

**Company Registration Number 10609517**

**Registered Charity Number 1175946**

# **THE COMMON ROOM OF THE GREAT NORTH LIMITED**

**(A COMPANY LIMITED BY GUARANTEE)**

## **REPORT AND ACCOUNTS**

**For the year ending 30 June 2021**

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

The Trustees, who are also Directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 June 2021.

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	The Common Room Of The Great North Limited
<b>Charity registration number</b>	1175946
<b>Company registration number</b>	10609517
<b>Registered office</b>	North Of England Institute Of Mining & Mechanical Engineers, Neville Hall, Westgate Road, Newcastle upon Tyne NE1 1SE

**Key Management Personnel**

Elizabeth Mayes	Chief Executive Officer
Julie Eastlake	Finance and Operations Manager

**Trustees**

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.  
The Trustees of The Common Room Of The Great North Limited during the year and to the date of signing this report are as follows:

Mr W Bell	(resigned 11/01/2022)
Mr M Boyle OBE (Chair)	
Ms C Miller	
Sir W Morrison-Bell	
Mr A Pender CBE	(resigned 22/06/2022)
Ms A Shaw	
Dr F Smith	
Ms H Whitfield	
Ms P Wilkinson	
NJ Doyle – Hall	(appointed 3/8/2020)
MJ Broadbent	(appointed 3/8/2020)
CA Bell OBE	(appointed 3/8/2020)

<b>Company Secretary</b>	Julie Eastlake
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<b>Bankers</b>	Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN
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<b>Auditors</b>	Azets Audit Services, Bulman House, Regent Centre, Newcastle upon Tyne NE3 3LS
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<b>Solicitors</b>	Ward Hadaway Solicitors, Sandgate House, 102 Quayside, Newcastle upon Tyne NE1 3DX
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**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Documents**

The Common Room of the Great North Limited is a charitable company limited by guarantee, incorporated on 8 February 2017 and registered as a charity on 27 November 2017. The charity is controlled by its governing document, its Memorandum & Articles of Association, as amended by a Special Resolution registered at Companies House on 21 November 2017 and subsequently amended by a Special Resolution registered at Companies House on 20 June 2021 and constitutes a limited company, limited by guarantee, as defined by the Companies Act.

The Directors of the company are also Trustees of the charity.

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

**Charitable Purpose**

The Common Room of the Great North Limited's charitable objects are to advance, for the benefit of the public, education in the practice and understanding of science, technology, engineering and mathematics, in particular in the North-East region by:

a) owning, operating and maintaining a building (known as Neville Hall in Newcastle upon Tyne) used for the presentation of debates, conferences, courses, exhibitions, events, lectures and workshops.

b) owning, preserving, protecting and promoting the cultural, industrial and engineering heritage of the building and its collection of documents, books and objects.

c) promoting public knowledge and awareness of the roles played by science, technology, engineering, mathematics and innovation in the past present and future of the north-east region.

The North-East region means the Administrative areas of the Boroughs of Gateshead, North Tyneside, South Tyneside, Hartlepool, Middlesbrough, Redcar and East Cleveland, Stockton and Darlington; the counties of Durham and Northumberland; and the cities of Durham, Sunderland and Newcastle upon Tyne.

**Structure and Governance**

The charity currently has a Board of 12 non-executive Trustees as at the year end.

The Board currently meets 4-6 times per year. A Chief Executive's report, quarterly management accounts, a meeting agenda and any other necessary Board papers are prepared by the Chief Executive and circulated in advance of meetings.

# **THE COMMON ROOM OF THE GREAT NORTH LIMITED (A COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' REPORT**

*For the year ended 30 June 2021*

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)**

#### **Recruitment and Appointment of Board of Trustees**

Trustees are elected to the Board based on discussions and recommendations offered by Trustees and outside advisors to the organisation, as well as through a range of advertising channels.

#### **Trustee Induction and Training**

New Trustees are inducted by the Chair of the Board and Chief Executive and are provided with a range of resources to support their understanding of Common Room's plans.

#### **Remuneration of Key Management Personnel**

The Board, who give their time freely and have received no remuneration in the year, have considered who are the Key Management Personnel (KMP) of the charity. Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually. The Trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The Board then agrees any uplift to remuneration.

#### **The Contribution of Volunteers**

The charity makes extensive use of volunteers to support its activities.

#### **Fundraising Policy**

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

### **OBJECTIVES AND ACTIVITIES**

#### **Public Benefit**

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2011, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission.

The Trustees believe that the charity meets both of the key principles:

Principle 1 - There must be an identifiable benefit, or benefits

Achievement of the organisation's objectives will enable the preservation, upkeep and public use and accessibility of Neville Hall, a Grade 2\* listed building of both historic and architectural value. They will also preserve the associated archives and collections, making them available to the public around the world both physically and digitally.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

**OBJECTIVES AND ACTIVITIES (Cont.)**

**Public Benefit (Cont.)**

Principle 2 - Benefit must be to the public, or a section of the public.

