18 to the accounts and individually in the accounts of TAP Trading Limited, Park Head Leisure Limited and Weardale Railway Limited.

Auditors

In accordance with the Companies Act 2006 a resolution proposing the appointment of Haines Watts as auditor for the year ending 31 March 2023 will be put to the members.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also Directors of The Auckland Project for the purpose of company law) are responsible for preparing the Trustees Report (including the Strategic 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 the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing these financial statements, the Trustees are required to:

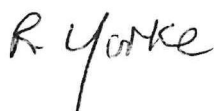
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on 23rd February 2023 and signed on their behalf by:



.....
Robert Yorke
Trustee



.....
Myles Marmion
Trustee

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT
FOR THE YEAR ENDED 31 MARCH 2022**

Opinion

We have audited the financial statements of The Auckland Project (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charitable Company Balance Sheet, the Consolidated Cash Flow Statement 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 group's and charitable company's affairs as at 31 March 2022, and of the group's 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 group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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 AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

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 the audit:

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent 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 by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the companies Act 2006 and we report in accordance with this Act.

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.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011, Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2022

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.



Donna Bulmer BA(Hons) ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts North East Audit LLP

Statutory Auditor

27 February 2023

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

The Auckland Project

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account)**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Donations	4	5,020,134	376,859	5,396,993	10,447,532
Other trading activities					
Subsidiary income		190,928	-	190,928	101,497
Investments	5	320,356	-	320,356	299,085
Other	6	678,515	-	678,515	445,516
Total income		6,209,933	376,859	6,586,792	11,293,630
Expenditure on:					
Raising funds					
Subsidiary expenditure		1,517,146	-	1,517,146	724,756
Other		120,867	-	120,867	142,640
Charitable activities	7	6,040,663	565,921	6,606,584	7,129,378
Total expenditure		7,678,676	565,921	8,244,597	7,996,774
Net movement in funds before investment (loss)/gain		(1,468,743)	(189,062)	(1,657,805)	3,296,856
Loss on investment		(8,113)	-	(8,113)	-
Transfer between funds	21	(29,448)	29,448	-	-
Net movement in funds after transfers		(1,506,304)	(159,614)	(1,665,918)	3,296,856
Reconciliation of funds					
Total funds brought forward		88,320,867	694,979	89,015,846	85,718,990
Total funds carried forward		86,814,563	535,365	87,349,928	89,015,846

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

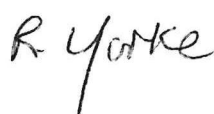
The Auckland Project
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CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

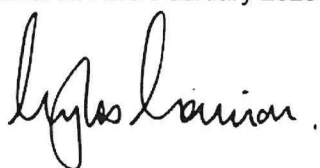
	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	14		42,768,120		40,243,055
Heritage assets	15		17,546,931		16,859,183
Intangible assets	16		247,759		198,739
Investments	17		1,510,000		1,518,113
			<u>62,072,810</u>		<u>58,819,090</u>
Current assets					
Stock		72,339		61,428	
Debtors	18	1,171,154		1,772,780	
Cash at bank and in hand		25,894,962		29,949,245	
		<u>27,138,455</u>		<u>31,783,453</u>	
Creditors: amounts falling due within one year	19	(1,861,337)		(1,586,697)	
		<u></u>		<u></u>	
Net current assets			25,277,118		30,196,756
Net assets			<u>87,349,928</u>		<u>89,015,846</u>
			<u></u>		<u></u>
Funds					
Unrestricted funds			86,814,563		88,320,867
Restricted funds			535,365		694,979
	21		<u>87,349,928</u>		<u>89,015,846</u>
			<u></u>		<u></u>

The notes on pages 17 to 39 form part of these financial statements.

