

**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 ended 30 June 2022**

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 June 2022**

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 2022.

**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 to 23/09/2022
Angela Thomson	Finance and Resources Manager from 12/09/2022

**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)  
 Prof 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  
 Mrs NJ Doyle – Hall  
 Ms MJ Broadbent  
 Ms CA Bell OBE

<b>Company Secretary</b>	Julie Eastlake to 23/09/2022 Angela Thomson from 23/09/2022
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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 2022**

### **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 10 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 Board has several sub committees including a Finance Committee, Remuneration Committee and Fundraising Committee.



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

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 30 June 2022**

### **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 2022**

### **OBJECTIVES AND ACTIVITIES (Continued)**

#### **Public Benefit (Continued)**

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

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**OBJECTIVES AND ACTIVITIES (Continued)**

**Risk Management (Continued)**

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 2021 The Common Room opened its doors for the first time to the public following the redevelopment. The trading offering launched in July with the opening of 5Quarter and we began to take bookings for events from the autumn. There was a strong demand for business events, conferences and celebration events. At the year end staff numbers across the whole organisation were around 25 with a mixture of permanent and casual staff.

**Programme & Activity Plan**

Thanks to the additional grant provided by National Lottery Heritage Fund, and our other main funders including the Reece Foundation, Platten Family Fund, Foyle Foundation, Wolfson Foundation and Garfield Weston Foundation we were able to offer an enhanced programme to the public, without the necessary competing elements of our commercial trading requirements for the first 6 months of the financial year.

Over the Opening Festival period, the building welcomed and actively engaged 2937 people of all ages and genders through this element of our programme.

Main exhibits/workshops during the festival between July – September 2021 included:

- The Polymorphic Carbon Library Exhibition
- Neville Hall Brick by Brick LEGO® model permanent display
- 1 Life as a LEGO® Artist public lecture
- LEGO® engineering mini model workshops inspired by past and current North East feats of engineering
- The Rock Showman live science shows and scratch patch geology activities
- Graft and Glory in person exhibition
- Nexus (operator of Tyne & Wear metro system) Knitted Metro Exhibit
- 1 public lecture by Les Turnbull about Tanfield Railway and history of railways
- 5 industry takeover days delivered in partnership with local engineering partners including NaCollege, FWS Consultancy, Equinor, Unipres and Northern Power Grid Hydrogen Homes
- 3 days of Heritage Open Days tours delivered in partnership with Newcastle City Guides



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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Summary of the main achievements of the charity during the year (continued)**

Main exhibits/workshops during the festival between October – December 2021 included:

- Digging Deep; Coal miners of African and Caribbean Heritage National Narratives from across the UK Exhibition, heritage talk and artistry day for families
- World Space Week Family Space themed workshops for families with STEM Ambassador and artist Helen Schell
- World Space Week LEGO® workshops delivered in partnership with Brick This LEGO® artist, Steve Mayes including new mini models (Mars Rover and Ingenuity)
- The Rock Showman live science shows and scratch patch geology activities
- Regular heritage tour programme delivered in partnership with Newcastle City Guides

Feedback from the public included:

'...Beautiful building - amazing history. [I'm] delighted that it has been restored and is so accessible for the public. Such a great civic asset and integrate to the region's history.'

...Fantastic workshop - Josh was a brilliant host and was so enthusiastic and had so much expertise about the building and its history. It was very inspiring. Excellent communication.'

'...Surpassed expectation. It was massively engaging without our 4 years old realising he was being taught'

**2022 Programme of Activity and Delivery:**

Our programme of delivery across the first half of 2022 has been supported by our engineering and STEM partners such as NEXUS, Unipres UK Ltd, Morgan Sindall, Turner & Townsend, Ryder Architecture. The Programme and Engagement Team have been able to utilise these relationships to offer a wide range of activities for the public, schools, colleges, NEET young people with autism, families, engineering professionals and heritage enthusiasts. Between Feb and July 2022 the programme has actively engaged 2,015 people, 979 of which are young people (under the age of 18)/ children.

