

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
FREEMEN OF NEWCASTLE UPON TYNE
(THE TOWN MOOR CHARITY)
REPORT AND FINANCIAL STATEMENTS
MICHAELMAS 2022
(29 SEPTEMBER 2022)**

Registered charity number: 227620

**ARMSTRONG WATSON
Chartered Accountants
Newcastle upon Tyne**

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
FREEMEN OF NEWCASTLE UPON TYNE
(THE TOWN MOOR CHARITY)**

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**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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REFERENCE AND ADMINISTRATIVE DETAILS

Chairman:	H D Wilson
Vice Chairman:	N B Atkinson
Stewards Committee:	<div>P Anderson C G Atkinson N B Atkinson A R Bainbridge H Birkett (resigned 10 October 2022) K Hall J Johnson B Nesbitt (appointed 11 October 2021) S W D Walker (appointed 10 October 2022) H D Wilson P Powell P Summerhill (appointed 10 October 2022) D G Waugh FCA</div>
Hon Treasurer:	D G Waugh FCA
Principal Office:	Moor Bank Lodge Claremont Road Newcastle upon Tyne NE2 4NL
Auditors:	Armstrong Watson Audit Limited One Strawberry Lane Newcastle upon Tyne NE1 4BX
Bankers:	Lloyds Bank Plc Grey Street Newcastle upon Tyne NE1 6AG
Solicitors:	Samuel Phillips Law Firm Gibb Chambers 52 Westgate Road Newcastle upon Tyne NE1 5XU
Investment Managers:	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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REPORT OF THE COMMITTEE OF STEWARDS

The Stewards Committee are pleased to present their report, together with the financial statements of the Charity for the year ended Michaelmas 2022.

Reference and administrative details set out on page 1 form part of this report. The financial statements comply with the accounting policies set out in note 1, the Charities Act 2011, the Charity's governing document and the Statement of Recommended Practice Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

Governing document

The Charity is registered with the Charity Commission as The Town Moor Charity, Registration Number 227620. The Stewards Committee of the Freemen of Newcastle upon Tyne manages the affairs of the Freemen of Newcastle upon Tyne in accordance with the governing documents; the Newcastle upon Tyne Town Moor Act 1988 and the Rules and Orders of the Stewards of the Incorporated Companies of the Freemen of the City of Newcastle upon Tyne.

Recruitment and appointment of Stewards Committee

The Stewards Committee is the body of trustees appointed by annual election each Michaelmas Guild. Any Steward of a Company of Freemen is eligible to stand for election. There are 28 active Companies of Freemen with 80 Company Stewards, who represent 1,938 Freemen.

At the Michaelmas Guild, the Stewards Committee consisting of not less than 9 and not more than 12 Stewards shall be elected under the authority of Section 6 of the Newcastle upon Tyne Town Moor Act 1988. Each Steward elected to the Stewards Committee shall remain a member of the Committee until the next Michaelmas Guild or until earlier resignation, even should he cease to be a Steward in the interim period. Should a member of the Stewards Committee die or resign from the Committee then the Committee has the power to co-opt any Steward to fill any casual vacancy until the Michaelmas Guild next following such vacancy.

Induction and support for trustees in exercising duties

The induction and training of trustees is dealt with according to individual need and supported by an Information Pack outlining the role and responsibilities of being a trustee as well as information parochial to the affairs and good management of the Charity.

Organisation

The Stewards Committee acts as an executive body and is accountable to the overall body of Freemen to whom they report on matters of operational and strategic significance in relation to the Town Moor three times a year at the Easter, Michaelmas and Christmas Guilds. The Stewards Committee hold a full committee meeting each month, with other meetings being held as and when required. The Town Moor Superintendent is appointed by the Stewards Committee to effectively co-ordinate the day to day operational affairs of the organisation in direct working liaison with designated trustees.