The financial statements were approved by the Trustees on 23rd February 2023 and signed on their behalf by:



Robert Yorke
Trustee



Myles Marmion
Trustee

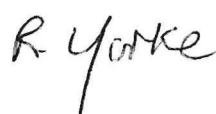
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CHARITABLE COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	14		41,965,047		39,631,972
Heritage assets	15		17,546,931		16,859,183
Intangible assets	16		106,888		198,739
Investments	17		1,510,201		1,518,313
			<u>61,129,067</u>		<u>58,208,207</u>
Current assets					
Debtors	18	5,116,101		3,993,776	
Cash at bank and in hand		25,649,005		29,926,152	
			<u>30,765,106</u>	<u>33,919,928</u>	
Creditors: amounts falling due within one year	19	(1,584,447)		(1,473,563)	
			<u></u>	<u></u>	
Net current assets			29,180,659		32,446,365
Net assets			<u>90,309,726</u>		<u>90,654,572</u>
			<u></u>		<u></u>
Funds					
Unrestricted funds			89,774,361		89,959,593
Restricted funds	21		535,365		694,979
			<u>90,309,726</u>		<u>90,654,572</u>
			<u></u>		<u></u>

The notes on pages 17 to 39 form part of these financial statements.

The financial statements were approved by the Trustees on 23rd February 2023 and signed on their behalf by:



.....
Robert Yorke
Trustee



.....
Myles Marmion
Trustee

Company Number: 07931440

The Auckland Project
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Net cash flow from operating activities:			
<i>Net cash provided by / (used in) operating activities</i>	27	(643,953)	3,595,684
Cash flows from investing activities			
Interest and rents received		323,706	299,085
Purchase of tangible assets		(3,722,472)	(7,363,846)
Acquisition of subsidiary net of cash received		(11,564)	-
<i>Net cash flow from investing activities</i>		(3,410,330)	(7,064,761)
Net increase in cash and cash equivalents		(4,054,283)	(3,469,077)
Cash and cash equivalents at the beginning of the year		29,949,245	33,418,322
Cash and cash equivalents at the end of the year		25,894,962	29,949,245
Cash and cash equivalents consist of:			
Cash at bank and in hand		25,894,962	29,949,245

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

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 (FRS 102) 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 Practice.

TAP meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared 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.

1.2 Basis of consolidation

The financial statements consolidate the results of TAP and its wholly owned subsidiaries TAP Trading Limited and Weardale Railway Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because TAP has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

1.4 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of TAP and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by TAP for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

1.5 Income

All incoming resources are included in the Statement of Financial Activities when TAP has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations from individuals and charitable Trusts are recognised when notification of payment is received, unless there are specific conditions attached.

No amount is included within the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees Report.

Investment income is earned through holding assets for investment purposes such as cash held on deposit and property. It includes interest and rent. Interest income is recognised when receivable and rental income is recognised as TAP's right to receive payment is established.

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all costs incurred in the running of the trading subsidiary; and
- Expenditure on charitable activities includes all direct and support costs incurred in the management of the charity.

Irrecoverable VAT is charged as a cost against the expenditure when incurred.

1.7 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.8 Tangible fixed assets

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.

Freehold land and buildings	- over 50 years following year of acquisition
Leasehold land and buildings	- over the shorter of the length of the lease or over 50 years following year of acquisition
Building improvements	- over 10 to 20 years
Fixtures, fittings and equipment	- over 3 to 5 years

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

1.9 Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Capitalised Software	- over 4 years
Goodwill	- over 5 years

1.10 Asset under construction

Costs relating to projects where there is significant refurbishment, building or other significant activities of a development nature (eg IT projects) are held as 'Assets under Construction' and not depreciated.

Assets are transferred to the relevant fixed asset category when the work is complete and the asset is placed into service.

Once transferred such assets are depreciated in accordance with the accounting policy relevant to the asset category to which they have been transferred.

1.11 Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated impairment losses. Heritage assets are deemed to have indeterminate lives and a high residual value, hence the Trustees do not consider it appropriate to charge depreciation.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

1.12 Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities.

1.13 Investments

Investments in subsidiary undertakings are held at cost less impairment.

1.14 Stock

Stock is valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

1.15 Debtors

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

1.16 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.

