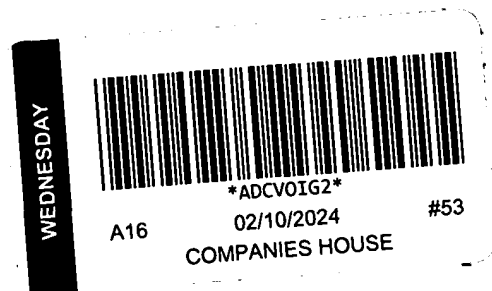


Company number: 07931440 (England and Wales)
Charity number: 1146219

The Auckland Project
(A Company Limited by Guarantee)
Report and Financial Statements
For the Year Ended 31 March 2024



The Auckland Project
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

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 2024.

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

Volunteers are an important element of the TAPs purpose and operation. We are increasingly seeing the evidence 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. And our volunteers comprise the majority of the Visitor Operations team who meet, greet, serve and engage the visitors to our attractions. In 2023/24 we saw volunteers successfully gain paid roles not only with TAP but further afield. For instance, volunteer Chloe secured a role with Morrisons in Autumn 2023. She shared, "Volunteering in The Auckland Project gift shops helped me prepare for work by providing me with useful experience in customer service. It was a thoroughly enjoyable experience."

We also welcomed a number of undergraduates from Durham University who gain valuable experience in our galleries.

We aim to further develop volunteer-led activities to engage the local community with heritage and cultural assets and to diversify our volunteer base to reflect the local demographic.

In the past year, our volunteering program received 187 applications. During the year, an average of 468 active volunteers recorded a total of 21,222 hours which is an increase of 62% in average volunteer numbers and 13% on hours compared to 2022/23. 222 volunteers (75%) support the operation and interpretation of our visitor attractions (15,190 hours); other areas of volunteering are Curatorial (21%), Engagement & Learning (17%), Park & Gardens (7%), Catering & Events (2%), Facilities (1%) and Weardale Railway (3%) including activities such as: Developing our holiday let offer, supporting engagement activities and fundraising for the Henry VIII Tapestry campaign and assisting with AGLOW, our first major outdoor event at Christmas.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

The increase in volunteering within the garden and parks team, due to the Big Help Out activities, was reflected in the 2,129 hours recorded.

June 2023 saw the inaugural TAP Celebrating Volunteering Event during Volunteers Week, a highlight that acknowledged contributions from new volunteers and recognised outstanding achievements. We will continue to grow storytelling around the impact of volunteering, highlighting not only the benefits to the volunteers but also the positive effects on staff, members, teams, and stakeholders.

We continue to adapt our volunteering program to offer flexibility and choice, maintaining recruitment for Visitor Operations while expanding opportunities in other areas. For example, the Education team can engage with many more schools thanks to a dedicated team of volunteers. The stories volunteers share with the children make a significant impact, with many children returning on repeat visits, hoping to see the same volunteers. In 2023/2024, 364 education volunteer hours were recorded.

We have increased opportunities for corporate partnerships to boost volunteering. In 2023/2024, we recorded 534 hours of corporate volunteering. One partner remarked, "A big thank you from us at GSK for the opportunity to volunteer for the day. The apprentices enjoyed the day, and the purpose of them getting to know each other better was definitely achieved."

We continue to aim to further develop volunteer delivered activity within the organisation to engage the local community with the heritage and cultural assets and we continue to aim to diversify our volunteer base in line with the local demographic.

The Trustees truly acknowledge the unique gift of time that all volunteers support TAP with. Their understanding of this vital resource leads the organisation in continuing to grow its engagement of new and existing volunteers.

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 opened Wednesday to Sunday between February and the end of December. In the 23/24 financial year a total of 38,567 visits were made across Auckland Castle (59% of total visitors), the Mining Art Gallery (18%) and the Spanish Gallery (23%) compared to 23,646 in 2022/23 and 4,288 in 2021/22. The Castle saw a significant increase in visits (47% of total visits in 22/23), doubling the previous year and reflecting the broad appeal of its history and the fullest programme of activities.

An Annual Pass was introduced in 2023/24 with a discount offered to local residents of Bishop Auckland.

The number of group visits and coach parties in 2023/24 also doubled compared to the previous year.

'What's On' guides publicised events and activities throughout the year. One of the highlights in the Castle was the exhibition 'Sin' which brought together works of art across the centuries from the National Gallery's collection and which explored the concept of sin. The exhibition of exceptional paintings was accompanied by talks and workshops. Other exhibitions included 'Missing Women and With Dinah'; five professional artists worked with local young people to imagine and give a voice to the women in the lives of Jacob and his twelve sons painted by Francisco de Zurbarán and hanging in Auckland Castle. Again, talks and tours broadcast this collaborative project led by Creative Youth Opportunities, Bishop Auckland Town Hall and The Auckland Project.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

The opening of the Faith Museum in October added to the healthy increase in visitor numbers to the Castle. A decade in the making, with a story spanning 6,000 years, the Faith Museum illustrates how faith has impacted the lives of people across time and shaped almost every aspect of life in Britain. Leading visitors on a journey through British history, the museum comprises four dynamic gallery spaces with an active programme of changing displays and temporary exhibitions showcasing over 250 objects from 50 lenders across England, Scotland and Wales, including rarely seen objects, national treasures, personal mementos and contemporary commissions. Each week, our curators presented 15-minute short talks highlighting some of the objects on display alongside more formal lectures.

