



**Joint Committee for the North of England Open  
Air Museum**

**Date** Friday 20 September 2013  
**Time** 10.00 am  
**Venue** Collections Study Room, Regional Resource Centre,  
Beamish Museum, Beamish

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**Business**

**Part A**

1. Minutes of the Meeting held on 5 July 2013 (Pages 1 - 4)
2. Museum Update - Report of Museum Director (Pages 5 - 10)
3. Development and Engagement Plan 2013 - 2025  
Summary - Report of Museum Director (Pages 11 - 30)
4. Proposal to establish a Regional Stakeholder Group -  
Report of Museum Director (Pages 31 - 38)
5. Audited Statement of Accounts 2012/2013 - Report of  
Treasurer (Pages 39 - 76)
6. Such other business as, in the opinion of the Chairman of  
the meeting, is of sufficient urgency to warrant  
consideration.
7. Any resolution relating to the exclusion of the public  
during the discussion of items containing exempt  
information.

## Part B

**Items during which it is considered the meeting is not likely to be open to the public (consideration of exempt or confidential information).**

- 8.** DEP Capital Projects Report No 1 - Report of Museum Director (Pages 77 - 88)
- 9.** Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

**Colette Longbottom**  
Secretary to the Joint Committee

County Hall  
Durham  
**12 September 2013**

**To: The Members of the Joint Committee**

Councillors Batey, J Bell, R Bell, Blakey, Buckham, Carr, Conway, Hicks, Iveson, Jewell, Lethbridge, Maitland, C Marshall, Milburn, Morrison, Oliver, Pemberton, Shuttleworth, Stoker and Todd (Durham County Council), Councillors B Goldsworthy, Green and Wallace (Gateshead MBC), Councillor Cowie (North Tyneside MBC), Councillors Cunningham and Maxwell (South Tyneside MBC), Councillors Bell, Fletcher, Jackson, Kelly, Richardson, J Scott, Trueman, Turton and Walker (Sunderland City Council)

**Co-opted Members (Non-Voting)**

Friends of Beamish – Mr A Ashburner and Mr M Dix

**JOINT COMMITTEE FOR THE NORTH OF ENGLAND  
OPEN-AIR MUSEUM**

At the Annual Meeting of the Beamish Joint Committee held in the Collections Study Room, Regional Resource Centre, Beamish Museum, Beamish on **Friday 5 July 2013** at **10.00 am**

**Present:**

**Members of the Committee:**

Councillors A Batey, J Bell, R Bell, J Blakey, J Buckham, C Carr, P Conway, D Hicks, S Iveson, J Lethbridge, J Maitland, C Marshall, O Milburn, S Morrison, P Oliver, T Pemberton and R Todd (Durham County Council)  
Councillors Goldsworthy, Green and Wallace (Gateshead Council), Councillors Bell, Kelly and Richardson (Sunderland City Council) and Councillor Cowie (North Tyneside Council)

Co-opted Members (Non-Voting)  
*Friends* – Mr Ashburner and Mr Dix

**Apologies:**

Apologies for absence were received from Councillors I Jewell, J Shuttleworth and D Stoker (Durham County Council), Councillors Cunningham and Maxwell (South Tyneside Council), Councillors Fletcher, Scott, Trueman, Turton and Walker (Sunderland City Council), and Sarah Stewart (Beamish Development Trust)

**1 Election of Chairman**

**Resolved:**

That Councillor C Marshall of Durham County Council be elected Chairman of the Joint Committee for the ensuing year.

**Councillor C Marshall** in the Chair

The Chairman thanked the previous Chairman and Vice-Chairman and looked forward to working with members and officers through the coming year especially with the transition changes.

## 2 Appointment of Vice-Chairman

### **Resolved:**

That Councillor R Bell of Sunderland City Council be appointed Vice-Chairman of the Joint Committee for the ensuing year.

Councillor Bell thanked members and officers for their support during the last year and congratulated the Museum on all of the achievements over the year.

## 3 Appointment of Co-opted Members -

(i) **Representing the Friends of the Museum (2) - Mr A Ashburner and Mr M Dix.**

(ii) **Representing the Beamish Development Trust (3) - to be confirmed.**

The Secretary reported that he had received the following nominations for co-option onto the Joint Committee:-

(i) **Friends** – Mr A Ashburner and Mr M Dix

(ii) **Beamish Development Trust** – to be confirmed at a later date

### **Resolved:**

That the following be appointed as Co-opted Members of the Joint Committee:-

Mr A Ashburner and Mr M Dix (Friends)

## 4 Constitution and Appointment of Sub-Committees: -

(i) **Finance and General Purposes**

### **Resolved:**

(i) That the constitution of the Finance and General Purposes Sub-Committee be the Chairman and Vice-Chairman of the Joint Committee together with two Members from each Constituent Authority provided that the number of each Authority's Members on the Finance and General

Purposes Sub-Committee does not exceed the number of that Authority's members on the Joint Committee, together with one co-opted Member (non-voting) from the Friends of the Museum.

(ii) That the Members for 2013/14 are to be as follows:

Councillor C Marshall (Chairman) Councillor R Bell (Vice-Chairman)  
Councillors Buckham and Conway (Durham) Councillors Goldsworthy and Green (Gateshead) Councillor Cowie (North Tyneside) Councillors Cunningham and Maxwell (South Tyneside) Councillors Kelly and Walker (Sunderland) Mr A Ashburner (Non-voting Co-opted Member).

(iii) That in the absence of nominated Members representing Constituent Authorities substitutes be allowed to attend.

#### **(ii) Emergencies Sub-Committee**

##### **Resolved:**

That the membership of the Emergencies Sub-Committee be as follows:-

The Chairman and Vice-Chairman of the Joint Committee together with two other Members to be nominated by the Secretary in consultation with the Chairman and Vice-Chairman, if available.

#### **(iii) Tenders Sub-Committee**

##### **Resolved:**

That the membership of the Tenders Sub-Committee be as follows:-

The Chairman and Vice-Chairman of the Joint Committee together with two other Members to be nominated by the Secretary in consultation with the Chairman and Vice-Chairman, if available.

#### **5 Appointment of Chairman and Vice-Chairman of Sub-Committees - past practice has been for the Chairman and Vice-Chairman of the Joint Committee to be Chairman and Vice-Chairman of all Sub-Committees**

##### **Resolved:**

That the Chairman and Vice-Chairman of the Joint Committee be the Chairman and Vice-Chairman of all Sub-Committees.

