

NORTHUMBRIA CALVERT TRUST

TRUSTEES' REPORT and FINANCIAL STATEMENTS

For the year ended 30 November 2016

NORTHUMBRIA CALVERT TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016

CONTENTS

PAGE

Charity Reference and Administration Details	2
Trustees' Annual Report (including Directors' Report and Strategic Report)	3-8
Independent Auditors' Report	9-10
Statement of Financial Activities (including Income & Expenditure Account)	11
Balance Sheet	12
Notes to the Financial Statements	13-19

NORTHUMBRIA CALVERT TRUST
FOR THE YEAR ENDED 30 NOVEMBER 2016

Charity Reference and Administration Details

1. Northumbria Calvert Trust is a company limited by guarantee and not having a share capital. It is a registered charity, number 511851, with Company number 01596913.

2. The Trustees and Directors who served during the year were as follows:

C Green (Chairman and Managing Trustee Committee Member)

Dr John Bridge

Dr A Charlton (Managing Trustee Committee Member)

C Drax (appointed 19 March 2016)

P R Loyd

S Priestley (Managing Trustee Committee Member)

M Schooler

P Straker

R Straker (Managing Trustee Committee Member) (resigned 31 May 2016)

E C T Trevelyan FCA (Honorary Treasurer and Managing Trustee Committee Member)

Sir Ranulph Fiennes Bt and Fra' Matthew Festing are Emeritus Trustees

3 Chief Executive and Company Secretary

P J V Cockerill

4. Registered Office and Centre Address:

Calvert Trust Kielder

Kielder Water & Forest Park

Hexham

Northumberland

NE48 1BS

Telephone: 01434 250232

Fax: 01434 250015

Email: enquiries@calvert-kielder.com

Website: www.Calvert-Trust.org.uk

5. Registered Auditors:

Ryecroft Glenton

32 Portland Terrace

Newcastle upon Tyne

NE2 1QP

6. Bankers:

Svenska Handelsbanken

11 The Court Yard

St Mary's Chare

Hexham

Northumberland

NE46 1NH

Barclays Bank PLC

Priestpopple

Hexham

Northumberland

NE46 1PE

NORTHUMBRIA CALVERT TRUST TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 NOVEMBER 2016

The Trustees, who are also Directors of the Charity for the purpose of the Companies Act 2006, present their report and the audited financial statements for the year ended 30 November 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice applicable to charities.

1. Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end are shown in the Charity and Administration Details on page 2.

2. Trustee Induction and Training

The Trustees are from a variety of relevant professional, business and charitable backgrounds with a number having experience in the disability field. New Trustees undergo an orientation period to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles, the decision making process, the business plan and recent financial performance of the Charity. They also meet key employees and other Trustees. Induction also includes a tour of the site including the activities available. The composition of the Trustees' board and its experience and training is kept under review.

3 Organisational Structure and Decision Making

At its first meeting in 1981 the Directors delegated their responsibilities for the day to day management of the Trust to the Trustees. The Trustees subsequently formed a Managing Trustee Committee to undertake these duties which is answerable to the Trustees as and when required.

4 Objectives, Activities and the Public Benefit

The objects for which the Trust is established is the provision of specialised facilities for outdoor activities in the countryside for the education or otherwise for the relief of people who have need of such facilities by reason of disability of any nature or age or social or economic circumstances provided always that priority for the use of such facilities shall be afforded to people with disabilities.

Our mission is to enable people with disabilities, together with their families and friends, to achieve their potential through the challenge of adventurous activities in the countryside.

The benefits and enjoyment of the activities are offered to all, irrespective of ability. These benefits include:

- Enrichment of life for each individual
- Personal development and rehabilitation leading to integration.

The Trust continues to do this by providing:

- A wide range of adventurous outdoor activities, meaningful challenges and adventure within a framework of safety
- Skilled, qualified and caring staff able to fulfil the needs of visitors
- Accommodation appropriate to the needs of the visitors
- Facilities for families and friends to share the enjoyment and experience.

5 Public Benefit Statement

The Trustees have confirmed that they have referred to the guidance contained in the Charity Commissioners' guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities of the Trust.