The programme delivered between February 2022 – July 2022 included:

**Exhibitions**

- 'The Wealth of The North' minerals and ores display (permanent interactive handling display) showcasing geology specimens mined from across the North East.
- Metro Memories Exhibition in partnership with Nexus and Newcastle University Oral History Unit and Collective.
- North East Autism Society (NEAS) YESNE (Youth Employment Service North East) 'History of Employment' in the North East exhibition and celebration event (NEET enrichment programme).
- 150/170-year anniversary events including exhibition, lecture series and events in collaboration with The North of England Institute of Mining and Mechanical Engineers (NEIMME) and other partners working in partnership with NEIMME, including:
  - A talk about the formation of NEIMME at Seaham Town Hall, delivered by past president, Stuart Porthouse
  - Exhibition at The Common Room covering the key contributions to engineering and mine safety made by NEIMME



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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Summary of the main achievements of the charity during the year (continued)**

**Public Engagement**

- Heritage Tours delivered in partnership with Newcastle City Guides
- Metro Memories Community 'Show and Tell' events with Remembering the Past, Resourcing the Future.
- National Lottery Open Days – Special heritage tours for National Lottery Players, including archive sessions with Library and Archives Manager, in partnership with Newcastle City Guides
- IWD (International Women's Day) 2022 panel event in collaboration with COCO charity (also via live stream)
- 'For The Common Good' book launch celebrating The Common Room's first publication
- Bill Lancaster book launch – 'The Making of the Modern World' a social history of the Institute
- Heritage building tours in partnership with Newcastle City Guides
- Heritage tours led by Past Presidents as part of 150/170 Anniversary celebrations
- Blue Plaques programme highlighting the significance of Women in STEM from each of the local authority areas commissioned by Newcastle University.
- The Late Shows – interactive workshop around innovation in collaboration with Unfolding Theatre
- Heritage Open Days – tours and a focus on women in engineering

**Education Offering**

- British Science Week Northern Aspirations workshops (delivered offsite in local school)
- Northern Aspirations Workshop (delivery both on and offsite)
- What's Beneath Our Feet (geology themed workshop) workshops
- STEM Fest participation and delivery
- Crank It Up! STEM workshop delivery at Beamish, the Living Museum of the North
- Education workshops for home educated groups including NA, WBOF and live science shows
- Our places course 4 focusing on local engineering heritage related to the archive and collection and Newcastle and celebration event of all work from each course.

**Family Offering**

- Live science and heritage show with science demonstrations 'Do it the Safety Way!'
- School of Rock (geology themed) practical workshops
- LEGO® STEM workshops with new mini models highlighting engineering feats including Charles Parsons' steam powered boat, the Turbina.
- Metro Memories Industry Take Over Days for families delivered in partnership with NEXUS

**Festival(s)**

- 3-day Face of Engineering Festival including conference day, schools' day and family day including focusing on challenging stereotypes and championing diversity in engineering. This included
  - Engineers and reps from 16 engineering companies speaking across the day
  - 48 in person delegates and 45 online delegates via livestream
  - 70 evening attendees
  - 74 school pupils mostly girls from x4 schools
  - 8 engineering companies present on school day delivering 16 workshops across the day each
  - 3 engineering companies delivering drop-in workshops on family day
  - 166 visitors on family day
  - National and regional sponsorship from local and national and international engineering companies such as EngineeringUK
  - 44 volunteers hours across 3- day festival

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Summary of the main achievements of the charity during the year (continued)**

Feedback from pupils at The Face of Engineering Festival: Schools Day:

"As a girl, today was very inspiring. It's good to see other females proving they can do things that others don't believe they can! Women are capable!"

"There are many ways/routes you can take to become any engineer. The best one may be taking an apprenticeship"

"I have learned that engineering can be many different things not just construction. I am now considering being an engineer."

"I have learned that you don't have to be of one gender to do a job."

**Archive & Collections**

Work has continued on our "Collections online" tool, Nymbol including improving the metadata behind the images. Getting this tool live is key to being able to advertise using the collections here to the wider public as it will make it possible to use the existing digital surrogates on site as well as providing independent remote access. Currently the reading room is open by appointment Tuesday to Friday, and for long distance users the Library and Archives Manager manually sends digitised images via file transfer however this does not offer the capacity to browse collections remotely or request the digitisation of items.

We have volunteers supporting our work regularly in our Alan Reece Reading Room and are operating at capacity with the equipment we currently have. The work they undertake includes cataloguing, scanning, conservation, digitisation, transcribing and OCR proofreading. Some volunteers continue to work offsite on archival transcription, including several long distance volunteers who wish to continue supporting the project.