**6 Minutes of the Meeting held on 28 June 2013**

The minutes of the meeting held on 28 June 2013 were confirmed as a correct record and signed by the Chairman.

**7 Review of the museum during 2012/13 - Presentation by Museum Director**

The Museum Director gave a detailed presentation outlining the progress of the Museum for 2012/13 and outlining projects for 2013/14 (for copy see file of Minutes).

**8 Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.**

**Resolved:-**

That under Section 100 A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the said Act.

**9 Governance and Partnership Review Update - Joint Report of Museum Director and Company Secretary**

The Joint Committee received an update from the Company Secretary further to Committee approval given in March 2013 about the direction of travel regarding the proposed changes to partnership working with North East Local Authorities and the simplification of governance arrangements.

**Resolved:-**

- (i) That the draft agreement disbanding the Joint committee and creating a Regional Stakeholder Group be submitted to constituent authorities for approval and sealing;
- (ii) That progress towards finalisation of a new lease to BML be noted;
- (iii) That the proposed amendments to the Memorandum and Articles of Association of BML be noted.



**JOINT COMMITTEE OF BEAMISH, THE NORTH OF ENGLAND OPEN AIR MUSEUM**  
**20<sup>th</sup> September 2013**

**MUSEUM UPDATE**

**REPORT OF THE MUSEUM DIRECTOR: RICHARD EVANS**

**1. Performance for the period 1<sup>st</sup> February 2012 to 31<sup>st</sup> August 2013 (7 months)**

Beamish Museum KPIs 7 month period

	Actual YTD 2013/14	Original forecast 2013/14	Previous Year 2012/13
Visitor numbers	<b>393,462</b>	301,000	337,800
Variance (%)		+31%	+16%
Admissions income	<b>£2,704,908</b>	£2,179,866	£2,339,006
Variance (%)		+24%	+16%
Catering income	<b>£719,155</b>	£586,950	£634,244
Variance (%)		+22%	+13%
Fish & Chip Shop income	<b>£256,149</b>	£180,200	£197,698
Variance (%)		42%	29%
Retail income	<b>£409,308</b>	£376,250	£372,947
Variance (%)		9%	10%
<b>Total earned income<sup>1</sup></b>	<b>£4,597,978</b>	<b>£3,780,952</b>	<b>£3,985,756</b>
<b>Variance (%)</b>		<b>+22%</b>	<b>+15%</b>

- 1.1 Thanks to a combination of fine weather very high attendances during the school holidays, Beamish is on track to achieve a record year in 2013/14 in terms of both attendances and income. Visitor numbers in the 7-month period to the end of August were 16% up on the previous year. Earned income from both BML and BMTL was up 15%.
- 1.2 Performance in August was particularly strong, with Beamish welcoming more than 107,000 visitors in the month. An incredible 6,000 people came on the August Bank

<sup>1</sup> Includes income from admissions, gift aid, education, catering, retail and guide books net of VAT. Excludes income from commissions, donations, grants and funding from EU, Arts Council England and Heritage Lottery Fund.

Holiday Monday filling all available car parks. The Museum is well on target to achieve the milestone of half a million visitors in the 2013/14 year, depending of course on the results in the autumn and winter seasons.

- 1.3 Looking ahead to the autumn, the museum is busy delivering the Festival of Agriculture during September and October, with 6 weekends of events and rural activities concluding with 'Harvest Home & Ceilidh' on 6<sup>th</sup> October. The museum is already selling tickets for its autumn/winter programme, including Halloween, Bonfire and Christmas evenings. An up to date copy of the events list for the autumn/winter is attached in appendix A.

### **Members are asked to note**

- **Beamish's key performance indicators for the 7-month period to August 2013.**

## **2. Update on museum business**

- 2.1 Beamish continues to deliver the HLF funded 'Celebrating Community Heritage' project during the 2013/14 year. Activities supported included learning programmes with schools across the region, the Hetton Band Hall opening, the Great King Coal community event in April and a weekend in early summer remembering the Suffragettes. The latter featured a 'Suffragette Bike Ride' with staff and volunteers cycling through Newcastle in costume. The HLF project comes to an end in September 2014 and a plan is needed to consider how Beamish will continue to support schools in future years and continue to develop community participation in the work of the museum. This is expected to be an important feature in the major capital project '*Remaking Living Museum 1820-1950*' from 2015 -2020
- 2.2 Beamish continues to work with its partners Forma Arts and Media, East Durham Trust and Durham County Council/Area Action Partnership on a 'Creative People and Places' arts project in East Durham. Beamish is the lead organisation and responsible for co-ordination/project management including finance. £50,000 of development funding from the Arts Council has been secured to help partners prepare a detailed business plan/programme that is shaped by people in East Durham. The business plan is expected to be finalised in November 2013, for ACE approval. The business plan involves activity from the outset with a programme called 'Exchanges' that will see the artist Dryden Goodwin creating portraits in East Durham during September. Subject to approval of the business plan, ACE funding totalling £1.5 million is anticipated to support a 3-year programme that will be launched in Spring 2014. Beamish with its project partners need to raise a further £250,000 over the next three years to match fund the programme of high quality arts, reaching the least engaged and involving people across East Durham.
- 2.3 Work has continued on the development of Beamish's Development and Engagement Plan 2013 – 2025 (DEP), which was originally approved in January 2013. The sequencing of capital works has been revised following consultation with the HLF, and a Major Grant application for up to £12 million of HLF funding is now



being prepared for submission in November 2013. An executive summary has been prepared for partners and key stakeholders and is included as an agenda item for discussion and approval at the September Joint Committee meeting. The HLF bid will be for Stage I development funding worth around £350k over 12 months, to work up the detail of a major £16.5 million capital project 'Remaking Living Museum 1820 – 1950' that is prioritised for delivery from 2015 to 2019 in the DEP. Match funding totalling £4.5 million will be required to deliver the £16.5M scheme, and discussions are now underway with the Treasurer from Sunderland City Council to explore the potential for Local Authority partners to guarantee or underwrite this shortfall, ideally prior to HLF Stage I submission in October 2013. Local Authority support for the project at this early stage will be critical to the bid's success. Beamish will need to prepare a robust funding strategy to show how the £4.5 million will be raised over the next four years in order to deliver the project. Capital support from the new EU programme in the North East, working through the L7 and North East LEP, will be crucial in this respect.

- 2.4 The DEP includes a number of short term priorities for delivery prior to the anticipated start date of the HLF funded project in 2015. A separate capital project report has been prepared for Joint Committee approval detailing early priorities for capital works, and an Engagement Plan for the period to 2018/19 has been updated and re-issued following further consultation with staff.