The Mining Art Gallery also doubled its visits compared to last year and continues to be a North East favourite. The year started with an exhibition titled 'Coal: Mining the Gemini Collection' featuring some of the favourite pieces of art from the renowned Gemini Collection of mining art. In October, the Gallery brought together a selection of drawings and paintings by Len Tabner in an exhibition 'Elements of Darkness'. Our volunteers each week discussed their personal highlights of the Gallery, bringing their knowledge of and passion for mining art and the artists.

The Spanish Gallery could not match the increase in visits to the Castle and Mining Art Gallery, flat lining at 9,000. To celebrate the eleven paintings on loan from the Hispanic Society in New York, a series of short talks was held throughout the year. Every Wednesday from March, highlight tours by doctoral students were well attended and reinforced an excellent partnership with Durham University. The loans from the Hispanic Society were replaced by ten new paintings from the Spanish Golden Age. The Spanish Gallery was also the venue for a fascinating live-streamed conversation between leading British artists, Michael Craig-Martin, and Director of the National Portrait Gallery, Nicholas Cullinan.

The visitor attractions are supported by small retail operations in each of the venues, a tea room in the Castle (the Bishop's Kitchen) and our tapas bar, El Castillo all of which saw increases in turnover.

In Autumn 2023, The Auckland Project submitted a bid to the NLHF to save a lost Tudor tapestry and bring a national treasure to the Faith Museum. The tapestry was commissioned by Henry VIII following his declaration as Supreme Head of the Church of England in 1534 and is of enormous historic, religious and political significance. As part of the Lottery application, activities for all the family including interactive weaving demonstrations, schools' engagement and family activities.

Family activities were a key feature of the holidays and a deliberate attempt to attract families to all the attractions. Activities such as Knight School, Summer Storytelling, Outdoor Nature Sessions, Singing Workshops, Children's Art, and a Film Making Summer School proved to be incredibly popular. Pregnant to Preschool sessions, the Young Archaeologist' Club, Walking for Wellbeing and a range of social and art workshops were held across our venues.

2023/24 saw a large focus on events both at The Auckland Project and in Bishop Auckland's historic Market Place. Aglow was the largest; this 1.5 mile illuminated Christmas light trail around the Castle grounds and Deer Park attracted over 30,000 people in its first year. The Market Place also hosted four installations for the county's biennial Lumiere, the UK's only light art festival, in November using the Auckland Tower and the Spanish Gallery as backdrops (10,000 visitors); Lumiere was funded by the Art Hub which is part of the Stronger Towns Fund and which is administered by The Auckland Project. TAP was also active in the ever-popular Bishop Auckland Food Festival (32,000 visitors), Christmas Town (35,000 visitors) and the Heritage Festival which further contribute to the town's events strategy to draw the community together and to bring visitors to Bishop Auckland.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

The Auckland Project hosted the Bishop Auckland Horticultural & Produce Show which missed a year but which has now found a home in the Castle grounds.

Our Learning & Skills team delivered creative and immersive curriculum-linked workshops to schools across EYFS to KS5 in all our visitor attractions, using an enquiry-led, object-based and multisensory approach. For students in KS3 and above, we also facilitated teacher-led visits, empowering teachers to inspire their students themselves and embed our unique sites and stories across the curriculum. Visits can take place either on a one-off basis (primarily for schools outside of the local area), or local schools can sign up for a Service Level Agreement, which includes 20 half day visits across the course of the school year, alongside specialist advice and support from the Learning and Skills Department.

In 2023/24, 8 local feeder schools and a college entered such an SLA. Eighty work placements were delivered in the year, giving individuals the opportunity to acquire meaningful workplace experience, building confidence, enhancing employability skills and developing career aspirations. By connecting students to our team of specialist staff across the organisation, we can further raise aspirations and highlight future potential career paths, including within our own organisation, cultivating future generations of staff at The Auckland Project. We engaged with 7,706 school children in 2023/24.

Park Head Hotel opened in February 2023 after a period of almost 2 years of major refurbishment. The 36-bed hotel and 80-cover Oak Restaurant was a much-needed addition to Co. Durham's accommodation portfolio which is recognised as being insufficient to cater for the anticipated visitor numbers to Bishop Auckland and SW Durham. The hotel's turnover in its first year of trading was just short of £1m; the team fed 20,222 guests and hosted 10,329 sleepers. The Park Head Hotel employs 51 people (22 FTE) all of whom bar two live within 6 miles of the hotel.