The Trustees have concluded that the Northumbria Calvert Trust complies with the two principles of public benefit as follows:

- There are identifiable benefits, and
- These benefits are available to people with disabilities, their carers and families or friends without restriction

6 Significance of Volunteers

The Trust benefits from the services of over 36 unpaid volunteers who complement the work of paid staff. Volunteers help with both service delivery and fundraising usually on an event by event basis. Volunteers are ancillary to and do not replace paid staff.

7 Pay policy for senior staff

The pay of the senior staff is reviewed annually by the Managing Trustees Committee and normally increased in accordance with the retail price index increase

8 Achievements and Performance

2016 was our 35th year of transforming the lives of disabled people. During the year we received 5,703 guests represented by 22,812 bednights our highest ever number. Of these 8,465 (2015-9,704) bednights were sold to fully catered guests and a further 14,347 (2015 – 12,745) bednights to self-catered guests.

The 12.5% increase in self catered bednights reflects both the need and ever growing popularity of this service. It provides families and small community groups with disabled members an affordable alternative to our fully catered offering. Our unique Respite Care service saw a small drop in numbers which we attribute in part to Government cutbacks.

We continued to receive guests with a wide range of impairments in particular those with learning difficulties such as autism and many with profound and multiple learning disabilities (PMLD). Our guests consistently report how their self-confidence, resilience and enjoyment of life is enhanced by their stay. They say this in turn provides the foundations and confidence for them to take their place in society and so lead more fulfilling lives.

Our work with Corporates and Universities continues to grow. The two way learning and sharing of experiences between our disabled guests, students and employees has a marked impact on all. We hope and believe that this is providing the foundations for greater understanding, respect and integration in society as a whole.

We were delighted to be awarded the two Highly Commended tourism prizes for Access for All and Self Catering provider 2016. We thank our staff for all they do for our guests and who play such a vital role in helping bring about the remarkable transformation in the lives of our guests.

9 Key Performance Indicators

The Trust seeks to help build the inner strength of guests that provides the foundation and confidence necessary to lead more fulfilling lives within the community. We measure our success in this area by the following criteria;

Outcome monitoring by use of;
Feedback questionnaires
Verbal feedback from guests
Monitoring of web activity about our service

9 Key Performance Indicators (continued)

Output monitoring by use of;

- Levels of repeat visits
- Number of guest pa
- Number of bednights provided

10 Other Trusts

Northumbria Calvert Trust is a corporate Trustee of 'The Calvert Trust' (Reg Charity No. 1042423). 'The purpose of 'The Calvert Trust' is to promote and co-ordinate the work of Northumbria Calvert Trust, Calvert Trust Exmoor (Reg Charity No. 1005776), The Lake District Calvert Trust (Reg Charity No. 270923) and Calvert Trust Chilterns Foundation (Reg Charity No. 1148277)

Working together has enabled us to embark on major initiatives to co-ordinate our fundraising and marketing and to improve performance in other areas by co-operation. The Trustees of Northumbria Calvert Trust have provided positive support in this programme of co-operative working.

The Northumbria Calvert Trust is a Founding Member of the Kielder Water & Forest Park Development Trust. Its purpose is to promote the sustainable development of the Kielder Water & Forest Park area and to improve the conditions of life for those in socially and economically disadvantaged communities at Kielder.

11 Strategies for Achieving Objectives

The Trust achieves its objectives by providing activities to those described above who pay for the use of the facilities except where the visitor is not in a position to do so in which case the activities are provided at a reduced cost through bursaries.

12 Plans for Future Periods

In response to the needs and wishes of beneficiaries and following a review of its development programme the Trustees have agreed the following capital development projects;

1. Redevelopment of the main centre building
2. Construction of additional accommodation in the main centre
- 3 Redevelopment of existing building to provide indoor activities and associated facilities
4. Landscaping of the site

The Trust will continue to invest in fundraising, marketing and sales activity in order to help and reach as many beneficiaries as possible. In particular the Trust will raise funds for bursary support and operating costs in order to keep charges to beneficiaries at an affordable level.

The Trust has an ethos of continuous improvement and development programmes are focussed on enhancing the quality of service for our clients and broadening the skills of our staff with accredited training.

13 Financial Review

As capital assets are always funded by appeal, the charges for Centre accommodation are not intended to cover depreciation and continue to be set at a market price that requires subsidy by charitable donations and bursaries.

The surplus for the year for the Unrestricted Fund was £84,518 which after transfers has been added to reserves.