### **3. Review of governance – update**

- 3.1 Following approval by the Joint Committee the Company Secretary has circulated a number of draft documents for approval by the museum's 5 Constituent Local Authorities. Permission has also been granted by the Charity Commission to allow Beamish Museum Limited to change its name to 'Beamish Museum'. The draft documents prepared for approval include:
- Agreement to dissolve the Joint Committee
  - New 50 year lease for BML from Durham County Council
  - Amended Memorandum/Articles of Association for 'Beamish Museum'
- 3.2 A report outlining the proposal to establish a 'Regional Stakeholder Group' in the autumn of 2013 has been prepared for approval and is included at item 7 of the agenda. A 'hold the date' e-mail has been issued to partners. The proposed date for the first meeting is Friday 25<sup>th</sup> October from 10.30am at Beamish.

## **Priorities for next period**

- Review of Museum Risk Register and VAT advice
- Recruitment of Head of Partnerships and Communications
- Prepare HLF Funding Bid for 'Remaking Living Museum 1820-1950' project
- Prepare fundraising strategy for LA partners/secure guarantee for funding shortfall
- Deliver partnership programmes (ACE MPM and HLF)
- Issue agenda for Regional Stakeholder Group meeting in October 2013
- DEP Early Priorities capital programme: Dunrobin locomotive overhaul/engine sheds; Hexham Stables deconstruction; Pit Pony Stables; Chemist/Photographers design/planning application; Wingate Café collection; and Navy Mission Catering Hut construction.
- Production of Creative People and Places Business Plan (Nov 2013)
- Preparation of Major Partner Museum consortium bid with Bowes Museum (from Jan 2014)

**RICHARD EVANS**

Director, 11<sup>th</sup> September 2013

## Appendix A: Events List

### Autumn Season (September – November 2013)

- **Great North Festival of Agriculture (29<sup>th</sup> August – 6<sup>th</sup> October)**
  - Agricultural Power from the Past 29<sup>th</sup> August – 1<sup>st</sup> September
  - Beamish “Growing Your Own” 7<sup>th</sup> – 8<sup>th</sup> September
  - Show of Agriculture 12<sup>th</sup> – 15<sup>th</sup> September
  - Hands on Heritage Skills 21<sup>st</sup> – 22<sup>nd</sup> September
  - Harvest Festival 28<sup>th</sup> – 29<sup>th</sup> September
  - Harvest Home & Dance – 5<sup>th</sup> – 6<sup>th</sup> October
  
- Classic Car Day – 29<sup>th</sup> September
  
- **Puffing Billy Celebration – October Half Term – 26<sup>th</sup> October – 3<sup>rd</sup> November.**
  
- Ice Rink opens (weather dependent) on:
  - Operating each day of October Half Term (26<sup>th</sup> October – 3<sup>rd</sup> November)
  - The three Halloween Evenings (29<sup>th</sup>, 30<sup>th</sup> & 31<sup>st</sup> October)
  - The weekend of 9<sup>th</sup> – 10<sup>th</sup> November
  - Opening for start of Christmas on 16<sup>th</sup> November 2013 (open for the three Christmas evenings). Operating weekends until 23<sup>rd</sup> February 2014.
  
- **Halloween Evenings**
  - Tuesday 29<sup>th</sup> October, Wednesday 30<sup>th</sup> October & Thursday 31<sup>st</sup> October
  
- **Bonfire Evenings**
  - Saturday 2<sup>nd</sup> November & Tuesday 5<sup>th</sup> November
  
- Last Day of Autumn Season – Sunday 3<sup>rd</sup> November 2013.

### Winter Season Events (December 2013 – February 2014)

- Winter Season – 5<sup>th</sup> November 2013 – 4<sup>th</sup> April 2014.
  
- **Christmas at Beamish**
  - Commencing 16<sup>th</sup> November – 29<sup>th</sup> December 2013.
  - Open weekends & midweek – closed Monday/Friday.
  - Three Christmas Evenings (6<sup>th</sup>, 13<sup>th</sup> & 20<sup>th</sup> December).
  - Christmas week full operation dates – 23<sup>rd</sup>, 24<sup>th</sup>, 26<sup>th</sup> December.
  - Closed to public 25<sup>th</sup>, 27<sup>th</sup> & 30<sup>th</sup> December.
  - Return to midweek winter operation 31<sup>st</sup> December 2013.
  
- February Half Term Activities 15<sup>th</sup> – 23<sup>rd</sup> February (open 9 days including Monday & Friday)
- Last Ice Rink Day – 23<sup>rd</sup> February 2014

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## **Beamish Development and Engagement Plan 2013 – 2025**

*Remaking the Living Museum of the North*

Executive Summary

Update August 2013

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## 1. Purpose

The Development and Engagement Plan (DEP) from 2012 – 2025 sets out an outcome-focused strategy to achieve the inclusive growth of Beamish as a regional living museum that involves people and uses its collections to tell the story of life in the North East through time. A comprehensive action plan is detailed with both operational improvements and capital developments for the six year period 2013/14 – 2018/19. Sustainable growth will be achieved by focussing on the core mission or purpose of Beamish and the way the museum tells the story of people in communities from across the North East region. With investment of £16.5 million in a transformational capital programme, Beamish is expecting to create 95 new full time jobs and create 50 heritage/construction traineeships as well as new opportunities for people to participate in the making of the museum. Visitor numbers in excess of 0.5 million/year will be sustained, with 60% of this audience coming from outside the North East region on holiday.