Since 2020 The Auckland Project has invested £3.5m in Weardale Railway's infrastructure, rolling stock and running costs. Durham County Council as part of the purchase arrangement made a grant of £2.13m towards the maintenance of the bridges for which TAP is responsible. Weardale Railway continued to grow its operational service in 2023/24 with 6,000 passengers using the regular timetable. Events are very popular; events such as the Christmas Santa Specials (3,000 visitors), and Mince Pie Specials, Halloween Family Fun, Photography Trains, and Driver Experience Days (a further 3,300 visitors).

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 £14,076,919 (2023 - £7,755,332), total resources expended of £13,700,629 (2023 - £11,799,028) resulting in a surplus for the year before investment movements of £376,290 (2023 deficit - £4,043,696).

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 2024 TAP had free reserves of £14,379,869 (2023 - £17,517,487).

The Auckland Project
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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

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

Our hopes for 2024/25 will be built on the success of 2023/24. We aim for a 50% increase in visits to all our attractions (58,000 compared to 38,567 in 23/24) with the Castle and Gardens leading the way with 40,000 visits. The Broadwalk is close to completion with the Upper Walled and Faith Gardens due to open in May 2024. Work on the Great Garden has started and will complete the restoration and creation of seven gardens in time for 2025.

We have a busy events programme for 2024 with a Summerfest of concerts in June and July, and Aglow returns with the prospect of higher numbers. New events include Easter celebrations, a Pumpkin Forest in the autumn, Christmas at the Palace and other live music performances. Bishop Auckland events will also go from strength to strength with an extended Food Festival and Christmas Town aiming to raise the town's growth as a destination and pride of place.

We will continue the programme of object talks, expert lectures, workshops and family activities. We will continue to offer volunteer opportunities. Our Learning team plans to engage with 10,000 pupils.

Plans to develop Binchester Roman Fort into a regional visitor attraction with strong learning and community elements in line with TAPs core purpose and mission continue in the hope TAP can operate the site in 2025.

The Auckland Project must also play its part on the regional stage now that Co. Durham is one of seven local authorities within the new North East Combined Authority.

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.

We will continue to work closely and collaboratively with Durham County Council to achieve our mission to revive Bishop Auckland and with Visit County Durham to develop Co. Durham as a cultural destination.

We recognise that by working closely with our sister charity, 11 Arches, the sum of our efforts to revive Bishop Auckland is greater than the parts.

The Auckland Project
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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

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

Advisors

Auditors: CLA Evelyn Partners Limited 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: Robert Yorke (Chair)
Anna Lynch
Myles Marmion
Jonathan Ruffer (Resigned 2 September 2024)
Daniel Wolfe (Resigned 06 June 2024)
Brendan Finucane
The Rt Revd Nick Holtam
Jane Dean (Appointed 25 April 2023)
Hattie O'Rourke (Appointed 06 June 2024)

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

Company Secretary: Nicholas Eldred

Key management personnel: David Madden (Resigned 25 April 2024)
Edward Perry

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

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 is charged with the day to day running of TAP. He is aided in this by the Senior Management Team which comprises the 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.

The Auckland Project
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TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

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.

During the year Jane Ruffer, a Trustee of the Charity, donated a property to the Charity. The value of this property recognised in the financial statements was £300,000.

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 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 value of the individual loans can be found in 'Amounts due from group undertakings' in the accounts of TAP Trading Limited, Park Head Leisure Limited and Weardale Railway Limited. The Trustees have assessed the recoverability of these loans in accordance with accounting requirements. See note 18 for further details.

A donation of £40,000 was received from Jonathan Ruffer for the development, reparation and furnishing of three TAP properties to convert them from residential properties to short term holiday lets. (2023 - £nil).

Auditors

In accordance with the Companies Act 2006 a resolution proposing the appointment of CLA Evelyn Partners Limited as auditor for the year ending 31 March 2025 will be put to the members.

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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:

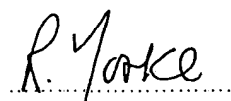
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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.

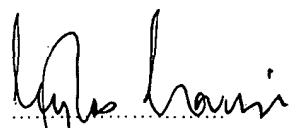
The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible 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 19.9.24 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 2024**

Opinion

We have audited the financial statements of The Auckland Project (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 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 2024, 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.

The Auckland Project

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT *(Continued)* ***FOR THE YEAR ENDED 31 MARCH 2024***

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 parent charitable company's 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 9, 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 2024

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, in particular the recoverability of assets.

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.