The net asset value of the Trust has decreased by £27,710 to £5,402,811.

NORTHUMBRIA CALVERT TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

14 Reserves

The Trustees have adopted a risk based approach to reserves and the policy is to hold a minimum level of unrestricted reserves of £550,000. This should be sufficient to cover the following risks:

- Net costs arising from a downturn in trading
- Lower fundraising income
- Unforeseen capital expenditure
- Uninsured losses
- Shortfall in working capital

The Trustees recognise that the circumstances that may arise to the above risks would not all necessarily occur at the same time and this has been reflected in setting the level of contingency noted above.

In addition, the Trustees have set up a Designated Fund £386,648 towards underwriting the costs of the Realising Potential Capital Programme. In both cases the Trustees review the numbers at each year end

There are Restricted Funds of £206,763 at 30 November 2016.

The Trustees have set up a Designated Fund which represents the amount of money invested in Tangible Fixed Assets and amounted to £4,404,385 at 30 November 2016.

15 Investment Policy

The Charity's policy for its cash and reserves can be summarised as follows:-

- (a) Cash required for immediate use is held on current accounts with a main clearing bank;
- (b) Cash not required for immediate use is held in interest bearing accounts either with a main clearing bank or equivalent institution, with a particular focus on minimising counterparty risk;
- (c) Investments are held directly by the Charity and the Charity takes advice from financial advisers from time to time.

16 Risk Management

The major risks which the Charity might be exposed to have been reviewed by the Managing Trustee Committee and systems have been established to mitigate those risks.

Working with vulnerable adults and young people entails risks. The Trustees are ultimately responsible for risk management and they are satisfied that the appropriate internal control systems and risk management processes are in place. The Trustees consider that the following framework provides the Trust with adequate measures to reduce the impact of identified risk.

At each quarter of the year Trustees receive a full operational report covering all aspects of the Trusts activities. This report includes serious incidents and near miss reports. The Trust has a full Risk Register which is reviewed by the senior management team and any significant changes in the risk profile are notified to Trustees along with the mitigation measures. At the departmental level risk assessments are in place for all activities. Our most significant risks and mitigating actions are set out below:

Potential risk

Physical or emotional abuse or neglect of a disabled or vulnerable guest

Action to mitigate

Safeguarding policies and procedures supported by training and support and guidance for our staff.

Strong whistleblowing and quality frameworks.
Working closely with safeguarding authorities, Care Quality Commission and regulators.
Strong risk assessment and safety culture.

Preventable death or serious injury to a disabled person in our care, an employee or volunteer

Strong risk assessment and safety culture with regular monitoring by senior managers.
Thorough induction procedures and ongoing staff training and development.

NORTHUMBRIA CALVERT TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

16 Risk Management (continued)

Potential risk

Serious breach of information obligations with regard to sensitive personal data

Action to mitigate

Clear data protection and confidentiality policies and procedures.

Insufficient reserves

Close monitoring by the senior management team
Robust reserves policy.

Strong focus on income generation and cost control

17 Fixed Assets

Changes in fixed assets are shown on note 8 to the accounts. The freehold land and buildings are shown in the Trust's balance sheet at cost less depreciation. No valuation has been undertaken in view of the specialised nature of these buildings and the objectives of the Trust.

18 Charitable Gifts

The Trust made no charitable or political gifts during the year.

19 Statement as to disclosure to our Auditors

The Trustees of the charitable company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

(a) there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Auditor is unaware, and of which the company's auditors are unaware; and

(b) the Trustees, having made enquiries of fellow Trustees and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information..

20 Trustees' Responsibilities in relation to the Financial Statements

The Trustees are required by Company law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of the year and in preparing those financial statements, the Trustees are required to:

(a) select suitable accounting policies and then apply them consistently;

(b) make judgements and estimates that are reasonable and prudent;

(c) comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and

(d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

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

NORTHUMBRIA CALVERT TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

21 Auditors

Ryecroft Glenton has indicated their willingness to continue in office and a resolution to re-appoint them as Auditors will be considered at the forthcoming annual general meeting.

22 General

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

The Trustees would like to thank, on behalf of all our guests, our benefactors for their very generous support and the staff employed by the Trust for their commitment and hard work.