## 2. Three guiding principles & their key outcomes

Following an analysis of Beamish’s operating context, the critical success factors underpinning 65% growth from 2009 – 2012 and crucially, bespoke audience segmentation exploring the diverse motivations of visitors, three guiding principles and a set of key outcomes have been established:

Guiding Principle	Key Outcomes
1. An immersive museum that puts visitors first, using its collections and sharing stories of everyday life in the North of England between generations	<ul style="list-style-type: none"> <li>• More collections engaging more people, building audiences 0.5 million/year+</li> <li>• Remaking the Living Museum 1820-1950, connecting to new audiences &amp; offering people new ways to experience Beamish including staying with us overnight</li> <li>• Providing more opportunity for hands-on learning, from pre-school groups to overseas tourists and including a centre for older people living with a dementia</li> <li>• Sharing and teaching heritage skills, creating valuable traineeships for young people leading to high value employment</li> </ul>
2. A living museum that celebrates the heritage of the North of England with people, enabling communities to participate in the making of their museum, creating enduring relationships	<ul style="list-style-type: none"> <li>• Putting community and audience participation at the heart of how Beamish works</li> <li>• New 20<sup>th</sup> century collecting policy tapping into connections that are being lost</li> <li>• Creating new opportunities for people to participate in the making of the museum through the Remaking of the Living Museum 1820-1950</li> <li>• Offering more opportunities for volunteering, community groups, children/young people and older people to be actively involved in Beamish’s work</li> <li>• Acting as a catalyst in communities and celebrating heritage with people, working with partners across the cultural sector</li> </ul>
3. An organisation that thrives through its self-reliance and entrepreneurial spirit - always looking for new opportunities to innovate and grow to reach more people	<ul style="list-style-type: none"> <li>• Being inclusive, offering value for money and building sponsorship models for school visits through regional partnerships</li> <li>• Extending the reach and ambition of the organisation nationally and internationally</li> <li>• Becoming self-sufficient in both revenue and capital terms, generating surpluses</li> <li>• Creating 95 new jobs, sustaining existing workforce of 300+</li> <li>• Investing in environmental sustainability through delivery of a detailed action plan</li> <li>• Demonstrating the value of investment in heritage and cultural tourism</li> </ul>

### 3. Partnerships

Beamish will work closely with its partners to deliver the DEP including the Heritage Lottery Fund (HLF) and Arts Council England (ACE). Strengthening Beamish's partnerships with North East Local Authorities through a new 'Regional Stakeholder Group' will be critical, as will encouraging a regional approach to developing cultural tourism. There are opportunities to develop the national/international profile and impact of the museum through new partnerships as an ACE Major Partner Museum and through EU projects with overseas partners.

### 4. Capital developments

*Early Priority Projects 2014/15 – 2015/16: £2 million investment from operating surpluses and donations*

<p><i>Transport &amp; Industry Projects (£584k)</i></p> <ul style="list-style-type: none"> <li>• Dunrobin locomotive/coach &amp; workshops • Engine Sheds • Fairground improvements inc Lighthouse Slip</li> </ul>
<p><i>Pit Pony Stable &amp; Lamp Cabin (£142k)</i></p> <ul style="list-style-type: none"> <li>• Replica working pony stable • Lamp Cabin Mine Rescue Station/refresh of exhibition area</li> </ul>
<p><i>Colliery Navvy Mission Hut (£55k)</i></p> <ul style="list-style-type: none"> <li>• Working period catering outlet • Navvy Mission Hut Design • Replaces Pitman's Pantry</li> </ul>
<p><i>Chemist/Photographer's Studio (£375k)</i></p> <ul style="list-style-type: none"> <li>• Display of collections in store • Chemist of Stockton's safety match inventor • Try on costume in studio</li> </ul>
<p><i>General Works in Progress (£290k)</i></p> <ul style="list-style-type: none"> <li>• Overflow car park • Site-wide Wifi • Home Farm moving period to WW2 • Collecting for 1820s-1950s</li> </ul>
<p><i>Eston Church (£388k)</i> • Completion of painstaking translocation of medieval church in 1820s area</p>
<p><i>Town Bakery (£432k)</i> • Completed August 2013 and opened as new summer attraction in 1900s Town</p>

*Transformational Capital Project 2015/16 – 2019/20: Remaking Living Museum 1820 – 1950  
£16.5 million with investment from key partners, donations and operating surpluses*

<p><i>1820s Everyday Life (£4.5M)</i></p> <ul style="list-style-type: none"> <li>• Joe the Quilter's Cottage • Blyth Windmill reconstruction • Coaching Inn offering overnight stays • Early industry: candle making, potter, smithy and lime kiln • New traditional skills courses/traineeships</li> </ul>
<p><i>1950s Urban &amp; Rural Life (£9.5M)</i></p> <ul style="list-style-type: none"> <li>• Housing area including overnight stays • Homes for Memory centre for people living with dementia • Shopping, Community &amp; Recreation area • Cinema and period café • Translocated Upland 40 acre Farm</li> </ul>
<p><i>Period Transport &amp; Infrastructure Projects (£2.5M)</i></p> <ul style="list-style-type: none"> <li>• 1950s period busses inc accessible fleet • Trolleybus route • Roads/paths • Renewable heating (biomass)</li> </ul>

Appendix A includes images and plans of the above developments for reference.

*Longer term ambitions 2015 – 2025*

<p><i>1900s Town Area</i> • Hexham Goods Yard Stables • Printers • Jobmaster's Yard • Post Office • Greenhouse/potting sheds • Ravensworth Terrace &amp; Sun Inn refurbishment inc microbrewery • Function rooms • Bike shop • Town Hall • Corn Mill • Tyneside Flats • Roller Skating Rink</p>
<p><i>WW2 Home Farm</i> • Phased conversion for overnight accommodation for schools • Centre for traditional skills</p>
<p><i>Schools entrance</i> • Dedicated entrance to meet rising demand linked to sponsorship of KS1/2 school visits</p>
<p><i>1900s Mining Life</i> • Colliery Inn • Terraces • Co-op • Narrow Gauge, Brickworks &amp; Seaham Coal Drops.</p>
<p><i>New time periods:</i> • 1980s Urban Area with housing &amp; shops • 19<sup>th</sup> century Gypsy Caravans</p>



## 5. Fundraising

A robust fundraising strategy for the capital projects in the DEP will be issued in October 2013, to support an HLF Stage I submission for the *Remaking Living Museum 1820 – 1950* project. Local Authority partners including Sunderland City Council, Durham County Council and Gateshead Council are being asked to support this transformational £16.5 million project alongside the HLF, which will create 95 jobs and train 50 trainees. Beamish is seeking a guarantee from its Local Authority partners to cover an estimated funding shortfall of £4.5 million in the Remaking Living Museum 1820-1950 project, which will be raised by the museum over the next 5 years via private fundraising, EU funding applications and operating surpluses. If partners are able to guarantee the shortfall prior to HLF submission in November 2013 this will make the major grant application more likely to succeed.