The Auckland Project
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AUCKLAND PROJECT *(Continued)*
FOR THE YEAR ENDED 31 MARCH 2024

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 CLA Evelyn Partners Limited

25 September 2024
.....

Statutory Auditor

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 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Donations	4	8,275,995	1,292,143	9,568,138	5,218,535
Other trading activities					
Subsidiary income		2,672,097	-	2,672,097	1,520,211
Other		50,305	-	50,305	-
Investments	5	919,138	-	919,138	672,238
Other	6	867,241	-	867,241	344,348
Total income		12,784,776	1,292,143	14,076,919	7,755,332
Expenditure on:					
Raising funds					
Subsidiary expenditure		3,945,490	-	3,945,490	2,963,575
Other		183,121	-	183,121	150,130
Charitable activities	7	8,709,317	862,701	9,572,018	8,685,323
Total expenditure		12,837,928	862,701	13,700,629	11,799,028
Net movement in funds before investment (loss)/gain		(53,152)	429,442	376,290	(4,043,696)
Loss on investment		(62,500)	-	(62,500)	-
Transfer between funds	21	644,493	(644,493)	-	-
Net movement in funds after transfers		528,841	(215,051)	313,790	(4,043,696)
Reconciliation of funds					
Total funds brought forward		83,016,557	289,675	83,306,232	87,349,928
Total funds carried forward		83,545,398	74,624	83,620,022	83,306,232

All income and expenditure derive from continuing activities.

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

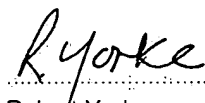
The Auckland Project
(A Company Limited by Guarantee)

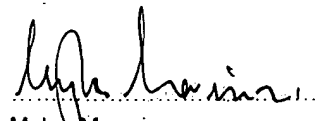
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Intangible assets	16		144,752		194,405
Tangible assets	14		35,602,410		43,155,023
Heritage assets	15		31,130,867		20,639,642
Investments	17		2,287,500		1,510,000
			<u>69,165,529</u>		<u>65,499,070</u>
Current assets					
Stock		135,379		96,750	
Debtors	18	2,945,034		2,316,517	
Cash at bank and in hand		13,529,225		17,450,323	
		<u>16,609,638</u>		<u>19,863,590</u>	
Creditors: amounts falling due within one year	19	(2,155,145)		(2,056,428)	
Net current assets			14,454,493		17,807,162
Net assets			<u>83,620,022</u>		<u>83,306,232</u>
Charity Funds					
Unrestricted funds			83,545,398		83,016,557
Restricted funds			74,624		289,675
Total Charity Funds	21		<u>83,620,022</u>		<u>83,306,232</u>

The notes on pages 18 to 40 form part of these financial statements.

The financial statements were approved by the Trustees on 19.9.24 and signed on their behalf by:


Robert Yorke
Trustee


Myles Marmion
Trustee

Company Number: 07931440

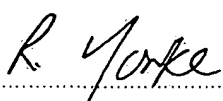
The Auckland Project
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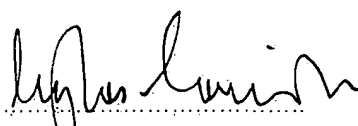
CHARITABLE COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	14		34,740,455		42,249,076
Heritage assets	15		31,130,867		20,639,642
Intangible assets	16		60,227		81,707
Investments	17		2,287,701		1,510,201
			<u>68,219,250</u>		<u>64,480,626</u>
Current assets					
Debtors	18	5,707,002		4,013,780	
Cash at bank and in hand		13,015,159		16,906,624	
			<u>18,722,161</u>	<u>20,920,404</u>	
Creditors: amounts falling due within one year	19	(1,603,292)		(1,522,751)	
			<u>17,118,869</u>	<u>19,397,653</u>	
Net current assets					
			<u>85,338,119</u>	<u>83,878,279</u>	
Net assets					
			<u>85,338,119</u>	<u>83,878,279</u>	
Funds					
Unrestricted funds			85,263,495		83,588,604
Restricted funds	21		74,624		289,675
			<u>85,338,119</u>	<u>83,878,279</u>	

The notes on pages 18 to 40 form part of these financial statements.

The financial statements were approved by the Trustees on 19.9.24 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 2024

	Note	2024 £	2023 £
Net cash provided by/(used in) operating activities	27	266,541	(4,131,598)
Cash flows from investing activities			
Interest and rents received		919,138	668,780
Purchase of tangible assets		(4,852,067)	(4,981,821)
Purchase of intangible assets		(37,545)	-
Purchase of investment properties		(217,165)	-
Net cash flow from investing activities		(4,187,639)	(4,313,041)
Net decrease in cash and cash equivalents		(3,921,098)	(8,444,639)
Cash and cash equivalents at the beginning of the year		17,450,323	25,894,962
Cash and cash equivalents at the end of the year		13,529,225	17,450,323
Cash and cash equivalents consist of:			
Cash at bank and in hand		13,529,225	17,450,323

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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 operating performance of the group, the annual budget, rolling financial forecasts and future cash flows in making their assessment.