Related parties

1. Town Moor Money Charity (linked charity)

Initially this was part of the Town Moor Charity, however in 1967 the Charity Commission advised setting up a separate Charity and this was encapsulated in the provision of The Charities (Town Moor Money Charity, Newcastle upon Tyne) Order 1970. The income of the Town Moor Money Charity is derived from the letting of Intakes. The Stewards Committee are the body responsible for allocation of land and negotiation of rents for Intake areas. An Intake is an area of land not currently used for grazing as specified in the Newcastle upon Tyne Town Moor Act 1988 for which the overall area set aside for such purposes must not exceed 100 acres in total. In 2018, permission was granted by the Charity Commission to treat the charity as a linked charity for registration and accounting purposes. The funds of the Charity are reported within restricted funds within these financial statements. The Stewards of the Incorporated Companies of the Freemen of Newcastle upon Tyne is the reporting charity.

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REPORT OF THE COMMITTEE OF STEWARDS

Related parties *(continued)*

2. St Mary Magdalene and Holy Jesus Trust

The Freemen have a direct link with this Trust in that members of the Stewards Committee serve on the Board of trustees along with representatives of the City Council and other care providing organisations. The Trust, as an Alms House charity, provides an allocated number of bungalows for Freemen, their widows and daughters, on land which formed part of the Town Moor.

Risk management

The trustees actively review the major risks which the Charity faces on a regular basis and believe that by maintaining reserves combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

The Stewards Committee adopts schemes and policies with regard to ensuring the effective maintenance of the Newcastle Town Moor, overseeing investments and income generated to fund the daily management and improvement of the Town Moor, all of which is aimed at securing the wellbeing for grazing for future generations of Freemen and safeguarding the open space for the citizens of Newcastle to enjoy traditional rights of 'air and exercise', in accordance with the Newcastle upon Tyne Town Moor Act 1988.

In essence, the strategic direction of the Charity focuses on the Stewards Committee maintaining and successfully managing the Town Moor for grazing, albeit in an urban environment, whilst also looking to the confidence of the general public in this major environmental asset. Under the Act, the Town Moor is safeguarded from encroachment and risk of development by the continuation of grazing therefore land management issues centre around sustaining proper standards of agricultural cultivation and maintenance of boundaries whilst trying to balance bio-diversity. The overriding aim is to maintain the required standard within budget and which is dependent upon the income in any fiscal year.

In planning and carrying out the Charity's activities for the year, the trustees have considered the guidance produced by the Charities Commission on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements and performance

- Our statutory commitments continued to be met including the overriding obligation to graze the Town Moor.
- The Town Moors were maintained and kept available to the public for air-and-exercise.
- Drainage improvements and tree / hedge planting environmental projects were undertaken.
- A very successful programme of events including the return of the 'Hoppings'.
- The engagement and communications project progressed with the first video and 'new' website launched.

Financial review

During the year, the Charity incurred net expenditure, after net losses on investments, of £10,337 (2021: net income after net gains of £608,614) as disclosed in the statement of financial activities on page 9. The total funds at Michaelmas 2022 amounted to £4,859,162 (2021: £4,869,499).

The principal sources of income comprise rents, wayleaves, lettings and investment income and in accordance with the provisions of the Newcastle upon Tyne Town Moor Act 1988, the Stewards Committee applies the income to the improvement and management of the Newcastle Town Moor.

Investment policy

The Charity's investment policy is to have a diverse base to spread risk whilst simultaneously aiming for capital appreciation at least equivalent to inflation and an income return sufficient to meet future capital expenditure needs and ongoing and cyclical operational costs not recovered from income from operations.

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REPORT OF THE COMMITTEE OF STEWARDS

Investment policy *(continued)*

The investments held by the Charity are quoted investments from which income of £121,095 (2021: £99,711) was received during the year. The quoted investments are mainly professionally managed by CCLA Investment Management Limited (Charities Official Investment Funds). The fair value of the investments was £4,185,967 (2021: £4,352,470). The trustees consider the investment return to be in line with the investment objectives set.

Reserves policy

The trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The trustees consider that the reserves held are sufficient to generate income to meet the costs of the maintenance, reinstatement and management if there was a drop in rental or other income from the Town Moor. The free reserves not invested in fixed assets designated and restricted funds at Michaelmas 2022 were £581,706 (2021: £445,053).

The restricted capital reserve of the Charity amounted to £1,529,037 (2021: £1,588,453) and is held specifically under the Newcastle upon Tyne Town Moor Act 1988 to be used to finance improvements to the Town Moor.

The total restricted funds of the linked charity at Michaelmas 2022 were £50,008 (Michaelmas 2021: £55,372).