ON BEHALF OF THE TRUSTEES


Chris Green

10 March 2017

NORTHUMBRIA CALVERT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHUMBRIA CALVERT TRUST

We have audited the financial statements of Northumbria Calvert Trust for the year ended 30 November 2016 set out on pages 11 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 November 2016 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NORTHUMBRIA CALVERT TRUST

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHUMBRIA CALVERT TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Nigel Wyrley-Birch (Senior statutory auditor)

for and on behalf of

Ryecroft Glenton

Chartered Accountants

Registered Auditors

32 Portland Terrace

Newcastle upon Tyne

NE2 1QP

10 March 2017

NORTHUMBRIA CALVERT TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds	2016 Total Funds £	2015 Total Funds £
<u>INCOMING RESOURCES</u>						
Voluntary income		149,384	-	91,803	241,187	595,428
Legacies		180,000	-	-	180,000	-
Fund raising activities		70,952	-	-	70,952	65,761
Gift in kind		37,500	-	-	37,500	-
Investment income		6,658	-	2,738	9,396	10,205
Fees for accommodation & charitable activities	3	1,428,274	-	-	1,428,274	1,406,833
TOTAL INCOMING RESOURCES		1,872,768	-	94,541	1,967,309	2,078,227
<u>RESOURCES EXPENDED</u>						
Costs of generating funds:						
Fund raising	4	140,335	-	-	140,335	118,804
Costs of accommodation & activities (Charitable activities)	5	1,625,519	211,575	-	1,837,094	1,733,385
Governance costs	6	22,396	-	-	22,396	21,200
TOTAL RESOURCES EXPENDED		1,788,250	211,575	-	1,999,825	1,873,389
Gain on revaluation of investments	9	-	-	4,806	4,806	756
NET (OUTGOING) /INCOMING						
RESOURCES BEFORE TRANSFERS		84,518	(211,575)	99,347	(27,710)	205,594
Transfer between Funds						
Capital expenditure		(255,979)	255,979	-	-	-
Restricted funds	12	202,076	-	(202,076)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		30,615	44,404	(102,729)	(27,710)	205,594
FUND BALANCE AT 1 DECEMBER 2015		374,400	4,746,629	309,492	5,430,521	5,224,927
FUND BALANCE AT 30 NOVEMBER 2016		405,015	4,791,033	206,763	5,402,811	5,430,521

The notes on pages 13 to 19 form part of these financial statements.

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

NORTHUMBRIA CALVERT TRUST
BALANCE SHEET AT 30 NOVEMBER 2016

Company number 01596913

	Notes	2016		2015	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible assets	8	4,404,385		4,359,981	
Investments	9	<u>114,561</u>		<u>109,755</u>	
			4,518,946		4,469,736
<u>CURRENT ASSETS</u>					
Stock of goods for resale		10,612		9,344	
Debtors	10	83,479		224,206	
Cash at bank and in hand		<u>1,005,784</u>		<u>1,058,434</u>	
		1,099,875		1,291,984	
<u>CREDITORS:</u>					
Amounts falling due within one year:	11	<u>216,010</u>		<u>331,199</u>	
<u>NET CURRENT ASSETS</u>			<u>883,865</u>		<u>960,785</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>£5,402,811</u>		£5,430,521
<u>FUNDS</u>					
Restricted	12		206,763		309,492
Designated	13		4,791,033		4,746,629
Unrestricted			405,015		374,400
			<u>5,402,811</u>		<u>5,430,521</u>

The Trustees have prepared financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 13 to 19 form part of these financial statements

Approved by the Trustees on 10 March 2017 and signed on their behalf by:



Chairman and Trustee

Chris Green



Trustee and Honorary Treasurer

Edward C T Trevelyan

1. ACCOUNTING POLICIES

a) **Basis of preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and 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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011

The financial statements have been prepared using the going concern basis of accounting. There are no material uncertainties associated with the Trust that would cast any doubt on its ability to continue as a going concern. The Trust generates surplus income over expenditure, current assets comfortably exceed current liabilities, and the trustees have no plans that would significantly change these conditions. For these reasons the Trustees have satisfied themselves that it is reasonable to conclude that it is appropriate to prepare financial statements on a going concern basis.

The Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes..

b) **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits no liability was recognised.

c) **Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

d) **Fund Accounting**

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

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

Designated funds are unrestricted funds designated by the Trustees for particular purposes.