The collections also supported the creation of the 150/170<sup>th</sup> anniversary displays and the publication of "The Making of the Modern World" - a history of the early years of NEIMME written by historian Bill Lancaster. Archives have also been on display for a number of special tours for local groups highlighting items connected to their specialist areas of interest.

New acquisitions have been accessioned from donations including a very large bequest from NEIMME Past President, John T. Crompton containing his papers which focus on lead mining in the North Pennines. Following the implementation of a Collections Development Policy, a large piece of work was carried out to rationalise the journals holdings against those parameters.

The 23 Watson plans were returned from the conservator and taken up to Northumberland Archives for digitisation to complete the project of fully digitising this collection of plans.



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

## **TRUSTEES' REPORT**

*For the year ended 30 June 2022*

### **ACHIEVEMENTS AND PERFORMANCE (cont.)**

#### **Financial Review**

The out-turn for the year, is an unrestricted surplus of £86,327 (2021: Deficit of £1,318,856) together with a decrease in Restricted Funds of £10,278 (2021: Increase of £10,278).

The prior year deficit was largely due to the residual spend on the refurbishment of Neville Hall being from the NELEP loan, and as a result paid out of unrestricted expenditure.

The unrestricted surplus leaves Unrestricted Funds at 30 June 2022 in a deficit position of £214,910 (2021: deficit position of £301,237).

The Trustees are proactively 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 deficit £254,282 (2021: Deficit £188,939) a decrease of £65,343 (2021: £607,818 decrease) in the year.

The trustees have prepared a budget and cashflow forecast, including consideration of the aftereffects of Covid-19 virus and 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.



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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 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 will include an audio tour of the building, city guide tours, work with minoritized communities to support diversity in STEM, including our Face of Engineering Festival 2023. We will finish the delivery of the activity plan with a summer festival for the public.

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.

We need to work on our funding model for programme post-NLHF project to support that element of our charitable objectives. This will include looking into commercialising aspects of our delivery as a complementary offering for our conferences and events. The work we hope to undertake in the early part of 2023 on resilience will include additional work on fundraising to ensure the longevity of our programme and engagement.

The senior team will be focused 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**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 June 2022**

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

*M Boyle*

Matt Boyle 30 Mar 2023 17:58:25 BST (UTC +1)

**Prof M Boyle**  
**Trustee**

**Date: 30 March 2023**



# 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 2022, 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 2022 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 key scenarios and assumptions as described in note 1 and set out 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**

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### **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)

### INDEPENDENT AUDITOR'S REPORT

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: 31.3.2023

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 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income</b>					
Income from Grants, Donations & Legacies	3	196,124	648,664	844,788	2,543,569
Income from Charitable Activities	4	146,991	-	146,991	17,006
Trading Income	6	167,450	-	167,450	
Other Income	5	-	-	-	5,173
<b>Total Income</b>		<b>510,565</b>	<b>648,664</b>	<b>1,159,229</b>	<b>2,565,748</b>
<b>Expenditure</b>					
Cost of Raising Funds	7	167,795	-	167,795	-
Expenditure on Charitable Activities	8	291,662	623,723	915,385	3,874,326
<b>Total Expenditure</b>		<b>459,457</b>	<b>623,723</b>	<b>1,083,180</b>	<b>3,874,326</b>
<b>Net Income/(Expenditure)</b>		<b>51,108</b>	<b>24,941</b>	<b>76,049</b>	<b>(1,308,578)</b>
<b>Transfer between fund</b>		35,219	(35,219)	-	-
<b>Net Movement</b>		86,327	(10,278)	76,049	(1,308,578)
Balance brought forward		(301,237)	10,278	(290,959)	1,017,619
<b>Balance carried forward</b>	<b>18</b>	<b>(214,910)</b>	<b>-</b>	<b>(214,910)</b>	<b>(290,959)</b>