Each element of our work has the ability to provide benefit to the public as a whole who can access the building, engage with it in a range of ways and enjoy and/or participate in the programme of work produced.

The Common Room of the Great North Limited's beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to The Common Room of the Great North Limited's aims. In addition, the Trustees do not consider that any significant detriment or harm flows from The Common Room of the Great North Limited's work.

**Risk Management**

The Trustees of the charity regularly review the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

The Common Room of the Great North Limited has a risk management strategy in place which comprises:

- an annual review of the strategic risks the charity may face via the business plan
- the establishment of systems and procedures to mitigate those risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are being put in place.

The Trustees consider the key risks facing the charity at this time and the mitigating actions taken to be as follows:

Failure to raise match funding for re-development project

- Fundraising group established
- Applications lodged with large number of Trusts and Foundations
- Relationships developed with high net worth individuals

Short-term liquidity/cashflow issues threaten development project

- Open communication with main lenders on cashflow challenges
- Detailed cashflow forecasting undertaken
- Drawdown arrangements agreed in advance with funders

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

**OBJECTIVES AND ACTIVITIES (Continued)**

**Risk Management (Cont.)**

The Trustees also manage the general financial risks arising by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target
- Reserves policies have been adopted which provide an appropriate amount of uncommitted Reserves which will always enable the charity to meet all its liabilities even if income targets are not achieved

The Common Room also has a regularly updated Covid-19 risk assessment which is revisited in line with changing government guidance and identified risks to the operation of the charity.

**ACHIEVEMENTS AND PERFORMANCE**

**Summary of the main achievements of the charity during the year**

In July 2020 we began the process to identify and plan for the likely impact of the covid-19 pandemic on our charity. We successfully secured a grant from National Lottery Heritage Fund Emergency Grant Fund to support this work. We also worked with our contractor, Brims Construction Ltd and Project Managers Gardine & Theobald to identify the likely new completion date for the capital works.

In October 2020 we submitted a revised and prudent business plan to National Lottery Heritage Fund seeking a grant increase of £950,000 to support our operating costs through to June 2023 and add in additional capital upgrade works to help make the building more covid-safe. We found out we had been successful with this bid in December 2021.

Throughout 2020 we delivered our charitable mission via digital engagement. Including a series of Youtube videos inspiring children to undertake STEM activities at home during the lockdown, videos to engage them with geology and STEM recorded by The Rock Showman, and two series of podcasts- Pioneering Minds and The Face of Engineering. We were also able to move our touring exhibition "Graft & Glory" online into an interactive format.

Our Youth Board continued to meet, virtually, and played an important role in consultation on our business plan to ensure we had taken into consideration the views of those young people in our opening plans.

As the team were fully funded by the project we didn't furlough any of the team until Feb 2021, to ensure we didn't lose momentum on the capital project through delayed decision making.

Our grant increase request allowed for a softer opening period, and a much longer Opening Festival period from July 2021 to allow for uncertainties around how the public would want to engage with our project, and engagement, with covid still prevalent.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

**ACHIEVEMENTS AND PERFORMANCE (cont.)**  
**Summary of the main achievements of the charity during the year (cont.)**

Our collection digitisation programme has continued we were able to recruit a number of home based volunteers to helped with transcription throughout the lockdown.

We took the keys of Neville Hall back from the contractor on 22<sup>nd</sup> January 2021 and began the 3-month process of bringing our heritage collection, books and furniture out of storage. The planning for our Opening Festival was undertaken in this period of time, including liaising with artists and our industry partners to pull together an engaging programme of events to celebrate the reopening of The Common Room after 2 years.

We recruited 8 new staff in the first 6 months of 2021 to support our re-opening including, Operations Supervisor, Food & Beverage Manager, F&B Assistant Manager, Finance Assistant, Programme Coordinator and 3 Exhibition Crew.

We began our Opening Festival on 30<sup>th</sup> July 2021 with a programme of family friendly STEM events including Lego workshops, Rock Showman shows, exhibitions, lectures and industry takeover days.

We have also put in place two new Board committees in 2020/21 including a Finance Committee and Remuneration Committee to assist in decision making and support the Senior Management Team.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
*For the year ended 30 June 2021*

**ACHIEVEMENTS AND PERFORMANCE (cont.)**

**Financial Review**

The out-turn for the year, after the transfer between funds for capitalisation of Neville Hall, is an unrestricted deficit of £1,318,856 (2020: surplus of £1,001,457) together with a increase of Restricted Funds of £10,278 (2020: £(1,132,441))

This is largely due to the residual spend on the refurbishment of Neville Hall being from the NE LEP loan, and as a result paid out of unrestricted expenditure.

The unrestricted deficit leaves Unrestricted Funds at 30 June 2021 in a deficient position of £301,237 (2020: surplus position of £1,017,619)

The Trustees are pro-actively working to improve the financial position of the charity.

**Reserves Policy**

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The calculation of free reserves is based on the definition included in the charity Statement of Recommended Practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees consider it to be appropriate to work towards building a free cash reserve fund, to the equivalent of 6 month's operational costs, which would equate to £215,000.