These assessments form the base case and appropriate and sufficient funding is in place to fulfil forecasted expenditure over the next eighteen months. They anticipate that additional funding will be received from its founder to continue its operations, acquisitions and growth strategy, as well as the increased revenue streams that could mitigate and reduce the requirements of funding from its founder.

Increased revenues from growth in visitors to the existing attractions and events, together with the development of new attractions in Binchester, and establish Bishop Auckland as a premier heritage tourist destination.

In making their assessment the group also considered a downturn in operational income from lack of projected visitor numbers, coupled with restricted funding from its founder and rising overhead costs.

The Trustees have concluded that, when considering both the base case and a down turn scenario, including a series of mitigation actions, that there is sufficient cash resources to use a going concern in the accounts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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.

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.

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

1.20 Judgements and key sources of estimation uncertainty (continued)

The trustees consider that the impairment of assets are the main source of estimation and uncertainty, as these are dependent on expected future inflows from the assets and the selection of an appropriate discount rate, both of which require significant judgement and estimation.

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.

3. Statement of financial activities from the prior year

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Donations	4	4,516,095	702,440	5,218,535	5,396,993
Other trading activities					
Subsidiary income		1,520,211	-	1,520,211	190,928
Investments	5	672,238	-	672,238	320,356
Other	6	344,348	-	344,348	678,515
Total income		7,052,892	702,440	7,755,332	6,586,792
Expenditure on:					
Raising funds					
Subsidiary expenditure		2,963,575	-	2,963,575	1,517,146
Other		150,130	-	150,130	120,867
Charitable activities	7	8,179,848	505,475	8,685,323	6,606,584
Total expenditure		11,293,553	505,475	11,799,028	8,244,597
Net movement in funds before investment (loss)/gain		(4,240,661)	196,965	(4,043,696)	(1,657,805)
Loss on investment		-	-	-	(8,113)
Transfer between funds	21	442,655	(442,655)	-	-
Net movement in funds after transfers		(3,798,006)	(245,690)	(4,043,696)	(1,665,918)
Reconciliation of funds					
Total funds brought forward		86,814,563	535,365	87,349,928	89,015,846
Total funds carried forward		83,016,557	289,675	83,306,232	87,349,928

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from donations

	2024	2023
	£	£
Lempriere Pringle 2015	7,500,000	4,500,00
National Lottery Heritage Fund	1,111,210	468,535
The Jerusalem Trust Foundation	600,000	250,000
Jane Ruffer	300,000	-
Other (less than £50,000)	56,928	-
	<u>9,568,138</u>	<u>5,218,535</u>

5. Investment income

	2024	2023
	£	£
Interest received	724,727	443,465
Rental income	194,411	228,773
	<u>919,138</u>	<u>672,238</u>

6. Other income

	2024	2023
	£	£
The Zurbaran Trust	268,476	268,476
Other	598,765	75,872
	<u>867,241</u>	<u>344,348</u>

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total 2024	Total 2023
	£	£	£	£
Projects in progress	1,283,135	144,025	1,427,160	2,103,377
Operational activities	7,225,263	919,595	8,144,858	6,543,176
Feasibility activities	-	-	-	38,770
	<u>8,508,398</u>	<u>1,063,620</u>	<u>9,572,018</u>	<u>8,685,323</u>

8. Support costs

	2024	2023
	£	£
Staff costs	783,687	1,168,162
Office costs	132,253	198,922
External professional costs	25,980	26,394
Other costs	42,540	26,244
Governance costs (note 9)	79,160	60,314
	<u>1,063,620</u>	<u>1,480,036</u>

9. Governance costs

	2024	2023
	£	£
Accountancy fees	63,170	42,025
Trustee insurances	1,243	1,547
External professional costs	10,523	13,301
Other costs	4,224	3,441
	<u>79,160</u>	<u>60,314</u>

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

10. Net income for the year

Net income is stated after charging:

	2024	2023
	£	£
Amortisation	87,198	53,354
Depreciation	1,369,984	1,134,629
Operating lease costs	82,000	82,391
	<u> </u>	<u> </u>

11. Auditors remuneration

The auditors remuneration amounts to an audit fee of £40,000 (2023 - £36,000) and non-audit fees of £66,210 (2023 - £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:

	2024	2023
	£	£
Income	11,736,098	6,612,660
Expenditure	(10,213,758)	(13,044,107)
Loss on investment	(62,500)	-
Net (deficit) / surplus	<u>1,459,840</u>	<u>(6,431,447)</u>

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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:

	2024	2022
	£	£
Wages and salaries	2,899,123	3,882,597
Social security costs	272,388	379,992
Other pension costs	233,154	231,955
	<u>3,404,665</u>	<u>4,494,544</u>