The notes on pages 20 to 34 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 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<b>Income</b>				
Income from Grants, Donations & Legacies	3	4	2,543,565	2,543,569
Income from Charitable Activities	4	16,493	513	17,006
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>Expenditure</b>				
Cost of Raising Funds		-	-	-
Expenditure on Charitable Activities	8	351,403	3,522,923	3,874,326
<b>Total Expenditure</b>		<b>351,403</b>	<b>3,522,923</b>	<b>3,874,326</b>
<b>Net Income/(Expenditure)</b>		<b>(329,733)</b>	<b>(978,845)</b>	<b>(1,308,578)</b>
<b>Transfer between funds</b>		<b>(989,123)</b>	<b>989,123</b>	<b>-</b>
<b>Net Movement</b>		<b>(1,318,856)</b>	<b>10,278</b>	<b>(1,308,578)</b>
Balance brought forward		1,017,619	-	1,017,619
<b>Balance carried forward</b>	<b>18</b>	<b>(301,237)</b>	<b>10,278</b>	<b>(290,959)</b>

The notes on pages 20 to 34 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 2022**

	Notes	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	12	2,236,251	2,204,545
Investments	13	1	1
		<u>2,236,252</u>	<u>2,204,546</u>
<b>Current Assets</b>			
Stock	14	3,519	-
Debtors	15	178,095	215,326
Cash At Bank & In Hand		60,952	131,201
		<u>242,566</u>	<u>346,527</u>
<b>Creditors – Amounts Falling Due Within 1 Year</b>	16	(496,848)	(525,188)
<b>Net Current (Liabilities)/Assets</b>		<u>(254,282)</u>	<u>(178,661)</u>
<b>Total Assets Less Current Liabilities</b>		<b>1,981,970</b>	<b>2,025,885</b>
<b>Creditors – Amounts Falling Due After &gt; 1 Year</b>	17	(2,196,880)	(2,316,844)
<b>Total Net (Liabilities)/Assets</b>	18	<u><b>(214,910)</b></u>	<u><b>(290,959)</b></u>
<b>Represented by:</b>			
Unrestricted Reserves	19	(214,910)	(301,237)
Restricted Reserves	19	-	10,278
		<u><b>(214,910)</b></u>	<u><b>(290,959)</b></u>

The notes on pages 20 to 34 form part of the financial statements.

These financial statements were approved and signed by a Member of the Board of Trustees on

*M Boyle*

Matt Boyle 30 Mar 2023 17:58:25 BST (UTC +1)

**Prof M Boyle**  
**Trustee**

**Date:**  
**30 March 2023**



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**STATEMENT OF CASHFLOWS**  
**AS AT 30 June 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		76,049	(1,308,578)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		74,330	51,139
Impairment		-	2,905,515
Disposal of fixed assets		3,150	
Gifts in kind		-	-
		<u>153,529</u>	<u>1,648,079</u>
<b>Working capital adjustments</b>			
(Increase)/ Decrease in Stock	14	(3,519)	
Decrease/(Increase) in debtors	15	37,238	552,189
Decrease/(Increase) in creditors	16	(142,400)	(369,608)
		<u>44,848</u>	<u>1,830,660</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	12	<u>(109,187)</u>	<u>(3,027,675)</u>
Net cash flows from investing activities		(109,187)	(3,027,675)
<b>Cash flows from financing activities</b>			
New loans		79,000	818,644
Interest charged and repayments made on loans and borrowings		<u>(84,910)</u>	<u>157,442</u>
Net (decrease)/increase in cash and cash equivalents		(70,249)	(220,932)
Cash and cash equivalents at 1 July 2021		<u>131,201</u>	<u>352,133</u>
Cash and cash equivalents at 30 June 2022		<u>60,952</u>	<u>131,201</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 2022**

**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. Commercial activities commenced in September 2021 and to date have been profitable for the charity.

In the directors' assessment of possible changes they have considered a steady increase in demand for their commercial/trading operations. This followed a business review in which they identified which elements were making surpluses and which were not. This resulted in a change of strategy to only target the commercial activity that was profitable. In addition to this, the charity continues to review and target potential 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 short term loan facility, provided by NE LEP, in line with the current repayment patterns.
- Formal restructure of the current loan repayment terms with the NE LEP 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 meet 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 to continue to grow. The cash flow forecast shows that the charity is a going concern on the basis that a number of funding bids 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 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 the current lenders being willing to further revise their repayment terms. As a result of the uncertainty in the timing and 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.

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, these circumstances represent a material uncertainty that may cast



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2022**

**1. Accounting Policies (Continued)**

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 any 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.

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.

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2022**

**1. Accounting Policies (Continued)**

**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.

**Trading Income**

All surpluses from trading, after deducting applicable costs, are reinvested into the charity in furtherance of its charitable objectives.