The Trustees would also then aspire to retain an additional allowance of £50,000 to enable the charity to respond flexibly to events or appropriate initiatives which might be identified outside of its annual budgeting process.

At the year-end free reserves, all of which currently link to the value of the building, were in a deficit position at £188,939 (2020: positive free reserves of £418,879) a decrease of £607,818 (2020: £690,781 increase) in the year.

The trustees have prepared a budget and cashflow forecast, including consideration in light of the ongoing situation in relation to the Covid – 19 virus and on conclusion of this work, have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

However, the charity intends, through its budgeting, to reach the desired level of Free Reserves within 5 years of re-opening. This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

**Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
***For the year ended 30 June 2021***

The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**Reappointment of Auditor**

Azets Audit Services Limited, trading as Azets Audit Services were appointed auditor to the Company following their acquisition of Tait Walker LLP, trading as MHA Tait Walker on 1 May 2022.

Azets Audit Services have indicated their willingness to stand for reappointment at the forthcoming Annual General Meeting. A resolution for the re-appointment of Azets Audit Services as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

**PLANS FOR FUTURE YEARS**

Over the next 12 months we will continue to deliver the elements of our updated Activity Plan, as part of our National Lottery Heritage Funded Project in the building. This includes activities relating to the 150<sup>th</sup> Anniversary of Neville Hall and 170<sup>th</sup> Anniversary of The Mining Institute itself. We are looking to host a major conference in Spring 2022 called The Face of Engineering, building on our podcast from 2020/21 we will be hosting a live event.

Phase 2 of our website, with a searchable collection, will be live very shortly. We continue to work closely with NA College and Nissan to provide the heritage enrichment module to their first-year apprentices and they have several dates booked in to deliver their training here at The Common Room, as part of their sponsorship of our project.

We aspire to roll out our education offering – our Northern Aspirations and What's Beneath Our Feet workshops, both within the building and at schools in the New Year. This has already begun and will continue in consultation with partner schools.

We continue to work with NUSTEM at Northumbria University on our Theory of Change model, to ensure the interventions we undertake have the desired impact in line with our charitable objectives.

The senior team will be focussed on ensuring we meet our fundraising targets to reduce reliance on the NE LEP loan and on building further partnership and stakeholder agreements to support both the mission and the commercial functioning of the business.

**RESPONSIBILITIES OF THE TRUSTEES**

The trustees are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT**  
***For the year ended 30 June 2021***

The law applicable to charities requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Signed on behalf of the Trustees



Matt Boyle 29 Jun 2022 05:05:55 BST (UTC +1)

**Mr M Boyle**  
**Trustee**  
**Company Registration Number 10609517**

**Date** 29 June 2022

# **THE COMMON ROOM OF THE GREAT NORTH LIMITED**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITOR'S REPORT**

#### **Opinion**

We have audited the financial statements of The Common Room of the Great North Limited (the 'charity') for the year ended 30 June 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cashflows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We draw attention to note 1 in the financial statements, which indicates that there is a material uncertainty in the forecasts and projections over the timing and level of projected future income and therefore the derived cashflows of the charitable company. As stated in note 1, these conditions, along with the other matters as set below, indicate that a material uncertainty exists, that may cast significant doubt on the charitable company's ability to continue as a going concern should these conditions occur. Our opinion is not modified in respect of this matter.

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 appears to be reasonable in the circumstances. Our evaluation of the trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included, review of their forecasts, their assumptions and their underlying business plan. However, for the reasons explained above and in note 1, there are inherent uncertainties in the timing and amount of the levels of income being forecast, and there is a consequential uncertainty regarding the willingness of the funders to provide additional support should income fall below the amounts being forecast.

Our responsibilities and the responsibilities of the directors 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 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 COMMON ROOM OF THE GREAT NORTH LIMITED**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITOR'S REPORT**

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 mis-stated. 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.

#### **Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, 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 trustees 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 Statement of Trustees' Responsibilities set out on page 9 and 10, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 June 2021**

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:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety, music and alcohol licences and compliance with both the UK Companies Act and UK Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)  
 For and on behalf of Azets Audit Services, Statutory Auditor  
 Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS

Date: 29/6/2022

Azets Audit Services is a trading name of Azets Audit Services Limited.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 June 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income</b>					
Income from Grants, Donations & Legacies	3	4	2,543,565	2,543,569	1,826,947
Income from Charitable Activities	4	16,493	513	17,006	21,645
Other Income	5	5,173	-	5,173	-
<b>Total Income</b>		<b>21,670</b>	<b>2,544,078</b>	<b>2,565,748</b>	<b>1,848,592</b>
<b>Expenditure</b>					
Cost of Raising Funds		-	-	-	-
Expenditure on Charitable Activities	6	351,403	3,522,923	3,874,326	1,979,576
<b>Total Expenditure</b>		<b>351,403</b>	<b>3,522,923</b>	<b>3,874,326</b>	<b>1,979,576</b>
<b>Net Income/(Expenditure)</b>		<b>(329,733)</b>	<b>(978,845)</b>	<b>(1,308,578)</b>	<b>(130,984)</b>
<b>Transfer between fund</b>		<b>(989,123)</b>	<b>989,123</b>	<b>-</b>	<b>-</b>
<b>Net Movement</b>		<b>(1,318,856)</b>	<b>10,278</b>	<b>(1,308,578)</b>	<b>(130,984)</b>
Balance brought forward		1,017,619	-	1,017,619	1,148,603
<b>Balance carried forward</b>	<b>16</b>	<b>(301,237)</b>	<b>10,278</b>	<b>(290,959)</b>	<b>£1,017,619</b>

The notes on pages 18 to 31 form part of the financial statements.