1.17 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 recognised at their settlement after allowing for any trade discounts due.

1.18 Pensions

TAP operates a money purchase pension scheme. Amounts payable by TAP are included in the Statement of Financial Activities when the related salary is paid. Unremitted amounts are included in creditors.

1.19 Financial instruments

TAP 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.

1.20 Judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant accounting estimates which are considered to materially impact the financial statements.

2. Legal status

TAP is a company limited by guarantee, registered in England and Wales, (number 07931440) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

3. Statement of financial activities from the prior year

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations	4	9,628,843	818,689	10,447,532	16,579,838
Other trading activities					
Subsidiary income		101,497	-	101,497	303,126
Other		(1,244)	-	(1,244)	16,279
Investments	5	299,085	-	299,085	536,703
Other	6	446,760	-	446,760	552,587
Total income		<u>10,474,941</u>	<u>818,689</u>	<u>11,293,630</u>	<u>17,988,533</u>
Expenditure on:					
Raising funds					
Subsidiary expenditure		724,756	-	724,756	650,986
Other		142,640	-	142,640	94,126
Charitable activities	7	6,413,959	715,419	7,129,378	9,550,661
Total expenditure		<u>7,281,355</u>	<u>715,419</u>	<u>7,996,774</u>	<u>10,295,773</u>
Net movement in funds before transfers		<u>3,193,586</u>	<u>103,270</u>	<u>3,296,856</u>	<u>7,692,760</u>
Transfer between funds	21	(156,217)	156,217	-	-
Net movement in funds after transfers		<u>3,037,369</u>	<u>259,487</u>	<u>3,296,856</u>	<u>7,692,760</u>
Reconciliation of funds					
Total funds brought forward		85,283,498	435,492	85,718,990	78,026,230
Total funds carried forward		<u>88,320,867</u>	<u>694,979</u>	<u>89,015,846</u>	<u>85,718,990</u>

The Auckland Project

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**4. Income from donations**

	2022	2021
	£	£
Lempriere Pringle 2015	5,000,000	7,250,000
Jonathan Ruffer	-	1,750,000
National Lottery Heritage Fund	-	81,426
Seedbed Christian Community Trust	-	100,000
Heritage England	109,641	106,322
Garfield Weston	-	200,000
Wolfson Foundation	-	250,000
Government Grants	-	626,459
Tees Valley Combined Authority	100,000	-
The Jerusalem Trust Foundation	150,000	-
Other (less than £50,000)	37,352	83,325
	<u>5,396,993</u>	<u>10,447,532</u>

5. Investment income

	2022	2021
	£	£
Interest received	21,685	11,607
Rental income	298,671	287,478
	<u>320,356</u>	<u>299,085</u>

6. Other income

	2022	2021
	£	£
The Zurbaran Trust	268,476	268,476
Durham University	105,500	140,667
Museum Tax Relief	174,433	-
Other	130,106	36,373
	<u>678,515</u>	<u>445,516</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total 2022	Total 2021
	£	£	£	£
Projects in progress	1,821,445	386,038	2,207,483	2,562,084
Operational activities	3,578,881	803,493	4,382,374	4,556,805
Feasibility activities	13,802	2,925	16,727	10,489
	<u>5,414,128</u>	<u>1,192,456</u>	<u>6,606,584</u>	<u>7,129,378</u>

8. Support costs

	2022	2021
	£	£
Staff costs	905,357	621,784
Office costs	177,682	214,612
External professional costs	60,583	62,500
Other costs	13,119	18,759
Governance costs (note 9)	35,715	26,126
	<u>1,192,456</u>	<u>943,781</u>

9. Governance costs

	2022	2021
	£	£
Auditors fees	20,500	13,850
Trustee insurances	2,962	4,064
External professional costs	9,068	8,146
Other costs	3,185	66
	<u>35,715</u>	<u>26,126</u>

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

10. Net income for the year

Net income is stated after charging;

	2022	2021
	£	£
Amortisation	123,129	81,610
Depreciation	533,435	516,293
Operating lease costs	68,000	29,167
	<u> </u>	<u> </u>

11. Auditors remuneration

The auditors remuneration amounts to an audit fee of £20,500 (2021 - £13,850) and non-audit fees of £1,575 (2021 - £1,575).