**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 2022**

**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.

**Stock**

Stock is held at the lower of cost or net realizable value.

**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 2022**

**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 11.

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 10 members of the company as at the year end (2021: 12).

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2022**

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

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Grant Income</b>				
Foyle Foundation	-	-	-	50,000
Garfield Weston Foundation	-	-	-	75,000
NCIF via Community Foundation	-	27,500	27,500	12,500
National Lottery Heritage Fund – Emergency Fund	-	-	-	170,500
National Lottery Heritage Fund – Delivery	-	361,203	361,203	2,178,914
Banks Community Fund via County Durham Community Foundation		22,000	22,000	-
Platten Family Fund via Community Foundation		5,000	5,000	-
Reece Foundation		200,000	200,000	-
Kirby Laing Foundation		10,000	10,000	-
Sir James Knott Trust	100,000	-	100,000	-
Newcastle NE1 Limited		2,500	2,500	-
Newcastle City Council		461	461	-
Royal Commission for the Exhibition 1851	-	-	-	20,000
Wolfson Foundation	-	-	-	35,000
	<b>100,000</b>	<b>628,664</b>	<b>728,664</b>	<b>2,541,914</b>
<b>Donations</b>				
The Minerals Engineering Society	-	-	-	1,500
Northern Business Forum	-	-	-	473
Engineering Uk	1,040	-	1,040	-
Stadler Rail Service UK Ltd	3,120	-	3,120	-
NA College	-	20,000	20,000	-
Brims Construction	1,040	-	1,040	-
NE LEP	1,040	-	1,040	-
Turner & Townsend	1,000	-	1,000	-
Nexus	1,000	-	1,000	-
A Pender	2,090	-	2,090	-
Tynexe	4,500	-	4,500	-
M & A Boyle	60,000	-	60,000	-
NEIMME	4,375	-	4,375	-
General donations	1,396	-	1,396	4
Gift Aid	15,523	-	15,523	(322)
	<b>96,124</b>	<b>20,000</b>	<b>116,124</b>	<b>1,655</b>
	<b>196,124</b>	<b>648,664</b>	<b>844,788</b>	<b>2,543,569</b>

Of the 2021 total of £2,543,569, £4 was attributed to unrestricted funds and £2,543,565 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 2022**

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
<b>4. Income from Charitable Activities</b>				
Book Sales	2,454	-	2,454	1,832
Other Earned Income	13,792	-	13,792	15,174
Room Rental	43,125	-	43,125	-
Events Income	87,620	-	87,620	-
	<b>146,991</b>	<b>-</b>	<b>146,991</b>	<b>17,006</b>

In 2021 £513 of income from charitable activities was attributable to restricted funds and £16,493 to unrestricted funds.

**5. Other Income**

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Other Income Government Grant - CJRS	-	-	-	5,173
	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,173</b>

**6. Trading Income**

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Other Income - trading	167,451	-	167,451	-
	<b>167,451</b>	<b>-</b>	<b>167,451</b>	<b>-</b>

**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2022**

**7. Fundraising Costs**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of Sales	66,274	-	66,274	-
Salaries	101,521	-	101,521	-
	<b>167,795</b>	<b>-</b>	<b>167,795</b>	<b>-</b>

**8. Expenditure on Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct Costs – Charitable Activities</b>				
Grants Repaid	-	3,891	3,891	-
Activity Plan Costs	-	103,835	103,835	65,511
Professional Fees – Re-development	-	54,304	54,304	141,226
Marketing & Communications	1,178	21,768	22,946	80,782
Salaries & On Costs	76,910	290,568	367,478	257,312
Evaluation	-	-	-	9,776
Equipment	-	14,242	14,242	3,175
Cost of Sales for Events	20,148	-	20,148	-
<b>Support Costs</b>				
Bank Charges	6	285	291	1,070
Depreciation	74,330	-	74,330	51,139
Disposal of Fixed Asset	3,150	-	3,150	-
Legal & Professional	781	8,819	9,600	26,365
Impairment (conservation deficit)	-	-	-	2,905,515
Removal & Storage Fees	-	317	317	15,798
Rent, Rates & Water	-	6,606	6,606	4,592
Heat & Light	-	25,544	25,544	30,666
Insurance	-	28,577	28,577	32,219
Loan Interest and Charges	109,116	-	109,116	157,442
ICT Support, Software & Maintenance	3,839	17,589	21,428	8,837
Other Overheads	998	22,369	23,367	60,346
Recruitment	522	1,615	2,137	3,611
Repairs & Maintenance	-	9,883	9,883	8,417
Staff & Volunteer costs	684	4,251	4,935	5,097
<b>Governance Costs</b>				
Audit Fees	-	7,980	7,980	4,750
Pension & Payroll Fees	-	1,280	1,280	680
	<b>291,662</b>	<b>623,723</b>	<b>915,385</b>	<b>3,874,326</b>