## 6. Development and Engagement Action Plan 2013/14 to 2018/19

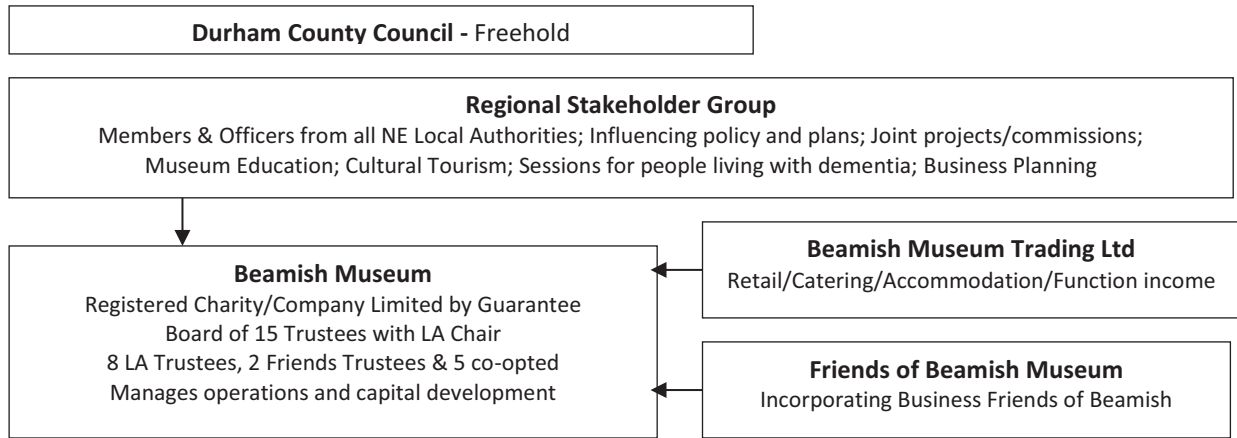
Project/Programme	Summary	Milestones
Early priorities: 2013 – 2015	<ul style="list-style-type: none"> <li>• WW2 Home Farm</li> <li>• 1900s Town Bakery &amp; Photographer/Chemist</li> <li>• 1900s Navy Mission Catering Hut, Pony Stable &amp; Lamp Cabin Store</li> <li>• Eston Church</li> <li>• Transport projects inc Dunrobin</li> <li>• Overflow car parks</li> </ul>	Feb 14: Home Farm April 14: Mission Hut Mar 15: Chemist/Photo
Planning for Remaking Living Museum 1820-1950	Design/business plan • Funding bids HLF/ERDF • Collection of buildings • Community participation • Construction training schemes developed • PR/Comms plan • Market research	Nov 13: HLF Stage I bid Apr 15: Design complete May 15: HLF approval
Delivering Remaking Living Museum 1820-1950	1950s Town & Farm • New 1820s area • Period transport & infrastructure inc biomass • Community participation • National PR/Comms • Construction & Skills Training Scheme	Jun 15: RLM project begins Apr 19: Phased opening Apr 20: Complete
Longer term ambitions 2015–2025	Early priorities of Hexham Goods Yard Stables; Print Shop; GPO; Ravensworth Terrace/Sun Inn; Colliery Inn and terraces	Depending on funding
Environmental plan	Measures to change behaviour; Monitor usage; Reduce energy use/waste; Increase renewable energy with biomass	Mar 14: Plan adopted Mar 18: Biomass complete
Unselective & active collecting	Collecting 1800- 1990 to enable future developments; Community participation curating exhibits; New policy and 'development' stores; Learning, community and on-site projects/events using collections	Aug 13: Open Store Phase 1 Mar 14: New policy Mar 15: Open Store Phase 2
Community participation	Completion of HLF Celebrating Community Heritage project; MPM programme development/support; Remaking Living Museum 1820 - 1950 project; Co-curation of exhibits; WW1; Festivals/events; CPP	Jun 14: RLM project begins Sept 14: CCH project ends Apr 15: New MPM starts
Immersive learning for schools	HLF Evacuees & CCH projects; Development of activities linked to seasons; 1820s-1950s project; 1900s Mining Life; Engineering; WW1; WW2 Evacuees; Evening/overnight visits; Research into impact of OAM learning; MPM work; Regional Stakeholder Group projects	Jun 14: RLM project begins Sept 14: CCH project ends Mar 15: MPM project ends Apr 15: New MPM starts
Volunteering	Achieve 20% growth in participation; Training, social events and costume plan; Support for partners through MPM and Regional Stakeholder Group; Work placement plan	Jun 14: RLM project begins Mar 15: MPM project ends Apr 15: New MPM starts
Family learning between generations	Developing activities through engagement teams, using collections and linking to events; Food, music, crafts, toys and games	Mar 14: Plan adopted Apr 15: New MPM starts

Project/Programme	Summary	Milestones
Involving older people	Developing activities for people living with dementia with impact study; WW2 Home Farm and 1950s Homes for Memory; Working through Regional Stakeholder Group to develop regional approach	Jun 14: RLM project begins Sept 14: CCH project ends Apr 15: New MPM starts
Sharing traditional skills	Developing traditional skills courses inc taster days; Programme linked to museum collections; Seasons/events and new developments	Jun 14: RLM project begins Mar 15: MPM project ends
Passing on skills: apprenticeships/traineeships	Develop across museum 2013-2015; Major construction training scheme in Remaking Living Museum 1820-1950 project with FE partners	Jun 14: RLM project begins Apr 15: New MPM starts
Developing audience engagement	Development across teams including communications; Use of 3rd/1st person; food/drinks; craft; Staff CPD and skills	Mar 14: Plan/Review Mar 15: Annual report
1820s Life	Pockerley engagement plan review inc food, music and craft demonstrations; Georgian Fair; Remaking Living Museum project plan	Mar 14: New plan/training Jun 14: RLM project begins
WW2 Home Farm	Conversion of Farmhouse/Cottages to WW2 exhibit and space for activities with older people; Review of Cart Shed; Incremental refurb for overnight accommodation/learning/skills courses	Feb 14: WW2 Farm Oct 14: Review Mar 15: Report/update
1950s Upland farm	Recording, curatorial research and engagement plan for new exhibit in Remaking Living Museum 1820-1950 project	Dec 13: Recording Nov 14: Research report
Gardening for visitors	Relocation of potting sheds/glasshouses to Town Park; 'Made in Beamish' produce; Garden PR in region/through DMOs with booklet; Beekeeping/honey production; Development of volunteers group	Mar 14: Phase 1 complete Mar 14: Plan/Training Mar 15 :Phase 2 complete
Land & woodlands management	Revised management plan; Sawmill development with Ruston Portable/activities for visitors; Biomass fuel supply	Dec 13: Woods transfer Mar 14: Plan issued Oct 14: PROW reviewed
1900s Mining Life	Ongoing development of engagement plans/activities in Village/Pit inc Band Hall, Lamp Cabin/Drift (winter opening); Pit Pony/Stable; Pitman's/Navvy Hut; Screens/Railways including 'driver for a fiver'	Mar 14: Plan issued
1900s Town Life	Ongoing development of engagement plans/activities inc street life; Ravensworth; Co-op; Stationers; Period retail/bank exchange; Planning for Photographers/Chemist, Print Shop/GPO and Sun Inn/Stables	Mar 14: Plan issued Sept 14: Review Mar 16: Progress report
1950s Urban life	Planning for 1950s urban area, with community participation; Focus on 'hands-on' participatory activities for families/open plan exhibits	Nov 13: HLF Stage I bid May 15 Stage II approval
Evening use	Build on success 2009-12; Summer holiday evening events/food; Activities for audiences staying overnight; Lighting projects/gas lamps	Mar 14: Plan issued Mar 15: Report/update
Events and Festivals	Ongoing innovation of seasonal calendar: spring (transport), summer (family), autumn (food/farming) and winter (Christmas); Build through greater schools & community participation; WW1 programming in 2016	Mar 14: Plan issued Sept 14: Review/plan Sept 15: Report/update
Horse performance	Review of operation; New stock to enhance engagement with deliveries and charged carriage/charabanc rides; Pit Ponies; Volunteers	Mar 14: Plan issued Sept 14: Review/plan