12. Financial performance of the charitable company

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiaries.

The summary financial performance of the charity alone is;

	2022	2021
	£	£
Income	6,599,357	11,172,020
Expenditure	(6,936,090)	(7,272,018)
Loss on investment	(8,113)	-
	<u> </u>	<u> </u>
Net (deficit) / surplus	(344,846)	3,900,002
	<u> </u>	<u> </u>

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

The total staff costs and employees benefits were as follows:

	2022	2021
	£	£
Wages and salaries	2,188,757	2,913,560
Social security costs	218,292	248,215
Other pension costs	117,026	139,965
	<u>2,524,074</u>	<u>3,301,740</u>

The average number of employees and full time equivalent (FTE) during the year was as follows:

	2022	2022	2021	2021
	Number	FTE	Number	FTE
Visitor services	7	7	16	16
Marketing	-	-	5	5
Management and administration	18	18	20	20
Project management and delivery	22	22	6	6
Education and Arts	6	6	15	15
Property and grounds maintenance	2	2	14	14
Fundraising	12	12	1	1
Community Engagement	3	3	11	11
	<u>70</u>	<u>70</u>	<u>88</u>	<u>88</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	Number	Number
	2022	2021
In the band £60,001 - £70,000	-	-
In the band £70,001 - £80,000	4	4
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	-	-
In the band £110,001 - £120,000	1	1
	<u>8</u>	<u>6</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel expenses (continued)

The Trustees were not paid or received any other benefits from employment in the year (2022 – £nil). No Trustee received payment for professional or other services supplied to the charity (2021 - £nil).

From time to time, TAP pays the travelling expenses or accommodation costs for Trustees to attend meetings. The total amounts paid in the year are £2,261 (2021 - £nil).

The key management personnel of the charity comprise the Trustee and Senior Management Team identified on page 5. The total employee benefits of the Management Team of the charity were £552,704 (2021 - £657,115).

14. Tangible fixed assets
Consolidated

	Assets under construction £	Freehold land and buildings £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost					
At 1 April 2021	24,550,348	12,673,451	1,106,835	3,166,061	41,496,695
Additions	3,465,693	39,579	-	245,122	3,750,394
Disposals	(1,041)	-	-	-	(1,041)
Transfer of assets under construction	(14,387,352)	11,064,693	-	2,631,806	(690,853)
At 31 March 2022	13,627,648	23,777,723	1,106,835	6,042,989	44,555,195
Depreciation					
At 1 April 2021	-	525,978	64,399	663,263	1,253,640
Charge for the year	-	207,432	17,071	308,932	533,435
At 31 March 2022	-	733,410	81,470	972,195	1,787,075
Net book value					
At 31 March 2022	13,627,648	23,044,313	1,025,365	5,070,794	42,768,120
At 31 March 2021	24,550,348	12,147,473	1,042,436	2,502,798	40,243,055

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

14. Tangible fixed assets (continued)
Charitable company

	Assets under construction £	Freehold land and buildings £	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost					
At 1 April 2021	24,550,348	12,233,451	1,106,835	2,981,061	40,871,695
Additions	3,465,693	39,579	-	10,301	3,515,573
Disposals	(1,041)	-	-	-	(1,041)
Transfer of assets under construction	(14,387,352)	11,064,693	-	2,631,806	(690,853)
At 31 March 2022	13,627,648	23,337,723	1,106,835	5,623,168	43,695,374
Depreciation					
At 1 April 2021	-	525,978	64,399	649,346	1,239,723
Charge for the year	-	207,432	17,071	266,101	490,604
At 31 March 2022	-	733,410	81,470	915,447	1,730,327
Net book value					
At 31 March 2022	13,627,648	22,604,313	1,025,365	4,707,721	41,965,047
At 31 March 2021	24,550,348	11,707,473	1,042,436	2,331,715	39,631,972