Plans for future period

Funding provision is being set aside for capital and revenue schemes including:

- Ongoing fence-line replacement/enhancement.
- Drainage and flood risk mitigation on the main Town Moor.
- Ongoing management of events and fairs on Moors.
- Environmental improvement schemes, including further tree and hedge planting.
- Continuing to enhance communications and improving engagement with Company Stewards and Freemen.

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and application of resources of the Charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity 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 Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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REPORT OF THE COMMITTEE OF STEWARDS

Trustees' responsibilities in relation to the financial statements *(continued)*

In so far as the trustees are aware:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Stewards Committee

H D Wilson
Chairman
15 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF STEWARDS OF THE INCORPORATED COMPANIES OF THE FREEMEN OF NEWCASTLE UPON TYNE (THE TOWN MOOR CHARITY)

Opinion

We have audited the financial statements of The Stewards of the Incorporated Companies of the Freemen of Newcastle upon Tyne (The Town Moor Charity), the Charity, for the year ended Michaelmas 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the United Kingdom and republic of Ireland (United Kingdom Generally Accepted Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at Michaelmas 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

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 our audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Committee of Stewards other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF STEWARDS OF THE INCORPORATED COMPANIES OF THE FREEMEN OF NEWCASTLE UPON TYNE (THE TOWN MOOR CHARITY)

- the information given in the financial statements is inconsistent in any material respect with the Report of the Committee of Stewards; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 4 and 5, 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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect hereunder.

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

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

Based on our understanding of the Charity, discussions with trustees who are those charged with governance, we considered that the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Charities SORP (FRS 102), the Charities Act 2011, the Newcastle upon Tyne Town Moor Act 1988 and UK taxation legislation.

As part of the engagement team discussion about the susceptibility of the Charity's financial statements to material misstatement due to fraud, we did not identify any areas with an increased risk.

Our audit procedures were designed to respond to identified risks, including non-compliance with laws and regulations and fraud, which may have a material effect on the financial statements. Our audit procedures included but were not limited to:

- enquiry of the trustees and review of any relevant correspondence with legal advisers regarding any instances of non-compliance with laws and regulations and any actual, suspected or alleged fraud;
- communicating identified laws and regulations and the risks of fraud with our engagement team and remaining alert to any indications of non-compliance or fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the minutes of the Stewards Committee;
- review of accounting estimates for trustee override and bias;
- analytical procedures to identify any unusual transactions;
- identifying and testing journal entries.

**INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF STEWARDS OF THE
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Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an independent auditors' 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 Charity and Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited
Statutory Auditor
One Strawberry Lane
Newcastle upon Tyne
NE1 4BX

Date: 11 April 2023

Armstrong Watson Audit Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor under Section 1212 of the Companies Act 2006.

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR TO MICHAELMAS 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Income from :					
Grants and donations		-	1,604	1,604	6,678
Charitable activities	3	441,638	18,502	460,140	433,839
Other trading activities	4	7,862	-	7,862	5,071
Investments	5	122,229	9	122,238	100,311
Other	6	103,722	-	103,722	98,865
Total income		675,451	20,115	695,566	644,764
Expenditure on:					
Charitable activities	7	513,921	25,479	539,400	522,785
Total expenditure		513,921	25,479	539,400	522,785
Net income (expenditure)		161,530	(5,364)	156,166	121,979
Net (losses) gains on investments		(107,087)	(59,416)	(166,503)	486,635
Net (expenditure) income and movement in funds		54,443	(64,780)	(10,337)	608,614
Reconciliation of funds					
Total funds brought forward		3,225,674	1,643,825	4,869,499	4,260,885
Total funds carried forward	17	3,280,117	1,579,045	4,859,162	4,869,499

The statement of financial activities includes all gains and losses in the year.
All income and expenditure derives from continuing activities.