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

	2024	2024	2023	2023
	Number	FTE	Number	FTE
Visitor services	57	38	59	36
Marketing	4	4	3	3
Management and administration	24	23	14	14
Project management and delivery	6	6	13	13
Education and Arts	11	11	13	13
Property and grounds maintenance	22	21	19	19
Fundraising	2	2	3	3
Community Engagement	11	11	12	12
	<u>137</u>	<u>116</u>	<u>136</u>	<u>113</u>

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

	Number 2024	Number 2023
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	-	-
In the band £80,001 - £90,000	-	-
In the band £90,001 - £100,000	2	4
In the band £100,001 - £110,000	-	1
In the band £140,001 - £150,000	1	-
In the band £150,001 - £160,000	-	-
In the bank £160,001 - £170,000	1	1
	<u>6</u>	<u>8</u>

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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 (2023 – £nil). No Trustee received payment for professional or other services supplied to the charity (2023 - £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 £4,666 (2023 - £3,047).

The key management personnel of the charity are identified on page 5. The total employee benefits of the key management personnel of the charity were £320,976 (2023 - £262,100).

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 2023	12,149,966	24,038,226	3,550,873	6,317,483	46,056,548
Additions	4,303,792	259,895	-	289,977	4,853,664
Transfer of assets under construction	(14,089,370)	8,193	52,751	3,381,014	(10,647,412)
Other transfers	-	(168,245)	-	-	(168,245)
At 31 March 2024	2,364,388	24,138,069	3,603,624	9,988,474	40,094,555
Depreciation and impairment					
At 1 April 2023	-	1,175,707	103,607	1,622,211	2,901,525
Charge for the year	-	418,670	86,833	864,481	1,369,984
Impairment	-	220,636	-	-	-
At 31 March 2024	-	1,815,013	190,440	2,486,692	4,492,145
Net book value					
At 31 March 2024	2,364,388	22,323,056	3,413,184	7,501,782	35,602,410
At 31 March 2023	12,149,966	22,862,519	3,447,266	4,695,272	43,155,023

The impairment charge of £220,636 (2023: £350,521) is included within Charitable Activities Expenditure in the Statement of Financial Activities.

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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 2023	12,149,966	22,598,226	3,550,873	5,773,654	45,072,719
Additions	4,303,792	259,895	-	280,836	4,844,523
Transfer of assets under construction	(14,089,370)	8,193	52,751	3,381,014	(10,647,412)
Other transfers	-	(168,245)	-	-	(168,245)
At 31 March 2024	2,364,388	23,698,069	3,603,624	9,435,504	39,101,585
Depreciation and impairment					
At 1 April 2023	-	1,175,707	103,607	1,544,329	2,823,643
Charge for the year	-	418,670	86,833	811,348	1,316,851
Impairment	-	220,636	-	-	220,636
At 31 March 2024	-	1,815,013	190,440	2,355,677	4,361,130
Net book value					
At 31 March 2024	2,364,388	21,883,056	3,413,184	7,079,827	34,740,455
At 31 March 2023	12,149,966	22,422,519	3,447,266	4,229,325	42,249,076

The impairment charge of £220,636 (2023: £350,521) is included within Charitable Activities Expenditure in the Statement of Financial Activities.

The Auckland Project
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

15. Heritage assets
Consolidated and Charitable Company

	Freehold land and buildings £
Cost and Net Book Value	
At 1 April 2023	20,639,642
Additions	4,590
Disposals	(6,187)
Transfer of assets under construction	10,647,412
Other transfers	(154,590)
	<hr/>
At 31 March 2024	31,130,867
	<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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

16. Intangible assets
Consolidated

	Goodwill	Capitalised software	Total
	£	£	£
Cost			
At 1 April 2023	169,044	422,564	591,608
Additions	-	37,545	37,545
At 31 March 2024	169,044	460,109	629,153
Amortisation			
At 1 April 2023	56,346	340,857	397,203
Charge for the year	28,173	59,025	87,198
At 31 March 2024	84,519	399,882	484,401
Net book value			
At 31 March 2024	84,525	60,227	144,752
At 31 March 2023	112,698	81,707	194,405

Charitable Company

	Capitalised software	Total
	£	£
Cost		
At 1 April 2023	422,564	422,564
Additions	37,545	37,545
At 31 March 2024	460,109	460,109
Amortisation		
At 1 April 2023	340,857	340,857
Charge for the year	59,025	59,025
At 31 March 2024	399,882	399,882
Net book value		
At 31 March 2024	60,227	60,227
At 31 March 2023	81,707	81,707

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

17. Investments

	Consolidated		Charitable Company	
	2024	2023	2024	2023
	£	£	£	£
Investment properties	2,287,500	1,510,000	2,287,500	1,510,000
Shares in subsidiary undertakings	-	-	201	201
	<u>2,287,500</u>	<u>1,510,000</u>	<u>2,287,701</u>	<u>1,510,201</u>
Investment properties				£
Valuation				
At 1 April 2023				1,510,000
Additions				517,165
Transfers				322,835
Loss on investments				(62,500)
At 31 March 2024				<u>2,287,500</u>

The Group's investment properties were valued by Youngs RPS Chartered Surveyors & Property Consultants on an open market basis as at 31 March 2024.