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

15. Heritage assets

Consolidated and Charitable Company

	Freehold land and buildings £
Cost and Net Book Value	
At 1 April 2021	16,859,183
Additions	-
Transfer of assets under construction	687,748
Disposals	-
	<hr/>
At 31 March 2022	17,546,931
	<hr/> <hr/>

Heritage assets are defined as tangible property with historical, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. The Trustees consider the assets held fall within this definition. As explained in note 1 these assets are included in the charity's balance sheet at cost.

The charity owns two heritage asset sites; Auckland Castle and Binchester Roman Fort both located within the area of Bishop Auckland.

Acquisitions only arise when donated or if it is believed that they will further the charity's objectives.

All expenditure on the conservation and maintenance of the two sites has been charged to the Statement of Financial Activities. Expenditure incurred on the restoration of the assets is capitalised.

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

16. Intangible assets
Consolidated

	Goodwill	Capitalised software	Total
	£	£	£
Cost			
At 1 April 2021	-	419,459	419,459
Additions	169,044	-	169,044
Transfer of assets under construction	-	3,105	3,105
	<hr/>	<hr/>	<hr/>
At 31 March 2022	169,044	422,564	591,608
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 April 2021	-	220,720	220,720
Charge for the year	28,173	94,956	123,129
	<hr/>	<hr/>	<hr/>
At 31 March 2022	28,173	315,676	343,849
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2022	140,871	106,888	247,759
	<hr/>	<hr/>	<hr/>
At 31 March 2021	-	198,739	198,739
	<hr/>	<hr/>	<hr/>

Charitable Company

	Capitalised software	Total
	£	£
Cost		
At 1 April 2021	419,459	419,459
Additions	-	169,044
Transfer of assets under construction	3,105	3,105
	<hr/>	<hr/>
At 31 March 2022	422,564	591,608
	<hr/>	<hr/>
Amortisation		
At 1 April 2021	220,720	220,720
Charge for the year	94,956	123,129
	<hr/>	<hr/>
At 31 March 2022	315,676	343,849
	<hr/>	<hr/>
Net book value		
At 31 March 2022	106,888	247,759
	<hr/>	<hr/>
At 31 March 2021	198,739	198,739
	<hr/>	<hr/>

The Auckland Project
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

17. Investments

	Consolidated		Charitable Company	
	2022	2021	2022	2021
	£	£	£	£
Investment properties	1,510,000	1,518,113	1,510,000	1,518,113
Share in subsidiary undertaking	-	-	201	200
	<u>1,510,000</u>	<u>1,518,113</u>	<u>1,510,201</u>	<u>1,518,313</u>
Investment properties				
				£
Valuation				
At 1 April 2021				1,518,113
Loss on investment				(8,113)
31 March 2022				<u>1,510,000</u>
Net book value				
At 31 March 2022				<u>1,510,000</u>
At 31 March 2021				<u>1,518,113</u>
Historical cost				<u>1,549,463</u>
Investments in subsidiaries				
	2022		2021	
	£		£	
Cost and Net Book Value				
At 1 April 2021	200		200	
Additions	1		-	
At 31 March 2022	<u>201</u>		<u>200</u>	

The Auckland Project

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**17. Investments (Continued)**

Company	Country	Percentage Shareholding	Description
TAP Trading Limited	England and Wales	100%	Ordinary

TAP Trading Limited carries out the day to day charitable visitor activities of TAP and performs some non charitable retailing, catering and functions activities. The results and summary of assets and liabilities of the company are as follows:

	2022	2021
	£	£
Turnover	164,486	58,383
Other Income – Government Grants	13,031	117,670
Cost of sales	(153,036)	(243,816)
Administrative expenses	(145,050)	(88,821)
Loss for the year	(120,569)	(156,584)

	2022	2021
	£	£
Total assets	205,759	117,044
Total liabilities	(1,427,597)	(1,218,313)
Shareholders' funds	(1,221,838)	(1,101,269)