The notes on pages 12 to 19 form part of these financial statements

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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BALANCE SHEET

AS AT MICHAELMAS 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	28,977	21,827
Inalienable and heritage assets	12	-	-
Investments	13	4,185,967	4,352,470
		<u>4,214,944</u>	<u>4,374,297</u>
Current assets			
Biological assets	14	11,798	9,370
Debtors	15	99,213	150,676
Cash at bank and in hand		1,871,097	1,581,713
		<u>1,982,108</u>	<u>1,741,759</u>
Creditors:			
Amounts falling due within one year	16	<u>(1,337,890)</u>	<u>(1,246,557)</u>
Net current assets		<u>644,218</u>	<u>495,202</u>
Net assets		<u><u>4,859,162</u></u>	<u><u>4,869,499</u></u>
Funds:			
Unrestricted	17a	3,280,117	3,225,674
Restricted	17b	<u>1,579,045</u>	<u>1,643,825</u>
Total funds	17	<u><u>4,859,162</u></u>	<u><u>4,869,499</u></u>

The financial statements were approved by the Stewards Committee on 15 March 2023 and signed on its behalf by:

H D Wilson

The notes on pages 12 to 19 form part of these financial statements

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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STATEMENT OF CASH FLOWS

FOR THE YEAR TO MICHAELMAS 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities (a)	<u>184,614</u>	<u>71,120</u>
Cash flows from investing activities:		
Dividends and interest from investments	122,238	100,311
Purchase of investments	-	(1,353,356)
Proceeds from sale of investments	-	305,938
Purchase of plant and equipment	(17,468)	(6,426)
Proceeds from sale of plant and equipment	-	390
	<u>104,770</u>	<u>(953,143)</u>
Change in cash in the year ended Michaelmas 2022	289,384	(882,023)
Cash at Michaelmas 2021	1,581,713	2,463,736
Cash at Michaelmas 2022	<u><u>1,871,097</u></u>	<u><u>1,581,713</u></u>
Cash at bank	1,828,174	1,525,851
Cash at bank - linked charity	<u>42,923</u>	<u>55,862</u>
	<u><u>1,871,097</u></u>	<u><u>1,581,713</u></u>
	2022	2021
	£	£
a) Reconciliation of net income to net cash flow from operating activities		
Net movement in funds for the year ended Michaelmas 2022 (as per the statement of financial activities)	(10,337)	608,614
Adjustments for:		
Depreciation charges	10,318	8,784
Profit on disposal of tangible fixed assets	-	(390)
Losses (gains) on investments	166,503	(486,635)
Dividends and interest from investments	(122,238)	(100,311)
(Increase) decrease in biological assets (livestock)	(2,428)	3,150
Decrease in debtors	51,463	83,889
Increase (decrease) in creditors	91,333	(45,981)
Net cash provided by operating activities	<u><u>184,614</u></u>	<u><u>71,120</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO MICHAELMAS 2022**

1. Accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention with items recognised at cost unless otherwise stated. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

(b) Preparation of the accounts on a going concern basis

The Charity has reviewed its cash flow forecasts and there is a reasonable expectation that it has adequate resources to continue in operational existence for at least the next twelve months and on this basis the Charity trustees consider to be a going concern.

(c) Fund accounting

Unrestricted funds

i) Income and expenditure

The income and expenditure fund is credited with income arising from the Charity's activities and is charged with the costs involved in the maintenance of the Town Moor and the Charity's governance costs.

Designated funds

i) General reserve

The general reserve represents funds that are invested to provide income to meet the costs of the Charity.

ii) Town Moor Fund

The Town Moor Fund represents funds received to be used to finance the Charity's proportion of agreed improvements to be undertaken with the City of Newcastle upon Tyne and the Freemen.

Restricted funds

i) Capital reserve

The capital reserve represents funds received under the Newcastle upon Tyne Town Moor Act 1988 which are to be used to finance improvements to the Town Moor.

ii) Town Moor Money Charity (linked charity)

The Town Moor Money Charity was established in accordance with The Charities (Town Moor Money Charity, Newcastle upon Tyne) Order 1970 and permission has been granted by the Charities Commission to treat it as a linked charity for registration and accounting purposes.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

(d) Income recognition

All income is included in the statement of financial activities when the Charity has entitlement to the income, any performance conditions attached to the item(s) of income has been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The following specific policies are applied to particular categories of income:

Gifts in kind are included at valuation where material. Investment income is recognised on a receivable basis. To the extent that it relates to future periods, rental income is deferred and included within creditors in the balance sheet.

(e) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure comprises all costs of activities in furtherance of the objects of the Charity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice.