Shares in Subsidiary Undertakings (Charitable Company)

	2024	2023
	£	£
Cost and Net Book Value		
At 1 April 2023	201	201
At 31 March 2024	<u>201</u>	<u>201</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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:

	2024 £	2023 £
Turnover	1,380,641	742,828
Other Income	5,911	4,272
Cost of sales	(1,248,882)	(1,075,550)
Administrative expenses	(736,434)	(366,447)
Loss for the year	(598,764)	(694,897)

	2024 £	2023 £
Total assets	574,324	290,861
Total liabilities	(3,103,137)	(2,220,910)
Shareholders' funds	(2,528,813)	(1,930,049)

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:

	2024 £	2023 £
Turnover	129,616	27,529
Cost of sales	(58,273)	(4,256)
Administrative expenses	(798,403)	(1,099,716)
Other Operating income	186,395	605,698
Interest payable	-	(127,317)
Loss for the year	(540,665)	(598,062)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

17. Investments (Continued)

	2024	2023
	£	£
Total assets	1,011,635	1,855,802
Total liabilities	(3,652,730)	(3,956,232)
Shareholders' funds	(2,641,095)	(2,100,430)

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.

	2024	2023
	£	£
Turnover	963,898	103,920
Cost of sales	(793,271)	(248,900)
Administrative expenses	(513,285)	(399,928)
Other Operating income	5,636	34,114
Interest payable	(50,032)	(25,177)
Loss for the year	(387,054)	(535,971)

	2024	2023
	£	£
Total assets	126,684	107,025
Total liabilities	(1,425,870)	(1,019,157)
Shareholders' funds	(1,299,186)	(912,132)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

18. Debtors

	Group		Charitable	Company
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	45,177	93,000	32,001	84,465
Recoverable VAT	358,096	306,136	358,096	306,136
Prepayments and accrued income	2,448,553	1,194,693	2,322,474	1,144,932
Other debtors	93,208	722,688	60,000	73,692
Amounts due from group undertakings	-	-	2,934,432	2,404,555
	<u>2,945,034</u>	<u>2,316,517</u>	<u>5,707,002</u>	<u>4,013,780</u>

At the year end, the Trustees have assessed the recoverability of the loans due to the charity from its subsidiary undertakings. As a consequence of this assessment a provision against certain of the loans has been provided for in the Charity balance sheet. The full amount of the loans remain as a liability within the subsidiary financial statements.

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

	Group		Charitable	Company
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	1,124,465	1,118,701	970,044	945,142
Social Security and taxes	170,985	195,929	106,581	130,477
Accruals and deferred income	425,857	558,191	416,440	292,012
Other creditors	433,839	183,607	110,227	155,120
	<u>2,155,145</u>	<u>2,056,428</u>	<u>1,603,292</u>	<u>1,522,751</u>

20. Operating leases

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

	2024	2023
	£	£
Not later than one year	82,000	82,000
Later than one and not later than five years	328,000	328,000
In more than five years	820,000	902,000
	<u>1,230,000</u>	<u>1,312,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

21. Fund reconciliation

Year ended 31 March 2024

	Balance at 1 April 2023	Income	Expenditure	Transfers	Gains/ (losses)	Balance at 31 March 2024
Unrestricted funds						
General fund	83,016,557	12,784,776	(12,837,928)	644,493	(62,500)	83,545,398
Restricted funds						
National Lottery Heritage Fund	-	644,493	-	(644,493)	-	-
Development of the Faith Museum	-	600,000	(600,000)	-	-	-
Walled Garden Apprentice Scheme	122,002	-	(89,502)	-	-	32,500
Engagement activities	153,942	-	(125,549)	-	-	28,393
Geothermal	13,731	-	-	-	-	13,731
Holiday Letting	-	40,000	(40,000)	-	-	-
Audience development	-	7,650	(7,650)	-	-	-
Total restricted funds	289,675	1,292,143	(862,701)	(644,493)	-	74,624
Total funds	83,306,232	14,076,919	(13,700,629)	-	(62,500)	83,620,022

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

21. Fund reconciliation (Continued)

Year ended 31 March 2023

	Balance at 1 April 2022	Income	Expenditure	Transfers in/out	Gains/ (losses)	Balance at 31 March 2023
Unrestricted funds						
General fund	86,814,563	7,052,892	(11,293,553)	442,655	-	83,016,557
Restricted funds						
National Lottery Heritage Fund	-	468,535	(25,880)	(442,655)	-	-
Development of the Spanish Art Gallery	-	250,000	(250,000)	-	-	-
Walled Garden Apprentice Scheme	212,421	-	(90,419)	-	-	122,002
Engagement activities	295,601	(19,359)	(122,300)	-	-	153,942
Centre for Young People	1,219	3,264	(4,483)	-	-	-
Geothermal	26,124	-	(12,393)	-	-	13,731
Total restricted funds	535,365	702,440	(505,475)	(442,655)	-	289,675
Total funds	87,349,928	7,755,332	(11,799,028)	-	-	83,306,232