Company	Country	Percentage Shareholding	Description
Weardale Railway Limited	England and Wales	100%	Ordinary

Weardale Railway Limited was incorporated on 8 January 2020. The company purchased the assets of the Weardale Railway on 23 March 2020. The company is restoring the rail link between Bishop Auckland and Weardale to preserve items of local interest in the local area and recommencing heritage and passenger services. The results and summary of assets and liabilities of the company are as follows:

	2022	2021
	£	£
Turnover	-	41,114
Cost of sales	(500)	(426)
Administrative expenses	(892,739)	(557,321)
Other Operating income	17,950	24,148
Interest payable	(89,824)	(44,870)
Loss for the year	(965,113)	(537,355)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

17. Investments (Continued)

	2022	2021
	£	£
Total assets	996,474	665,481
Total liabilities	(2,498,842)	(1,202,836)
Shareholders' funds	(1,502,368)	(537,355)

Acquisition of subsidiary undertaking

Company	Percentage Country	Shareholding	Description
Park Head Leisure Limited	England and Wales	100%	Ordinary

On 21 May 2021 the Group acquired 100 per cent of the issued share capital of Park Head Leisure Limited of £1 for total consideration of £1. The company operates the Park Head Hotel in Bishop Auckland. Acquisitions are accounted for under the acquisition method. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group:

	Book value £	Adjustments £	Fair value to Group £
Tangible Fixed Assets	27,922	-	27,922
Current assets			
Debtors	1,675	-	1,675
Cash	(11,563)	-	(11,563)
Total assets	18,034	-	18,034
Creditors			
Trade creditors	43,175	-	43,175
Accruals	1,500	-	1,500
Other creditors	142,402	-	142,402
Total liabilities	187,077	-	187,077
Net assets	(169,043)	-	(169,043)
Total consideration			1
Goodwill			169,044

In the period ended 31 March 2022, income of £805 and retained losses £207,118 were included in the consolidated profit and loss account of The Auckland Project in respect of Park since the acquisition date.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

18. Debtors

	Consolidated		Charitable Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	129,786	57,142	127,986	53,646
Recoverable VAT	264,787	859,924	221,444	848,522
Prepayments and accrued income	536,992	337,599	454,222	363,135
Other debtors	239,589	518,115	239,589	517,365
Amounts due from group undertakings	-	-	4,072,860	2,211,108
	<u>1,171,154</u>	<u>1,772,780</u>	<u>5,116,101</u>	<u>3,993,776</u>

Further information relating to the amounts due from group undertakings can be found in the Trustees' Report on page 7.

19. Creditors: amounts falling due within one year

	Consolidated		Charitable Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	1,411,572	1,140,090	1,283,192	1,062,160
Social Security and taxes	83,576	66,246	86,910	63,141
Accruals and deferred income	345,107	356,644	214,345	344,875
Other creditors	21,082	23,717	-	3,387
	<u>1,861,337</u>	<u>1,586,697</u>	<u>1,584,447</u>	<u>1,473,563</u>

20. Operating leases

The future minimum lease payments under non-cancellable operating leases are as follows;

	2022	2021
	£	£
Not later than one year	82,391	-
Later than one and not later than five years	329,564	-
In more than five years	989,394	-
	<u>1,401,349</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

21. Fund reconciliation

Year ended 31 March 2022

	Balance at 1 April 2021	Income	Expenditure	Transfers in/out	Gains/ (losses)	Balance at 31 March 2022
Unrestricted funds						
General fund	88,320,867	6,209,933	(7,678,676)	(29,448)	(8,113)	86,814,563
Restricted funds						
National Lottery Heritage Fund	-	6,507	(35,955)	29,448	-	-
Development of the Spanish Art Gallery	-	150,000	(150,000)	-	-	-
Walled Garden Apprentice Scheme	212,421	-	-	-	-	212,421
Restoration of the Gardens	106,322	89,927	(196,249)	-	-	-
Engagement activities	376,236	10,711	(91,346)	-	-	295,601
Centre for Young People	-	19,714	(18,495)	-	-	1,219
Geothermal	-	100,000	(73,876)	-	-	26,124
	694,979	376,859	(565,921)	29,448	-	535,365
Total funds	89,015,846	6,586,792	(8,244,597)	-	(8,113)	87,349,928