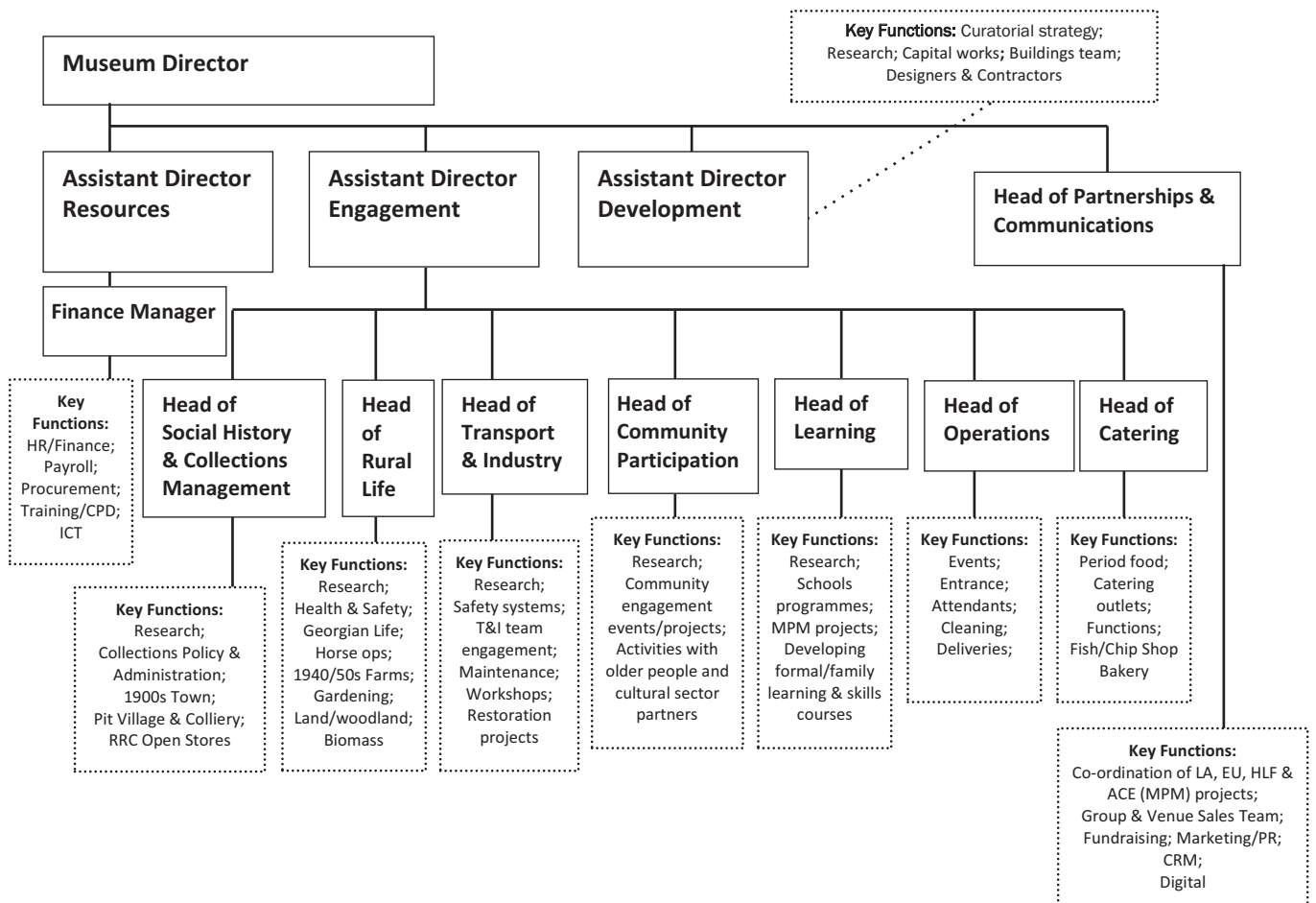
Project/Programme	Summary	Milestones
Period transport & maintenance	Planning for buildings, plant/track, steam engines, electric tram and bus fleets; Fairground development; Development of volunteering; Operating plan for Colliery (weekend) & Rowley (daily Mar - Oct)	Mar 14: Plan issued Mar 15: Report/update Mar 16: Report/update
Costume	Review of operations inc volunteers/demands of RLM 1820-1950 project; Development of 'try on' costume for events and Photographer's	Mar 14: Plan issued Mar 15: Report/update
Engagement through food & drink	Continuous review/improvement of period food/catering inc financial targets/controls; Bakery review after 3/6 months; Venue sales review	Nov 13: Catering Plan Mar 14: Review/training Mar 15: Report/update
Made in Beamish - retail development	Retail review including Gardening, Fairground, Drapers, Grocer's, Sweet Shop, Bakery, Stationers, Stalls, 1820s area, Entrance/Gift Shop, Online	Nov 13: Plan issued Mar 14: Review/update
Staying with Beamish: accommodation	Detailed operational business planning to meet demand; Shaping the RLM 1820 - 1950 project, with developments managed as exhibits	Nov 13: HLF Stage I bid May 15: HLF Stage II
Hiring Beamish: functions/corporate	Review packages inc weddings with plan for next 3 yrs; Scoping of new facilities in town; Marketing and promotion of packages	Jan 14: Venue Plan issued Jan 15: Report/update
Reviewing structures to support growth	Review of governance/management structures to deliver DEP and strengthen partnerships with LAs through Regional Stakeholder Group	Oct 13: Plan approved Oct 13: RSG meets
Empowering staff: training & CPD	Review of training, PDPs, skills matrices and communications; Staff and volunteer development at centre of planning; Develop focus groups; IIP	Nov 13: HR Plan for RLM Nov 14: Report/update
Partnerships	Regional Stakeholder Group to develop regional, national and international partnerships to provide support and meet need/demand in museum education; Tourism; Public health; Planning/strategy	Oct 13: Staff recruited Jan 14: Plan for 2014/15 Jan 15: Report/update
Engagement Marketing	New marketing plan to communicate core purpose and support DEP delivery inc RLM project 2015 – 2019; Investment in CRM and digital	Oct 14: Plan issued Oct 15: Evaluate/update
Research and Evaluation	Develop segmentation, and deliver annual survey/focus group plan from 2013; Invest in study to evaluate social/economic impact	Jan 14: Issue revised plan Oct 14: Impact report
Fundraising Plan	Robust plan to support RLM project 1820 – 1950 and revenue priorities in DEP, demonstrating to partners how funding required will be raised	Oct 13: Plan issued Jan 14: Report/update
Risk management	Maintaining/monitoring risk matrix for Development and Engagement plan with 1/4ly review by SMT	Nov 13: Board review Mar 14: Review/plan
Financial projections	3 yr DEP projections inc P&L and capital cashflows, updated on 1/4ly basis; VAT review taking into account governance review	Jan 13: Forecast approved Oct 13: Board Review