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 2024

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 2022 TAP had deployed £787,579 leaving an undeployed balance brought forward of £212,421. A further £90,419 was deployed in 2022/23 leaving an undeployed balance to be brought forward of £122,002. A further £89,502 was deployed in 2023/24 leaving an undeployed balance to be carried forward of £32,500.

Development of the Spanish Art Gallery

TAP received a further £250,000 from the Wolfson Foundation towards the development of the Faith Museum in February 2023 bringing the total contribution to £400,000. 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 2023 there was an undeployed balance brought forward of £295,601.

During the year a further £64,619 was received including £19,800 from the ACE funding for the Dali exhibition and £40,565 from the Art Fund for the Dinah and missing women exhibition.

In January 2023 £83,978 was returned to Garfield Weston as it was concluded that TAP's work could be duplicating work of other charitable organisations.

In 2022/23 £122,300 was deployed leaving an undeployed balance to be carried forward of £153,942. A further £89,502 was deployed in 2023/24 leaving a balance to be carried forward of £28,393.

Audience Development

A £7,650 grant was received through the Tyne and Wear recovery and development scheme for a targeted market research piece, the monies were fully deployed during the year

Holiday Lets

A donation of £40,000 was received from Jonathan Ruffer for the development, reparation and furnishing of three TAP properties to convert them from residential properties to short term holiday lets, the full £40,000 was deployed during the year.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

22. Analysis of net assets between funds

Year ended 31 March 2024

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Tangible assets	35,602,410	-	35,602,410	43,155,023
Heritage assets	31,130,867	-	31,130,867	20,639,642
Intangible assets	144,752	-	144,752	194,405
Investments	2,287,500	-	2,287,500	1,510,000
Current assets	16,535,014	74,624	16,609,638	19,573,915
Creditors amounts due within one year	(2,155,145)	-	(2,155,145)	(2,056,428)
	<u>83,545,398</u>	<u>74,624</u>	<u>83,620,022</u>	<u>83,016,557</u>

Year ended 31 March 2023

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Tangible assets	43,155,023	-	43,155,023	42,768,120
Heritage assets	20,639,642	-	20,639,642	17,546,931
Intangible assets	194,405	-	194,405	247,759
Investments	1,510,000	-	1,510,000	1,510,000
Current assets	19,573,915	289,675	19,863,590	27,138,455
Creditors amounts due within one year	(2,056,428)	-	(2,056,428)	(1,861,337)
	<u>83,016,557</u>	<u>289,675</u>	<u>83,306,232</u>	<u>87,349,928</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.

Income of £7,500,000 (2023 - £4,500,000) was received from Lempriere Pringle 2015.

A donation of £40,000 was received from Jonathan Ruffer for the development, reparation and furnishing of three TAP properties to convert them from residential properties to short term holiday lets. (2023 - £nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

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 (2023 – £268,476) being invoiced to The Zurbaran Trust. The Zurbaran Trust invoiced TAP £268,476 (2023 – £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 £3,613 was contributed (2022 : £2,800).

At the year end £nil was due to The Zurbaran Trust (2023 - £nil).

One of TAP's properties are rented to Jonathan and Jane Ruffer. The rent received for the period totals £12,040. The arrangement has been approved by the Charity Commission.

During the year Jane Ruffer, a Trustee of the Charity, donated a property to the Charity. The value of this property recognised in the financial statements was £300,000.

24. Pension Commitments

TAP operates a money purchase pension scheme. The pension scheme cost charge of £233,154 (2023 - £231,955) represent amounts payable by TAP.

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 (2023 - £8.3m).

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 2024 TAP has drawn down £11.4m of the total available grant of £11.4m, the fit out of the Faith Museum completed December 2023. 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 2024

27. Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net surplus/(deficit) for the year	313,790	(4,043,696)
Interest and received from investments	(919,138)	(668,780)
Valuation loss	62,500	-
Impairment of tangible fixed assets	220,636	350,521
Amortisation of intangible assets	87,198	53,354
Depreciation on tangible assets	1,369,984	1,134,629
Loss on disposal of fixed assets	-	17,057
Receipt of Asset donation	(300,000)	-
Decrease in debtors	(628,517)	(1,145,363)
Increase/(Decrease) in creditors	98,717	195,091
Increase in stock	(38,629)	(24,411)
Net cash flow from operating activities	<u>266,541</u>	<u>(4,131,598)</u>