Of the 2021 total of £3,874,326, £351,403 was attributable to unrestricted funds and £3,522,923 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 2022**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging/(crediting):		
Auditor's Remuneration	7,980	4,750
Other fees paid to auditor	719	2,750
Depreciation of owned Tangible Fixed Assets	74,330	51,139
Impairment of owned Tangible Fixed Assets	-	2,905,515



**THE COMMON ROOM OF THE GREAT NORTH LIMITED**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 June 2022**

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

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross Salary Costs	170,183	257,140	427,323	232,545
Social Security Costs	4,262	25,714	29,976	17,820
Employer's Pension Contributions – Defined Contribution Scheme	3,986	7,714	11,700	6,947
	<b>178,431</b>	<b>290,568</b>	<b>468,999</b>	<b>257,312</b>

The average monthly number of staff employed during the year, was as follows:

	<b>2022 No.</b>	<b>2021 No.</b>
Cultural & Creative Learning Programmes	<b>24</b>	<b>8</b>

The number of above staff expressed as full-time equivalent was 15 (2021: 8)

No employees received remuneration, including employer's pension contributions, in excess of £60,000 in the year (2021: None)

The total paid to key management personnel, defined as the members of the Senior Management Team, was £91,990 (2021: £93,324).

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).

**11. Pension Scheme**

Employer's Contributions totaling £11,700 (2021: £6,947) were paid during the year into the defined contribution pension scheme operated in respect of the above staff. £2,681 in pension contributions were outstanding at 30 June 2022 (2020: £1,929).

Pension benefits are provided through a Group Personal Pension Scheme operated by The People's Pension, 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.

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**12. Tangible Fixed Assets**

	<b>Freehold Land &amp; Buildings £</b>	<b>Office + ICT EQUIP £</b>	<b>Total Fixed Assets £</b>
<b>Cost</b>			
At 1 July 2021	6,145,412	193,023	6,338,435
Additions	-	109,187	109,187
Disposals	-	(11,982)	(11,982)
At 30 June 2022	6,145,412	290,228	6,435,640
<b>Accumulated Depreciation</b>			
At 1 July 2021	4,045,412	88,478	4,133,890
Charge for year	-	74,330	74,330
Impairment in year	-	(8,831)	(8,831)
At 30 June 2022	4,045,412	153,977	4,199,389
<b>Net Book Value</b>			
At 30 June 2022	<b>2,100,000</b>	<b>136,251</b>	<b>2,236,251</b>
At 30 June 2021	2,100,000	104,545	2,204,545

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 2022 the total conservation deficit write off was £4,045,412 (2021 £4,045,412)

**13. Investments**

	<b>2022 £</b>	<b>2021 £</b>
Investment in trading subsidiary – Common Room Trading	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.

**14. Stock**

	<b>2022 £</b>	<b>2021 £</b>
Stock held at 30 June	3,519	-
	<u>3,519</u>	<u>-</u>

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**15. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade Debtors	56,290	8,296
Grant Debtors	-	6,375
VAT Recoverable	-	14,461
Prepayments	29,945	21,510
Accrued Income	91,860	164,684
	<b>178,095</b>	<b>215,326</b>

**16. Creditors – Amounts Falling Due Within 1 Year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
VAT, Other Taxes & Social Security Costs	12,788	5,652
Trade Creditors	55,562	115,687
Other Creditors – Credit Card	800	
Sundry Creditors	346	
Accruals and Deferred Income	116,584	207,886
Other Creditors – NEIMME	6	6
Other Creditors – CRGN donation to NEIMME	25,000	-
Other Creditors – Unpaid Share Capital	1	1
Other Creditors – Pension Contributions	2,681	1,929
Loan – Newcastle City Council	-	9,027
Loan – North East LEP	85,842	120,000
Overdraft loan – North East LEP	197,238	65,000
Loans – Founders' Fund	-	-
	<b>496,848</b>	<b>525,188</b>

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%.