Support costs are allocated on the basis of staff time spent on each activity and are shown in note 7 to the financial statements.

(f) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 (plant and equipment) and £100 (office equipment and fixtures and fittings) are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their estimated useful lives as follows:

Plant and machinery	5 years straight line
Office equipment	3 years straight line
Fixtures and fittings	15% reducing balance
Motor vehicles	5 years straight line

(g) Inalienable and heritage assets

As explained in note 12, inalienable and heritage assets have not been capitalised or depreciated.

(h) Investments

Investments are a form of basic financial instrument and are initially recognised at cost and subsequently measured at their fair value as at the balance sheet date using the bid price. Gains or losses arising on revaluation or disposal are recognised in the statement of financial activities in the funds in which the investments are held.

(i) Biological assets

Biological assets consisting of livestock are valued at cost less any accumulated impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR TO MICHAELMAS 2022

1. Accounting policies (continued)

(j) Cash at bank

Cash at bank includes current and deposit instant access accounts, and a notice account.

(k) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

(l) Financial instruments

The Charity only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement value.

(m) Pensions

The Charity makes contributions to a NEST scheme for all qualifying employees. Employees are automatically enrolled on the pension scheme unless the Charity is notified by the employee that they wish to opt out. The cost of these contributions is charged to the Statement of Financial Activities when payable.

2. Net (expenditure) income

2022
£ **2021**
£

Net (expenditure) income for the year is stated after charging:

Auditors' remuneration:

For audit services	3,560	3,423
For accountancy and other services	4,662	5,253
Depreciation of tangible fixed assets	10,318	8,784
(Profit) on disposal of fixed assets	-	(390)

3 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Rents, intakes, wayleaves and lettings				
Newcastle upon Tyne Town Moor Act 1988	129	-	129	129
Lettings	82,698	-	82,698	14,535
Rents and wayleaves	310,527	-	310,527	260,097
Rents - linked charity intakes	-	18,502	18,502	113,709
Town Moor herd				
Sales of livestock	42,615	-	42,615	41,137
Agricultural grants	5,669	-	5,669	4,232
	441,638	18,502	460,140	433,839

4 Income from other trading activities

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Administration fee (stint tickets)	4,215	-	4,215	4,100
Miscellaneous	3,647	-	3,647	971
	7,862	-	7,862	5,071

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5 Income from investments	Unrestricted funds	Restricted funds	2022	2021
	£	£	£	£
Investments	121,095	-	121,095	99,711
Bank interest	1,134	-	1,134	597
Bank interest - linked charity	-	9	9	3
	<hr/>	<hr/>	<hr/>	<hr/>
	122,229	9	122,238	100,311

6 Other income	Unrestricted funds	Restricted funds	2022	2021
	£	£	£	£
Contribution towards Town Moor Fund projects	103,722	-	103,722	98,865

7 Total expenditure	Charitable activities	Governance costs	2022	2021
	£	£	£	£
a) Charity				
Direct costs				
Staff costs, fees and expenses	104,990	9,662	114,652	108,940
Town Moor maintenance and reinstatement	232,571	-	232,571	220,270
Livestock costs	42,388	-	42,388	37,265
Raceweek Festival costs	7,483	-	7,483	5,108
Property repairs and refurbishment	9,666	-	9,666	44,977
General office costs	49,120	45	49,165	43,794
Depreciation	10,318	-	10,318	8,784
Profit on disposal of fixed assets	-	-	-	(390)
Legal and professional fees	11,191	-	11,191	1,656
Audit and accountancy fees	4,060	3,560	7,620	8,076
Guild event and expenses	-	5,119	5,119	1,499
Contribution to Incorporated Company expenses	2,700	-	2,700	2,940
Allocated support costs				
Staff costs	-	21,048	21,048	18,610
	<hr/>	<hr/>	<hr/>	<hr/>
	474,487	39,434	513,921	501,529
b) Linked charity				
Direct costs				
Grants to individuals (Note 8)	21,100	-	21,100	19,600
Legal and professional fees	4,139	-	4,139	1,560
Cathedral hire	200	-	200	-
General office costs	40	-	40	96
	<hr/>	<hr/>	<hr/>	<hr/>
	25,479	-	25,479	21,256
	<hr/>	<hr/>	<hr/>	<hr/>
	499,966	39,434	539,400	522,785