Investment income, gains and losses are allocated to the appropriate fund.

e) **Incoming Resources**

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Trust being notified of an impending distribution or the legacy being received.

The value of gifts received in kind are at estimated market value

1. **ACCOUNTING POLICIES (continued)**

f) Turnover

Turnover is the amount charged in respect of the provision of accommodation, activities and goods for resale net of value added tax.

g) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Fundraising costs are those incurred in seeking voluntary contributions.

h) 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 after allowing for any trade discounts due.

i) Tangible Fixed Assets

All additions over £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of fixed assets over their estimated economic lives. The main rates used are:

Buildings	2% or 10% per annum straight line
Furniture, fittings & equipment	20% or 10% per annum straight line
Motor Vehicles	20% per annum straight line

j) Investments and Investment Income

Investments are included in the balance sheet at mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Investment income is accounted for in the period in which the Charity is entitled to receipt.

k) Stock

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

l) Pension Costs

The Charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off as resources expended in the year in which they are payable.

m) Financial instruments

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

2 **LEGAL STATUS OF THE TRUST**

The Trust is a company limited by guarantee and has no share capital.

NORTHUMBRIA CALVERT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

3 FEES FOR ACCOMMODATION AND ACTIVITIES

	2016	2015
	£	£
Centre accommodation	668,494	725,824
Respite care	381,759	374,766
Self-catering chalets	378,021	306,243
	<u>£1,428,274</u>	<u>£1,406,833</u>

4 COSTS OF GENERATING VOLUNTARY INCOME

	2016	2015
	£	£
Fund raising	52,283	55,477
Staff costs	88,052	63,327
	<u>£140,335</u>	<u>£118,804</u>

5 COSTS OF ACCOMMODATION AND ACTIVITIES

	2016		2015	
	£	£	£	£
Direct Costs				
Instructors & respite salaries	449,277		449,193	
Domestic salaries	65,875		62,489	
Catering	86,530		68,827	
Provisions	93,448		89,238	
Commission	46,584		39,350	
Bar & shop	24,897		20,943	
Activities	29,849		32,573	
		<u>796,460</u>		<u>762,613</u>
Support Costs				
Salaries	351,439		348,131	
Staff training	11,491		6,316	
Rent and rates	24,040		21,045	
Motor and traveling	42,964		40,378	
Light and heat	88,388		80,554	
Telephone	10,995		7,883	
Repairs and renewals	104,807		102,046	
Postage, printing and stationery	22,644		26,353	
Advertising and promotion	44,857		27,423	
Sundry expenses	24,068		21,997	
Insurance	70,428		68,067	
Cleaning materials	11,483		11,627	
VAT	21,455		16,739	
		<u>829,059</u>		<u>778,559</u>
Total unrestricted		<u>1,625,519</u>		<u>1,541,172</u>
Allocated to designated fund (depreciation)		211,575		192,213
Total		<u>£1,837,094</u>		<u>£1,733,385</u>

6 GOVERNANCE COSTS

	2016	2015
	£	£
Apportioned salaries	16,896	15,700
Auditors' remuneration	5,500	5,500
	<u>£22,396</u>	<u>£21,200</u>

NORTHUMBRIA CALVERT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

7 EMPLOYEES

The average number of persons (excluding Trustees) employed by the Trust during the year was:

	<u>2016</u>	<u>2015</u>
Service	36	35
Administration	<u>8</u>	<u>6</u>
	<u>44</u>	<u>41</u>

Staff costs of these persons were as follows:

	<u>2016</u>	<u>2015</u>
	£	£
Salaries and wages	925,085	885,850
Social security costs	71,691	66,083
Pensions	<u>47,246</u>	<u>46,623</u>
	<u>£1,044,022</u>	<u>£998,556</u>

The number of employees who had employee remuneration in excess of £60,000

	<u>2016</u>	<u>2015</u>
£60,000 to £69,999	1	1
£80,000 to £89,999	1	1

No Trustee received any remuneration, any benefits in kind or any reimbursement of expenses in either year.