There are no recognised gains and losses during the year other than as shown above.

All the activities for the year are continuing activities.

The Statement of Financial Activities also complies with the requirements for an Income & Expenditure Account under the Companies Act 2006.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 June 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £
<b>Income</b>				
Income from Investments		-	-	-
Income from Grants, Donations & Legacies	3	1,275	1,825,672	1,826,947
Income from Charitable Activities	4	21,645	-	21,645
<b>Total Income</b>		<b>22,920</b>	<b>1,825,672</b>	<b>1,848,592</b>
<b>Expenditure</b>				
Cost of Fundraising		-	-	-
Expenditure on Charitable Activities	6	131,476	1,848,100	1,979,576
<b>Total Expenditure</b>		<b>131,476</b>	<b>1,848,100</b>	<b>1,979,576</b>
<b>Net Income/(Expenditure)</b>		<b>(108,556)</b>	<b>(22,428)</b>	<b>(130,984)</b>
<b>Transfer between funds</b>		1,110,013	(1,110,013)	-
<b>Net Movement</b>		<b>1,001,457</b>	<b>(1,132,441)</b>	<b>(130,984)</b>
Balance brought forward		16,162	1,132,441	1,148,603
<b>Balance carried forward</b>	<b>16</b>	<b>£1,017,619</b>	<b>-</b>	<b>£1,017,619</b>

The notes on pages 18 to 31 form part of the financial statements.

All the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**BALANCE SHEET**  
**AS AT 30 June 2021**

	Notes	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	10	2,204,545	2,133,524
Investments	11	1	1
		<u>2,204,546</u>	<u>2,133,525</u>
<b>Current Assets</b>			
Debtors	12	215,326	767,515
Cash At Bank & In Hand		131,201	352,133
		<u>346,527</u>	<u>1,119,648</u>
<b>Creditors – Amounts Falling Due Within 1 Year</b>	13	(525,188)	(700,769)
Net Current (Liabilities)/Assets		<u>(178,661)</u>	<u>418,879</u>
<b>Total Assets</b>		<b>2,025,885</b>	<b>2,552,404</b>
<b>Creditors – Amounts Falling Due After &gt; 1 Year</b>	14	(2,316,844)	(1,534,785)
<b>Total Net Assets</b>	15	<u>(290,959)</u>	<u>£1,017,619</u>
<b>Represented by:</b>			
Unrestricted Reserves	16	(301,237)	1,017,619
Restricted Reserves	16	10,278	-
		<u>(290,959)</u>	<u>£1,017,619</u>

The notes on pages 18 to 31 form part of the financial statements.

These financial statements were approved and signed by a Member of the Board of Trustees on  
~~29 June 2022~~



Matt Boyle 29 Jun 2022 05:05:55 BST (UTC +1)

**Mr M Boyle**  
**Trustee**  
**Company Registration Number 10609517**



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASHFLOWS**

**AS AT 30 June 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(1,308,578)	(130,984)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		51,139	20,230
Impairment		2,905,515	1,139,897
Gifts in kind		-	-
		<u>1,648,079</u>	<u>1,029,143</u>
<b>Working capital adjustments</b>			
Decrease/(Increase) in debtors	12	552,189	226,397
Increase/(decrease) in creditors	13	(369,608)	398,096
		<u>1,830,660</u>	<u>1,653,636</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	10	<u>(3,027,675)</u>	<u>(2,410,518)</u>
Net cash flows from investing activities		(3,027,675)	(2,410,518)
<b>Cash flows from financing activities</b>			
New loans		818,644	877,720
Interest charged and repayments made on loans and borrowings		<u>157,442</u>	<u>56,995</u>
Net (decrease)/increase in cash and cash equivalents		(220,932)	177,833
Cash and cash equivalents at 1 July		<u>352,133</u>	<u>174,300</u>
Cash and cash equivalents at 30 June		<u>131,201</u>	<u>352,133</u>

All of the cash flows are derived from continuing operations during the above two periods.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED (A Company Limited by Guarantee)

## NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 30 June 2021**

### 1. Accounting Policies

#### Going Concern

The financial statements have been prepared on a going concern basis. The charity has met its day to day working capital requirements through income from grant funders supporting the charity, loans and an overdraft facility and have commenced commercial operations following the lifting of lockdown restrictions during September 2021.