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

21. Fund reconciliation (Continued)

Year ended 31 March 2021

	Brought Forward	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted Funds					
General fund	85,283,498	10,474,941	(7,281,355)	(156,217)	88,320,867
Restricted Funds					
National Lottery Heritage Fund	-	81,426	(237,643)	156,217	-
Development of the Spanish Art Gallery	-	250,000	(250,000)	-	-
Walled Garden Apprentice Scheme	332,713	-	(120,292)	-	212,421
Restoration of the Gardens	-	106,322	-	-	106,322
Engagement activities	102,779	380,941	(107,484)	-	376,236
	<u>435,492</u>	<u>818,689</u>	<u>(715,419)</u>	<u>156,217</u>	<u>694,979</u>
Total funds	<u>85,718,990</u>	<u>11,293,630</u>	<u>(7,996,774)</u>	<u>-</u>	<u>89,015,846</u>

The transfer from restricted funds relates to capital assets purchased. The restriction lifts when the purchases are made.

National Lottery Heritage Fund

The National Lottery Heritage Fund continues to support the development of the Castle and Faith Museum and related community initiatives. Funds are conditional on matched funding being made available and are subject to drawdown on a variable percentage basis following cost defrayment. Amounts reported as received in the year relate to the recovery of appropriate costs at the agreed percentages.

It is not possible to segregate the specific costs funded on the matched basis as the match comes from a number of sources including restricted and non-restricted contributions and costs are subject to variable percentage funding rates by the National Lottery Heritage Fund. Amounts expended in the year relate to all I & E Costs of the underlying activities supported by the National Lottery Heritage Fund.

The amount transferred in the year brings the funding carried forward to zero as all conditions of the funder are satisfied ahead of drawdown and represents the combination of capital costs supported by the National Lottery Heritage Fund and the balance of funding necessary to replenish unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022

21. Fund reconciliation (Continued)

Walled Garden Apprentice Scheme

The Garfield Weston Foundation contributed £1,000,000 towards an apprenticeship training scheme based on the development of the Walled Garden in the year ended 31 March 2017.

At the 31 March 2020 TAP had deployed £667,287 leaving an undeployed balance brought forward of £332,713. A further £120,292 was deployed in the year leaving an undeployed balance to be carried forward of £212,421.

Development of the Spanish Art Gallery

TAP received a further £250,000 from the Wolfson Foundation towards the development of the Spanish Art Gallery in April 2020 bringing the total contribution to £500,000. The amount was deployed in the year.

Engagement activities

TAP receives grant support towards a range of initiatives in conjunction with the engagement and community development agenda from a number of donors. At 31 March 2021 there was an undeployed balance brought forward of £376,236.

During the year a further £30,425 was received including inter alia £2,945 from the Garfield Weston Foundation to support TAP's work aimed at identifying barriers local community members are facing and have to overcome to improve their physical and natural environment and £19,714 from Historic England to develop a project aimed at creating a community hub in Bishop Auckland.

During the year £109,841 was deployed leaving an undeployed balance to be carried forward of £296,821. Subsequent to the year end £83,978 was returned to Garfield Weston and it was concluded that TAP's work could be duplicating work of other charitable organisations.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

22. Analysis of net assets between funds

Year ended 31 March 2022

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Tangible assets	42,768,120	-	42,768,120	40,423,055
Heritage assets	17,546,931	-	17,546,931	16,859,183
Intangible assets	247,759	-	247,759	198,739
Investments	1,510,000	-	1,510,000	1,518,113
Current assets	26,603,090	535,365	27,138,455	35,294,239
Creditors amounts due within one year	(1,861,337)	-	(1,861,337)	(1,628,396)
	<u>86,814,563</u>	<u>535,365</u>	<u>87,349,928</u>	<u>89,015,846</u>