## 7. Governance and management structures

The governance structure that will shape and help deliver the DEP is shown below.



Beamish's management structure (August 2013) to deliver the DEP is shown below:



## 8. Marketing and Communications

A new marketing/communications plan will be developed to support the DEP, with the following key components:

- **Engagement:** Building relationships and a dialogue with audiences through transparent communication of the Beamish brand/identity and active use of digital platforms/CRM
- **Segmentation:** Developing the bespoke segmentation to communicate in different ways to a diverse audience
- **More than a Museum:** Communicating the diverse motivations of Beamish’s audience
- **Value:** Continuing to offer value for money through the Unlimited ticket
- **Always something new to see, year-round:** Promoting new attractions and seasonal events/festivals
- **Participation:** Highlighting hands-on, immersive activities that appeal to families
- **Intergenerational:** Stressing the nature of learning at Beamish, passing on skills and knowledge to children
- **Regional connections:** Being proud that Beamish illustrates the stories of local communities
- **Extending appeal:** building national/international profile, and national appeal of the winter season events

## 9. Summary of key outputs that provide benefits to partners

<i>Tourism:</i>	Increasing visitor numbers 0.5M + - at least 60% tourists from outside the North East region Increasing proportion of overseas tourists and reaching new markets including China
<i>Employment:</i>	Creating 95 new FTE jobs. Sustaining and developing current workforce of 285 FTE staff
<i>Resilience:</i>	Growing turnover from £9M by 2018/19 and then on to £11M by 2024/25 Becoming self-sufficient in terms of both operating costs and capital projects by 2025
<i>Sustainability:</i>	Targets to reduce carbon footprint including biomass heating using museum timber
<i>Community Participation:</i>	Future capital development and operations shaped by genuine partnership with people the museum represents, engaging communities, heritage groups and cultural sector partners
<i>Volunteering:</i>	Increasing the already very high levels of volunteer participation by 20% over next 6 years
<i>Traineeships:</i>	Training 50 trainees, passing on heritage skills combined with modern techniques and business administration skills, supporting young people through to further employment
<i>Heritage skills:</i>	750 learners attending heritage skills courses per year across the museum site by 2019/20.
<i>Education:</i>	Building partnerships to increase educational visits from 40,000/yr to 80,000/yr by 2025
<i>Diversity:</i>	At least 45% of audience from demographic group C2DE

## 10. Financial objectives

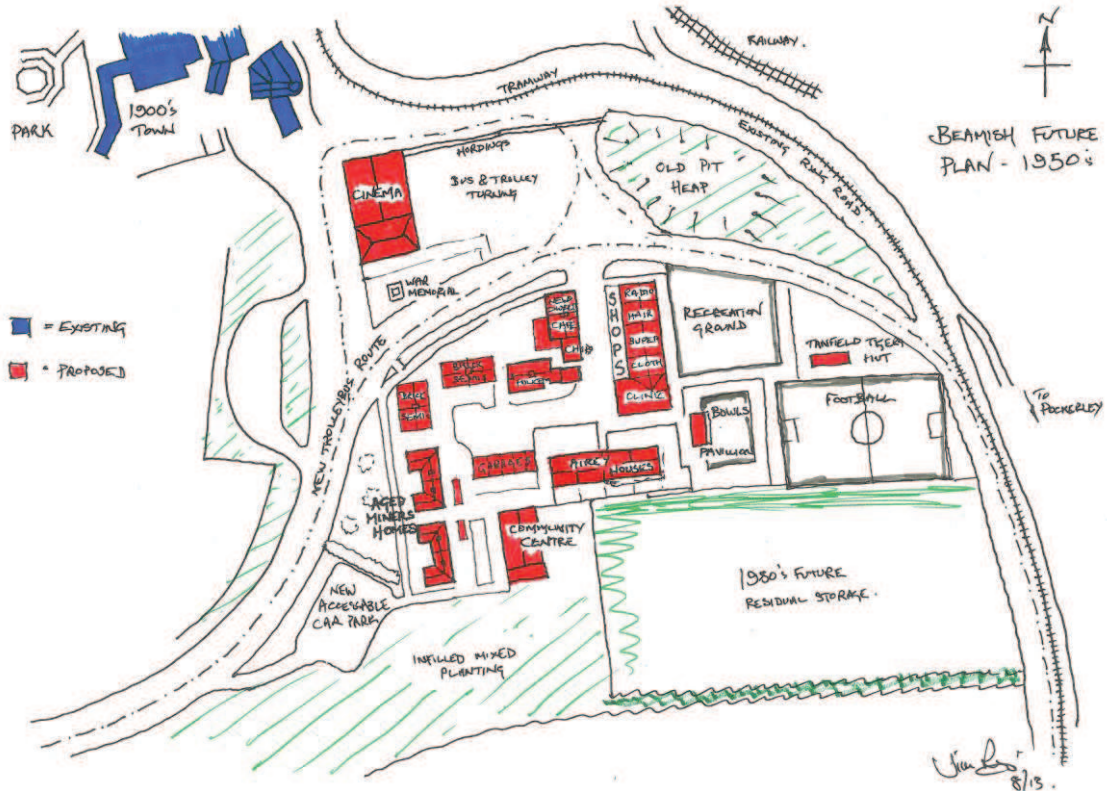
- **Turnover:** Year-on-year increase in revenue from operations, with turnover (excluding grants/donations) increasing by 20% over the six year period to 2018/19, with visitor numbers increasing by at least 1%/yr
- **Diverse income stream:** Reducing reliance on admissions income through growing a diverse number of income streams including donations, accommodation, catering, functions and retail (Made in Beamish)
- **Controlling costs:** Reducing energy use and controlling staffing costs as a percentage of income to below 65%.
- **Creating surpluses:** Budgeting to create an operating surplus that is equivalent to at least 5% of net turnover
- **Releasing investment:** Continuing to invest in incremental improvements as and when funding allows
- **Sustaining reserves:** Building reserves from £450k (2013) to £1M by 2020