In the directors' assessment of possible changes they have considered a fall in demand from their commercial/trading operations, whilst targeting potential cost savings within their core costs. Key scenarios and assumptions areas within the forecasts include:-

- Being successful in funding applications made to grant providers.
- Being successful in getting support from corporate entities looking for membership/sponsorship, specifically those entities who have a history of working within and supporting the advancement of science, technology engineering and mathematics.
- Formal restructure of the overdraft facility, provided by NE LEP, in line with the current repayment patterns.
- Formal restructure of the current loan repayment terms with the NE LEP and Newcastle City Council, in line with the current repayment patterns.
- Ongoing support from NE LEP and NCC in reviewing and updating repayment terms as required.
- Ongoing support from Trustees and Members of the Organisation.

Although the forecast prepared takes account of the matters above to support the ability of the charity to remain a going concern and to be able to trade and meets its debts as they fall due, the underlying assumptions used in forecasting are extremely judgemental and difficult to predict and could be subject to significant variation.

The charity's forecasts and projections show that the charity should be able to continue in operational existence for at least a period of 12 months from the approval of the financial statements. The forecasts project the trading income from commercial activities will continue to grow (based on nine months actual trading history from September 2021 to 31 May 2022 which shows strong demand and monthly surpluses being generated). The cashflow forecast shows the charity is a going concern on the basis that a number of funding bids submitted being submitted are successful, in addition to there being a strong uptake in sponsorship and fundraising during the 12-month period being forecast. Should the grant funding and fundraising levels projected not be achieved, this would potentially lead to a strain on cashflow and the inability of the charity to stay within its facilities, without further additional funding or current lenders further revising repayment terms. As a result of the uncertainty in the timing and levels of income levels being forecast and the consequential willingness of funders to provide additional support, there is a material uncertainty in respect of the going concern of the charity.

# **THE COMMON ROOM OF THE GREAT NORTH LIMITED** **(A Company Limited by Guarantee)**

## **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30 June 2021**

### **1. Accounting Policies (Continued)**

Based on the factors set out above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, given the timing of decisions being made on funding applications, the uncertainty of membership and subscription income levels and the consequential willingness of funders to provide additional support, that these circumstances represent a material uncertainty that may cast significant doubt on the charity's ability to continue as a going concern and therefore to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include an adjustments that would result from the basis of preparation being inappropriate.

#### **Charity Information**

The Common Room of the Great North Limited is a private company, limited by guarantee, incorporated in England and Wales. The registered office is North Of England Institute Of Mining & Mechanical Engineers, Neville Hall, Westgate Road, Newcastle upon Tyne NE1 1SE.

The charity is a public benefit entity.

#### **Statement of Compliance**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102 effective January 2019) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis having impaired the fixed asset freehold land and buildings down to its market value, having recognised the 'conservation deficit' for which specific grant funding has been received.

The financial statements are prepared in sterling, which is the functional currency of the charity.

#### **Estimation Uncertainty and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have approved depreciation, prepayments, accruals and other cut-off adjustments, including the impairment of the land and buildings to its market value to recognise the conservation deficit for which specific grant funding has been received. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 30 June 2021**

#### 1. Accounting Policies (Continued)

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Income**

All income, including grant income, is included in the Statement of Financial Activities (SOFA), net of VAT, when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Such income is only deferred when the donor or funder has specified that the grant or donation can only be used in future accounting periods or where the donor or funder has imposed conditions which must be met before the charity has unconditional entitlement.

Other income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

##### **Expenditure**

All expenditure is accounted for on an accruals basis and is recognised when a liability is incurred.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them
- Support or Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a consistent basis that fairly reflects the true use of those resources within the organisation, such as allocating staff costs by time spent and other costs by their usage.
- Governance costs are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

##### **Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Operating Leases**

The charity classifies the lease of certain printing equipment as operating leases as the title to the equipment remains with the lessor. Rental charges are charged against income on a straight-line basis over the period of the lease.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 30 June 2021**

#### 1. Accounting Policies (Continued)

##### **Tangible Fixed Assets and Depreciation**

Depreciation is provided on the fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

Freehold Land & Buildings	- over 50 years
Computer Equipment	- 33% per annum straight line
Office Equipment, Furniture & Fittings	- 25% per annum straight line

The building is held at historic cost and impaired to ensure it does not exceed its market value. The value of the building at completion is £2.1m, but funding allows a “conservation deficit” where Capital Works will be capitalised and the building impaired during the project, such that the value of the building never exceeds the completion valuation.

##### **Impairment of Fixed Assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Fixed Asset Investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### **Trade 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.

##### **Trade creditors**

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 provision are normally recognised at their settlement amount after allowing for any trade discounts due.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2021**

**1. Accounting Policies (Continued)**

**Fund Accounting**

The charity has a number of restricted income funds to account for situations in which a funder requires that a grant must be spent on a particular purpose or where funds have been raised for a specific purpose. The aim and use of each restricted fund are set out in Note 16 to the financial statements.

Restricted funding received for capital works will be recognised as restricted income. Once the money has been spent on the project, where there are no further ongoing restrictions of the asset, a transfer from Restricted Funds to Unrestricted funds will be made.