8 Linked charity - grants to individuals		2022	2021
		£	£
December 2021	88 beneficiaries	10,975	10,400
June 2022	81 beneficiaries	10,125	9,200
		<hr/>	<hr/>
		21,100	19,600

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9 Staff costs	2022	2021
	£	£
Salaries	117,815	109,831
Social security costs	5,944	5,740
Pension contributions	2,430	2,266
	<hr/>	<hr/>
	126,189	117,837
	<hr/>	<hr/>
The average number of employees, analysed by function was:		
Town Moor maintenance and reinstatement	3	3
Administrative staff	1	1
	<hr/>	<hr/>
	4	4
	<hr/>	<hr/>

There are no employees with emoluments above £60,000 per annum (2021: - None).

10 a) Trustees' remuneration and expenses and key management personnel

The Honorary Treasurer received £4,162 (2021: £4,060) for his duties from the Charity. £1,604 (2021: £2,030) of this amount was donated to the linked charity.

The trustees receive allowances to cover expenses incurred in performance of their duties. All trustees received such allowances during the year. The total amount paid to the trustees was £5,500 (2021: £5,000). No amounts for travel, subsistence and business expenses were reimbursed to the trustees (2021: None).

The Charity considers its key management personnel comprise the trustees.

Other than the above, the trustees received no remuneration from the Charity (2021 : None).

10 b) Related party transactions

There were no other related party transactions requiring disclosure.

11 Tangible assets	Plant and machinery	Office equipment	Fixtures and fittings	Motor vehicles	Total
	£	£			£
Cost					
At Michaelmas 2021	172,845	24,583	1,110	-	198,538
Additions	430	2,288	-	14,750	17,468
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At Michaelmas 2022	173,275	26,871	1,110	14,750	216,006
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At Michaelmas 2021	154,808	21,164	739	-	176,711
Charge for year	7,013	1,775	55	1,475	10,318
On disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At Michaelmas 2022	161,821	22,939	794	1,475	187,029
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At Michaelmas 2022	11,454	3,932	316	13,275	28,977
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At Michaelmas 2021	18,037	3,419	371	-	21,827
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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12 Inalienable and heritage assets

Under the terms of the Newcastle upon Tyne Town Moor Act 1988, the Charity is entitled to half of the rental, other income and capital receipts arising from the Town Moor, to be applied for the maintenance and improvement of the Town Moor, and in defraying the general expenses of the Stewards Committee. Income from grants of intake leases are wholly receivable by the Charity. The Charity is also entitled under the Act to half of any capital monies arising, to be used to finance improvements to the Town Moor or to be invested until required.

Under the terms of the Newcastle upon Tyne Town Moor Act 1988 the linked charity is entitled to rents from the intakes which have been designated by the Stewards of the Incorporated Companies of the Freemen of Newcastle upon Tyne (The Town Moor Charity).

The trustees have not attributed a value in the financial statements to the above rights as significant costs would be involved which would not provide any useful benefit to the users of the financial statements.

The Charity also owns a Chairman's Chain of Office and a Vice Chairman's Medallion. These are irreplaceable originals to which no reliable cost or value can be attributed. A ring commemorating a victory acknowledging the rights of the Freemen, thus securing the future of the Town Moor at the instigation of the Newcastle upon Tyne Town Moor Act 1774, was acquired in 2003 at a cost of £3,411 and was written off during that year. In 2013, the Newcastle upon Tyne Lord Mayor's coach was purchased from Newcastle City Council jointly by the Charity and Shepherd Offshore for a cost of £25,000 each and was treated as an expense during that year. The objectives of the purchase were to retain this historic artefact within the City.

13 Investments

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Investments at fair value comprised :				
Listed investments				
At Michaelmas 2021	2,793,944	1,558,526	4,352,470	2,818,417
Purchase of investments	-	-	-	1,353,356
Disposals	-	-	-	(315,023)
Net (losses) gains on investments	(107,087)	(59,416)	(166,503)	495,720
At Michaelmas 2022	2,686,857	1,499,110	4,185,967	4,352,470
Historical cost at Michaelmas 2022 and 2021	1,854,486	811,642	2,666,128	2,666,128

All investments are carried at their fair value. Investment in fixed interest and investment fund securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value using the bid price.