**17. Creditors – Amounts Falling Due After > 1 Year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Loan – Newcastle City Council	721,874	698,945
Loan – North East LEP	1,450,006	1,460,023
Overdraft Loan – North East LEP	-	107,876
Donation – CRGN to NEIMME payable 2022/2023	25,000	50,000
	<b>2,196,880</b>	<b>2,316,844</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



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**FOR THE YEAR ENDED 30 June 2022**

Fund hold a first charge on Neville Hall and Wood Memorial Hall, Westgate Road,  
 Newcastle upon Tyne

**18. Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets & Investments	2,236,252	-	2,236,252
Net Current Assets/(liabilities)	(254,282)	-	(254,282)
Creditors – Amounts Due After 1 Year	(2,196,880)	-	(2,196,880)
	<b>(214,910)</b>	<b>-</b>	<b>(214,910)</b>

  

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
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>

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**19. Analysis of Charitable Funds**

	<b>Fund at 01-Jul-21</b>	<b>Incoming Resources in Year</b>	<b>Transfers</b>	<b>Resources Expended in Year</b>	<b>Fund at 30-Jun- 21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>					
Charity General Fund	(301,237)	510,565	35,219	(459,457)	(214,910)
<b>Total Unrestricted Funds</b>	<b>(301,237)</b>	<b>510,565</b>	<b>35,219</b>	<b>(459,457)</b>	<b>(214,910)</b>
<b>Restricted Funds</b>					
National Lottery Heritage Fund					
- Delivery	-	361,203	(41,537)	(319,666)	-
- Emergency Fund	10,278	-	6,318	(16,596)	-
Matched Funding	-	287,461	-	(287,461)	-
<b>Total Restricted Funds</b>	<b>10,278</b>	<b>648,664</b>	<b>(35,219)</b>	<b>(623,723)</b>	<b>-</b>
<b>Total Funds</b>	<b>(290,959)</b>	<b>1,159,229</b>	<b>-</b>	<b>(1,083,180)</b>	<b>(214,910)</b>

**Name of Restricted Fund**

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

National Lottery Heritage  
Fund – Delivery

Towards the 'Delivery' 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**

NCIF via Community Foundation  
National Lottery Heritage Fund  
Banks Community Fund via County Durham Community Foundation  
Platten Family Fund Via Community Foundation  
Reece Foundation  
Kirby Laing Foundation  
Sir James Knott Trust  
Newcastle NE Limited  
Newcastle City Council  
Engineering UK

Stadler Rail Service UK Ltd  
NA College  
Brims Construction  
NE LEP  
Turner & Townsend  
Nexus  
Tynexe  
NEIMME  
Individual Donations and Gift Aid

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**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 2022 and at 30 June 2021, 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 paid £6,527 to CRGN (2021: £1,064). This was for Conference and dinner £3300, Book commission £577, Refreshments £275 and a donation of £2,375.

At 30 June 2022 there is a contractual liability of £50,000 (2021: £50,000) payable to NEIMME, on the basis of £25,000 per annum and a liability of £6 (2021: £6) payable to NEIMME under the terms of the transfer agreement.

**21. Analysis of Net Debt**

	<b>At 1 July 2021 £</b>	<b>Cashflow £</b>	<b>New Advances £</b>	<b>At 30 June 2022 £</b>
Cash at bank	131,201	(70,249)		60,952
Amount due < 1 year				
a. Mortgage	(9,027)	9,027		-
b. NE LEP Loan	(120,000)	34,158		(85,842)
c. NE LEP Short Term	(65,000)	(53,238)	(79,000)	(197,238)
d. NIEMM	-	(25,000)		(25,000)
E Amounts due > 1 year				
e. Mortgage	(698,945)	(22,929)		(721,874)
f. NE LEP loan	(1,460,023)	10,017		(1,450,006)
g. NE LEP Short Term	(107,876)	107,876		-
h. NEIMME	(50,000)	25,000		(25,000)
	<b>(2,379,670)</b>	<b>14,662</b>	<b>(79,000)</b>	<b>(2,444,008)</b>