Funds considered Unrestricted Funds and are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

**Pensions**

The charity contributes to a defined contribution scheme, as detailed in Note 9.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Taxation**

The Common Room of the Great North Limited is a registered charity and, as such, is not liable to taxation on its income in the current year.

**Financial Instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS102 to all its financial instruments.

The charity only has financial assets and 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.

**2. Legal Status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

There are currently 12 members of the company as at the year end (2020: 9).

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30 June 2021**

**3. Income from Grants, Donations & Legacies**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<b>Grant Income</b>				
Foyle Foundation	-	50,000	50,000	-
Garfield Weston Foundation	-	75,000	75,000	-
NCIF - Community Foundation	-	12,500	12,500	-
National Lottery Heritage Fund – Emergency Fund	-	170,500	170,500	-
National Lottery Heritage Fund – Delivery	-	2,178,914	2,178,914	1,798,672
John and Ruth Howard Trust	-	-	-	4,500
Idlewild Trust	-	-	-	2,500
Royal Commission for the Exhibition 1851	-	20,000	20,000	20,000
The Minerals Engineering Society	-	-	-	1,200
Wolfson Foundation	-	35,000	35,000	-
	-	<b>2,541,914</b>	<b>2,541,914</b>	<b>1,826,872</b>
<b>Donations</b>				
The Minerals Engineering Society	-	1,500	1,500	-
Northern Business Forum	-	473	473	75
General donations	4	-	4	-
Gift Aid	-	(322)	(322)	-
	<b>4</b>	<b>1,651</b>	<b>1,655</b>	<b>75</b>
	<b>4</b>	<b>2,543,569</b>	<b>2,543,569</b>	<b>1,826,947</b>

Of the 2020 total of £1,826,947, £1,275 was attributed to unrestricted funds and £1,825,672 to restricted funds.

**4. Income from Charitable Activities**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Book Sales	1,820	12	1,832	788
Other Earned Income	14,673	501	15,174	20,857
	<b>16,493</b>	<b>513</b>	<b>17,006</b>	<b>21,645</b>

In 2020, all income from charitable activities was attributable to unrestricted funds.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

#### 5. Other income

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Government grant – CJRS	5,173	-	5,173	-
	<b>5,173</b>	<b>-</b>	<b>5,173</b>	<b>-</b>

#### 6. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
<b>Direct Costs – Charitable Activities</b>				
Activity Plan Costs	-	65,511	65,511	69,191
Professional Fees – Re-development	-	141,226	141,226	258,685
Marketing & Communications	1,865	78,917	80,782	33,274
Salaries & On Costs	103,026	154,286	257,312	225,960
Evaluation	-	9,776	9,776	-
Equipment	-	3,175	3,175	-
<b>Support Costs</b>				
Bank Charges	1,043	27	1,070	212
Depreciation	51,139	-	51,139	20,230
Legal & Professional	15,350	11,015	26,365	-
Impairment (conservation deficit)	-	2,905,515	2,905,515	1,139,897
Removal & Storage Fees	315	15,483	15,798	38,523
Rent, Rates & Water	2,469	2,123	4,592	13,296
Heat & Light	12,200	18,466	30,666	13,454
Insurance	1,486	30,733	32,219	44,991
Loan Interest and Charges	157,442	-	157,442	86,557
ICT Support, Software & Maintenance	1,561	7,276	8,837	9,059
Other Overheads	2,167	58,179	60,346	12,891
Recruitment	-	3,611	3,611	3
Repairs & Maintenance	272	8,145	8,417	3,288
Staff & Volunteer costs	5	5,092	5,097	2,697
<b>Governance Costs</b>				
Audit Fees	750	4,000	4,750	6,828
Pension & Payroll Fees	313	367	680	540
	<b>351,403</b>	<b>3,522,923</b>	<b>3,874,326</b>	<b>1,979,576</b>

Of the 2020 total of £1,979,576, £131,476 was attributable to unrestricted funds and £1,848,100 to restricted funds.



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30 June 2021**

**7. Net Income/(Expenditure)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's Remuneration	4,750	3,000
Other fees paid to auditor	2,750	3,828
Depreciation of owned Tangible Fixed Assets	51,139	20,230
Impairment of owned Tangible Fixed Assets	2,905,515	1,139,897

**8. Staff Costs & Trustees' Remuneration**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Salary Costs	4,403	228,142	232,545	204,469
Social Security Costs	-	17,820	17,820	15,397
Employer's Pension Contributions – Defined Contribution Scheme	-	6,947	6,947	6,094
	<b>4,403</b>	<b>252,909</b>	<b>257,312</b>	<b>225,960</b>

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
The average monthly number of staff employed during the year, was as follows:		
Cultural & Creative Learning Programmes	<b>8</b>	<b>7</b>

The number of the above staff expressed as full-time equivalents was 8 (2020: 7)

No employees received remuneration, including employer's pension contributions, in excess of £60,000 in the year (2020: None)

The total paid to key management personnel, defined as the members of the Senior Management Team, was £93,324 (2020: £93,743).