14 Biological assets

	2022 £
Reconciliation of carrying amount:	
At Michaelmas 2021	9,370
Purchases of livestock	42,920
Sales of livestock	(40,492)
At Michaelmas 2022	11,798

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15 Debtors	2022	2021
	£	£
Rental and letting income	74,919	132,052
Rental and letting income - linked charity	8,463	698
Other debtors and prepayments	15,831	17,926
	<u>99,213</u>	<u>150,676</u>

16 Creditors : amounts falling due within one year	2022	2021
	£	£
Creditors and accruals	1,280,826	1,190,135
Deferred income	55,660	55,208
Deferred income - owed by linked charity	1,404	1,214
	<u>1,337,890</u>	<u>1,246,557</u>

17 Analysis of net assets between total funds	Fixed assets	Investments	Net current assets/(liabilities)	Total Funds 2022
	£	£	£	£
Unrestricted funds				
Income and expenditure	28,977	304,158	277,548	610,683
Designated funds				
Town Moor Fund	-	850,543	286,735	1,137,278
General reserve	-	1,532,156	-	1,532,156
Restricted funds				
Capital reserve	-	1,499,110	29,927	1,529,037
Linked charity	-	-	50,008	50,008
	<u>28,977</u>	<u>4,185,967</u>	<u>644,218</u>	<u>4,859,162</u>

Analysis of net assets between total funds - previous year

	Fixed assets	Investments	Net current assets	Total Funds 2021
	£	£	£	£
Unrestricted funds				
Income and expenditure	21,827	304,158	140,895	466,880
Designated funds				
Town Moor Fund	-	850,543	269,008	1,119,551
General reserve	-	1,639,243	-	1,639,243
Restricted funds				
Capital reserve	-	1,558,526	29,927	1,588,453
Linked charity	-	-	55,372	55,372
	<u>21,827</u>	<u>4,352,470</u>	<u>495,202</u>	<u>4,869,499</u>

**STEWARDS OF THE INCORPORATED COMPANIES OF THE
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FOR THE YEAR TO MICHAELMAS 2022

17a Unrestricted funds : movements in the year	Income and expenditure £	Town Moor Fund £	General reserve £	Total £
Balance at Michaelmas 2021	466,880	1,119,551	1,639,243	3,225,674
Income	381,729	293,722	-	675,451
Expenditure	(297,774)	(216,147)	-	(513,921)
Net losses on investments	-	-	(107,087)	(107,087)
Transfer	59,848	(59,848)	-	-
Balance at Michaelmas 2022	610,683	1,137,278	1,532,156	3,280,117

Unrestricted funds : movements in the year - previous year

	Income and expenditure £	Town Moor Fund £	General reserve £	Total £
Balance at Michaelmas 2020	483,178	1,076,088	1,336,946	2,896,212
Income	287,081	241,613	-	528,694
Expenditure	(303,379)	(198,150)	-	(501,529)
Net gains on investments	-	-	302,297	302,297
Balance at Michaelmas 2021	466,880	1,119,551	1,639,243	3,225,674

17b Restricted funds : movements in the year	Linked charity £	Capital reserve £	Total £
Balance at Michaelmas 2021	55,372	1,588,453	1,643,825
Income	20,115	-	20,115
Expenditure	(25,479)	-	(25,479)
Net losses on investments	-	(59,416)	(59,416)
Balance at Michaelmas 2022	50,008	1,529,037	1,579,045

Restricted funds : movements in the year - previous year

	Linked charity £	Capital reserve £	Total £
Balance at Michaelmas 2020	(39,442)	1,404,115	1,364,673
Income	116,070	-	116,070
Expenditure	(21,256)	-	(21,256)
Net gains on investments	-	184,338	184,338
Balance at Michaelmas 2021	55,372	1,588,453	1,643,825

Capital Reserve

Under the terms of the Town Moor Act capital sums received are to be used to finance improvements to the Town Moor or invested until required for that purpose.

Linked charity

The funds of the linked charity are separately identified as restricted funds. At Michaelmas 2022, the charity had net assets of £50,008 (Michaelmas 2021 £55,372).