Year ended 31 March 2021

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Tangible assets	40,243,055	-	40,243,055	33,655,844
Heritage assets	16,859,183	-	16,859,183	16,652,229
Intangible assets	198,739	-	198,739	226,961
Investments	1,518,113	-	1,518,113	1,518,113
Current assets	31,088,474	694,979	31,783,453	35,294,239
Creditors amounts due within one year	(1,586,697)	-	(1,586,697)	(1,628,396)
	<u>88,320,867</u>	<u>694,979</u>	<u>89,015,846</u>	<u>85,718,990</u>

23. Related Party Transactions

TAP has a close working relationship with Jonathan Ruffer, and has received significant financial support from him, and also from Lempriere Pringle 2015 where he is a Trustee.

During the period £nil was received from Jonathan Ruffer (2021 - £1,750,000).

Income of £5,000,000 (2021 - £7,250,000) was received from Lempriere Pringle 2015.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

23. Related Party Transactions (Continued)

TAP also has a close working relationship with The Zurbaran Trust, which was set up to hold The Zurbaran paintings which are on display at the Castle as an endowment. Jonathan and Jane Ruffer are also Trustees of The Zurbaran Trust. A collection management agreement has been signed between the two charitable companies. Certain costs relating to The Zurbaran Trust (such as insurance, security costs, etc) are borne by TAP, with £268,476 (2021 – £268,476) being invoiced to The Zurbaran Trust. The Zurbaran Trust invoiced TAP £268,476 (2021 – £268,476) relating to image rights of The Zurbaran Trust.

TAP also contributes to The Zurbaran Trust from the retail profits of the Mining Art Gallery as agreed when the main content of the gallery was made available to TAP from pictures owned by The Zurbaran Trust. During the year £nil was contributed as the Gallery has remained closed (2021 : £nil)

At the year end £nil was due to The Zurbaran Trust (2021 - £nil).

Two of TAP's properties are rented to Jonathan and Jane Ruffer. The rent received for the period totals £12,331. The arrangement has been approved by the Charity Commission.

24. Pension Commitments

TAP operates a money purchase pension scheme. The pension scheme cost charge of £117,026 (2021 - £139,965) represent amounts payable by TAP. Unremitted amounts of £13,917 (2021 - £10,437) representing one month's deductions is included in creditors.

25. Financial Commitments

Commitments for the acquisition of tangible fixed assets approved by the Trustees but not provided in the financial statements amounted to £7.6m (2021 - £5.1m).

26. Contingent Liability

On 18 July 2016 a legal charge was registered against TAP by the Trustees of The National Heritage Memorial Fund as security for any sums that may become due to NHLF as a condition of making the original grant of £11.4m.

The grant conditions confirm that the terms of the contract last for 20 years from the project completion date and reflect various conditions under which all or part of the grant may be required to be repaid and other conditions where amounts in excess of the grant may be required to be repaid. Accordingly, it is deemed impractical to calculate any future possible liability.

At 31 March 2022 TAP has drawn down £10.3m of the total available grant of £11.4m with the remainder of the draw down largely associated with the fit out of the Faith Museum, work on which is progressing. To date, TAP has received no notice from NHLF regarding any sums they consider may be due to them.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2022**27. Reconciliation of net income to net cash flow from operating activities**

	2022	2021
	£	£
Net deficit for the year	(1,665,918)	3,296,856
Interest and received from investments	(320,356)	(299,085)
Valuation loss	8,113	-
Amortisation on intangible assets	123,129	81,610
Depreciation on tangible assets	533,435	516,293
Loss on disposal of fixed assets	1,041	-
Decrease in debtors	599,951	43,893
Increase in creditors	87,563	(41,893)
Increase in stock	(10,911)	(2,184)
Net cash flow from operating activities	<u>(643,953)</u>	<u>3,595,684</u>