No remuneration has been paid to any Trustees/Directors in the year (2020: Nil) and no reimbursement has been made of any Travel and Subsistence expenses to Trustees in respect of their attendance at meetings of the charity (2020: Nil).

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

#### 9. Pension Scheme

Contributions totalling £6,947 (2020: £6,094) were paid during the year into the defined contribution pension scheme operated in respect of the above staff. £1,929 in pension contributions were outstanding at 30 June 2021 (2020: £1,388).

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The charity makes an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the Fund on a monthly basis.

#### 10. Tangible Fixed Assets

	Freehold Land & Buildings £	Office + ICT Equipt £	Total Fixed Assets £
<b>Cost</b>			
At 1 July 2020	3,239,897	70,863	3,310,760
Additions in year	2,905,515	122,160	3,027,675
At 30 June 2021	6,145,412	193,023	6,338,435
<b>Accumulated Depreciation</b>			
At 1 July 2020	1,139,897	37,339	1,177,236
Charge for year	-	51,139	51,139
Impairment in year	2,905,515	-	2,905,515
At 30 June 2021	4,045,412	88,478	4,133,890
<b>Net Book Value</b>			
At 30 June 2021	<b>2,100,000</b>	<b>104,545</b>	<b>2,204,545</b>
At 30 June 2020	2,100,000	33,524	2,133,524

The value of the building at completion is £2.1m, but funding allows a "conservation deficit" where capital works will be capitalised and impaired during the project build.

At 30 June 2021 the total conservation deficit write off was £4,045,412 (2020 £1,139,897)

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

#### 11. Investments

	2021	2020
	£	£
Investment in trading subsidiary – Common Room Trading Limited	1	1
	<u>1</u>	<u>1</u>

The Common Room of the Great North Limited owns 100% of the share capital of Common Room Trading Limited (Company Number 10620119). The company was dormant throughout the current and comparative period.

#### 12. Debtors

	2021	2020
	£	£
Trade Debtors	8,296	4,213
Grant Debtors	6,375	129,176
VAT Recoverable	14,461	272,336
Prepayments	21,510	25,407
Accrued Income	164,684	336,383
	<u>215,326</u>	<u>767,515</u>

#### 13. Creditors – Amounts Falling Due Within 1 Year

	2021	2020
	£	£
Other Taxes & Social Security Costs	5,652	4,454
Trade Creditors	115,687	177,793
Other Creditors – NEIMME	6	6
Other Creditors – CRGN donation to NEIMME	-	25,000
Other Creditors – Unpaid Share Capital	1	1
Other Creditors – Pension Contributions	1,929	1,388
Loan – Newcastle City Council	9,027	-
Loan – North East LEP	120,000	-
Overdraft – North East LEP	65,000	-
Loans – Founders' Fund	-	5,000
Accruals and deferred income	207,886	487,127
	<u>525,188</u>	<u>700,769</u>

Founders Fund repayment details:

During the year a £5,000 loan from A Pender was fully repaid.

An additional LEP loan was given during the year. This temporary loan was described as an overdraft and carries an interest rate of 4.5%.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

#### 14. Creditors – Amounts Falling Due After > 1 Year

	2021 £	2020 £
Loan – Newcastle City Council	698,945	607,065
Loan – North East LEP	1,460,023	877,720
Overdraft – North East LEP	107,876	-
Donation – CRGN to NEIMME payable 2022/2023	50,000	50,000
	<b>2,316,844</b>	<b>1,534,785</b>

Newcastle City Council Loan

Interest rate: 7.4%

Repayment date: June 2044

North East LEP

Interest rate: 4.86%

Repayment date: March 2025

The total drawdown facility for the North East LEP loan is £1.5million.

The North East Combined Authority and The Trustees of the National Heritage Memorial Fund hold a first charge on Neville Hall and Wood Memorial Hall, Westgate Road, Newcastle upon Tyne

#### 15. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Fixed Assets & Investments	2,204,546	-	2,204,546
Net Current Assets/(liabilities)	(188,939)	10,278	(178,661)
Creditors – Amounts Due After 1 Year	(2,316,844)	-	(2,316,844)
	<b>(301,237)</b>	<b>10,278</b>	<b>(290,959)</b>

  

	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Fixed Assets & Investments	2,133,525	-	2,133,525
Net Current Assets/(liabilities)	418,879	-	418,879
Creditors – Amounts Due After 1 Year	1,534,785	-	1,534,785
	<b>1,017,619</b>	<b>-</b>	<b>1,017,619</b>