8 TANGIBLE FIXED ASSETS

	Land and Buildings £	Motor Vehicles £	Furniture fittings and equipment £	Total £
COST				
At 1 December 2015	5,947,346	185,046	1,431,447	7,563,839
Additions	37,087	122,371	96,521	255,979
Disposal	-	(21,738)	-	(21,738)
At 30 November 2016	<u>5,984,433</u>	<u>285,679</u>	<u>1,527,968</u>	<u>7,798,080</u>
DEPRECIATION				
At 1 December 2015	1,955,067	169,069	1,079,722	3,203,858
Charge for the year	126,671	19,588	65,316	211,575
Disposal	-	(21,738)	-	(21,738)
At 30 November 2016	<u>2,081,738</u>	<u>166,919</u>	<u>1,145,038</u>	<u>3,393,695</u>
NET BOOK VALUE				
At 30 November 2016	<u>£3,902,695</u>	<u>£118,760</u>	<u>£382,930</u>	<u>£4,404,385</u>
At 30 November 2015	<u>£3,992,279</u>	<u>£15,977</u>	<u>£351,725</u>	<u>£4,359,981</u>

NORTHUMBRIA CALVERT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

9 FIXED ASSET INVESTMENTS

MARKET VALUE

	£
At 1 December 2015	109,755
Unrealised gain	4,806
At 30 November 2016	<u>£114,561</u>

HISTORICAL COST

£68,861

INVESTMENTS COMPRISE

	2016 £	2015 £
Charities Official Investment Fund Units	69,041	64,570
M & G Corporate Bond	11,254	10,919
Bank balance	34,266	34,266
	<u>£114,561</u>	<u>£109,755</u>

10 DEBTORS

	2016 £	2015 £
Trade debtors	38,710	41,057
Sundry debtors	-	145,789
Prepayments and accrued income	44,769	37,360
	<u>£83,479</u>	<u>£224,206</u>

11 CREDITORS

Amounts falling due within one year

	2016 £	2015 £
Trade creditors	78,835	126,725
Accruals and deferred income	137,175	204,474
	<u>£216,010</u>	<u>£331,199</u>

NORTHUMBRIA CALVERT TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

12 RESTRICTED FUNDS

	1 December 2015 £	Income £	Transfers £	Investment Gain £	30 November 2016 £
Postlethwaite Fund	109,409	2,738		4,806	116,953
Realising Potential Appeal	138,845		(96,963)		41,882
Minibus Fund	37,250	2,000	(39,250)		-
Safety boat	-	25,000	(25,000)		-
Instructors salaries	-	35,750	(35,750)		-
Bursaries Fund	-	20,000	(1,648)		18,352
Sundry Appeals	23,988	9,053	(3,465)		29,576
Total restricted funds	309,492	94,541	(202,076)	4,806	206,763

The Postlethwaite Fund can be used to provide for the convalescence and maintenance of poor and respectable persons.

The Realising Potential Appeal is a project to build various capital development projects and to fund revenue costs.

The Minibus Fund represents monies received towards the cost of a new minibus.

The Safety boat fund represents monies received towards the cost of a new safety boat.

The Instructors salaries fund represents monies received towards the costs of salaries.

Bursaries Fund represents monies received towards the costs of guests' visits.

Sundry Appeals represent monies received for specific items and the transfers from these funds have been made as the monies have been expended.

13 DESIGNATED FUNDS

The Fixed Assets fund represents the amount of reserves which are tied up in Fixed Assets and has been created following a decision by the Trustees to set up a designated fund to protect the infrastructure of the Charity as described in paragraph 14 of the Trustees' Report.

The Realising Potential Fund represents the amount of reserves set aside for funding the Trust plans to expand its facilities as described in paragraph 12 of the Trustees' report.

	Fixed Assets	Realising Potential	Total
As at 30 November 2015	4,359,981	386,648	4,746,629
Additions in year	255,979	-	255,979
Depreciation charge	(211,575)	-	(211,575)
As at 30 November 2016	£4,404,385	386,648	4,791,033

NORTHUMBRIA CALVERT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016 (continued)

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Net Current Assets	Total
	£	£	£
Restricted Funds	114,561	92,202	206,763
Designated Funds	4,404,385	386,648	4,791,033
Unrestricted Funds	-	405,015	405,015
	<u>£4,518,946</u>	<u>£883,865</u>	<u>£5,402,811</u>

15 PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £47,246 (2015 £46,623).

16 CAPITAL COMMITMENTS

No capital expenditure was authorised by the Trustees for the year 2017 (2016 £703,000).