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2021**

**16. Analysis of Charitable Funds**

	<b>Fund at 1 July 2020</b>	<b>Incoming Resources in Year</b>	<b>Resources Expended in Year &amp; Transfers</b>	<b>Fund at 30 June 2021</b>
	£	£	£	£
<b>Unrestricted Funds</b>				
Charity General Fund	(92,394)	21,670	(351,403)	(422,127)
Transfer of funds	<u>1,110,013</u>	<u>-</u>	<u>(989,123)</u>	<u>120,890</u>
<b>Total Unrestricted Funds</b>	<b>1,017,619</b>	<b>21,670</b>	<b>(1,419,501)</b>	<b>(301,237)</b>
<b>Restricted Funds</b>				
National Lottery Heritage Fund				
- Delivery	-	2,373,578	(3,362,701)	(989,123)
- Emergency Fund		170,500	(160,222)	10,278
Transfer of funds	-	-	989,123	989,123
<b>Total Restricted Funds</b>	<b>-</b>	<b>2,544,078</b>	<b>(2,454,825)</b>	<b>10,278</b>
<b>Total Funds</b>	<b>1,017,619</b>	<b>2,565,748</b>	<b>(3,874,326)</b>	<b>(290,959)</b>

**Name of Restricted Fund**

**Description, Nature & Purpose of the Restricted Fund**

National Lottery Heritage Fund – Delivery

Towards the 'Development' phase of a project to re-develop Neville Hall

National Lottery Heritage Fund – Emergency Fund

The National Lottery Heritage Fund has provided support for the heritage sector in response to the coronavirus outbreak. This grant is to help organisations that manage a heritage asset that is at risk over a period of 4 months. The support includes immediate costs as well as costs to help the organisations look towards longer term recovery.

Match Funding - Delivery  
 Foyle Foundation,  
 Garfield Weston Foundation,  
 Institute of Mechanical Engineers EEGS,  
 Leche Trust,  
 Reece Foundation,  
 Wolfson Foundation,  
 Royal Commission for the Exhibition  
 1851, The Minerals Engineering Society,  
 John and Ruth Howard Trust,  
 Idlewild Trust,  
 Individual Donors and associated Gift Aid

Towards the 'Development' phase of a project to re-develop Neville Hall

# THE COMMON ROOM OF THE GREAT NORTH LIMITED

## (A Company Limited by Guarantee)

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

#### 17. Operating Lease Commitments

At 30 June 2021 the charity had total commitments under non-cancellable operating leases as follows:

Category	Rent	Equipment
Operating leases which expire:	£	£
Within one to two years	-	-
At 30 June 2020 – operating leases to expire within one to two years	4,800	-

#### 18. Financial Commitments

The amount committed but not spent at the year-end amounts to £Nil (2020: £2.8m) in respect of the capital development programme of Neville Hall, which was completed by the year ended 30 June 2021.

#### 19. Contingent Liabilities

The accounts are approved by the board noting that there are two outstanding claims against the charitable company being brought by two former employees.

The first claim is for unfair dismissal. The board have received legal opinion that whilst the size of the claim, if successful, would be material to the financial statements (up to 52 weeks salary costs for both employees) the likelihood of success of the claim is remote. The second claim is for unlawful deduction. The board have received legal opinion that whilst the claim has a possible chance of being successful, the size of the claim would be capped to a maximum of £25,000.

The trustees have not included provision in the financial statements for either of these claims on the basis that their success only being remote for the unfair dismissal claim and possible for the unlawful deductions claim.

# THE COMMON ROOM OF THE GREAT NORTH LIMITED (A Company Limited by Guarantee)

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 June 2021

### 20. Related Parties

The Common Room of the Great North Limited (CRGN) have identified following relationships should be disclosed as related parties:

Party: Common Room Trading Limited  
Relationship: 100% Owned Subsidiary  
Nature of Transactions in the year: None

At 30 June 2021 and at 30 June 2020, CRGN owed £1 to Common Room Trading Limited in respect of unpaid share capital.

Party: North of England Institute of Mining & Mechanical Engineers (NEIMME)  
Relationship: Trustees in common and previous owner of Neville Hall

Nature of Transaction: Joint funding received for Neville Hall restoration from National Lottery Heritage and Reece Foundation, plus transfer of agreed assets and liabilities to CRGN with effect from 1 March 2019.

During the year, NEIMME purchased books from CRGN at a cost of £1,064 (2020: £nil).

At 30 June 2021 there is a contractual liability of £50,000 (2020: £75,000) payable to NEIMME, on the basis of £25,000 per annum and a liability of £5 (2020: £6) payable to NEIMME under the terms of the transfer agreement.

### 21. Analysis of Funds

	At 1 July 2020 £	Cashflow £	New Advances £	At 30 June 2021 £
Cash at bank	352,133	(220,932)		131,201
Amount due < 1 year				
• Founders Loan	(5,000)	5,000	-	-
• Mortgage	-	(9,027)	-	(9,027)
• NE LEP Loan	-	(120,000)	-	(120,000)
• Overdraft	-	-	(65,000)	(65,000)
• NIEMME	(25,000)	25,000	-	-
Amounts due > 1 year				
• Mortgage	(607,065)	9,027	(100,907)	(698,945)
• NE LEP loan	(877,720)	120,000	(702,303)	(1,460,023)
• Overdraft	-	-	(107,876)	(107,876)
• NEIMME	(50,000)	-	-	(50,000)
	<b>(1,212,652)</b>	<b>(190,932)</b>	<b>(976,086)</b>	<b>(2,379,670)</b>