Appendix B includes a financial forecast for the period to 2018/19.

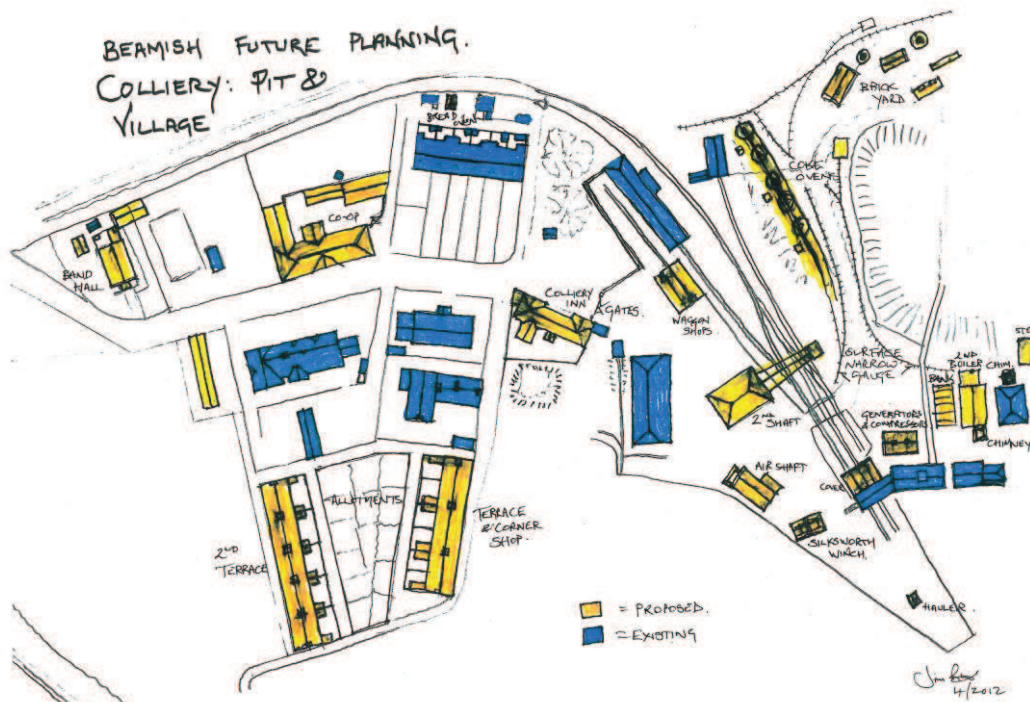
## Appendix A: Images

### Masterplan drawings

The following two masterplan drawings have been developed through consultation and set out the direction of development over the period to 2025.

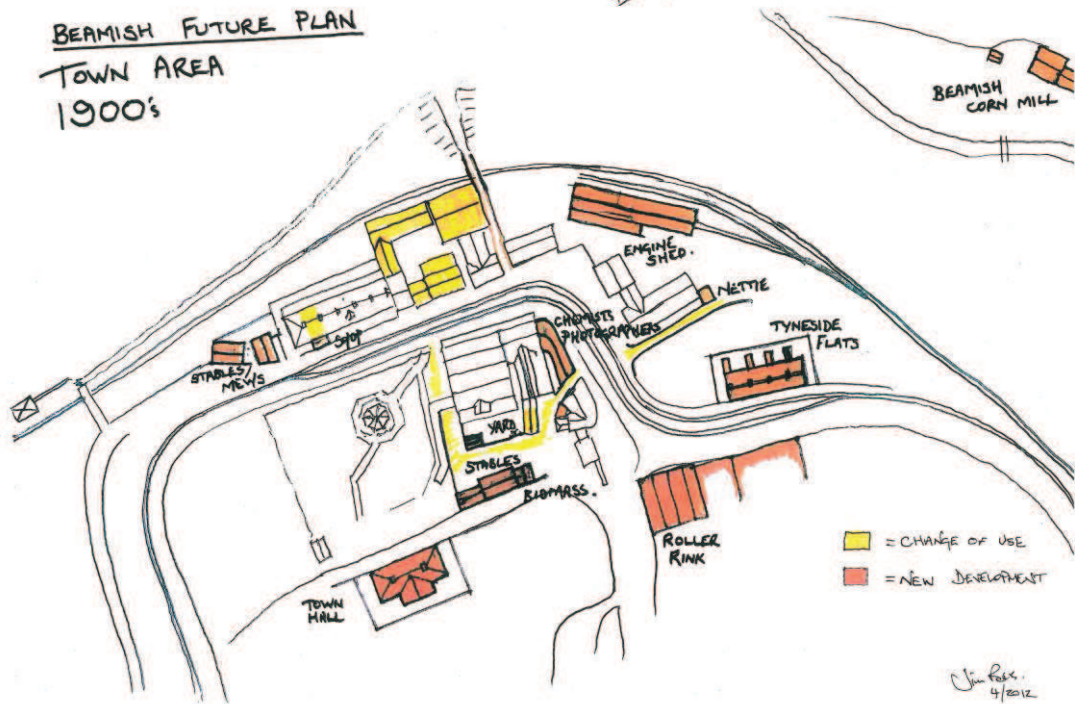


New urban area masterplan: 1950s and 1980s



1900s Colliery masterplan: Pit and Village

Blue = existing buildings Yellow = new buildings



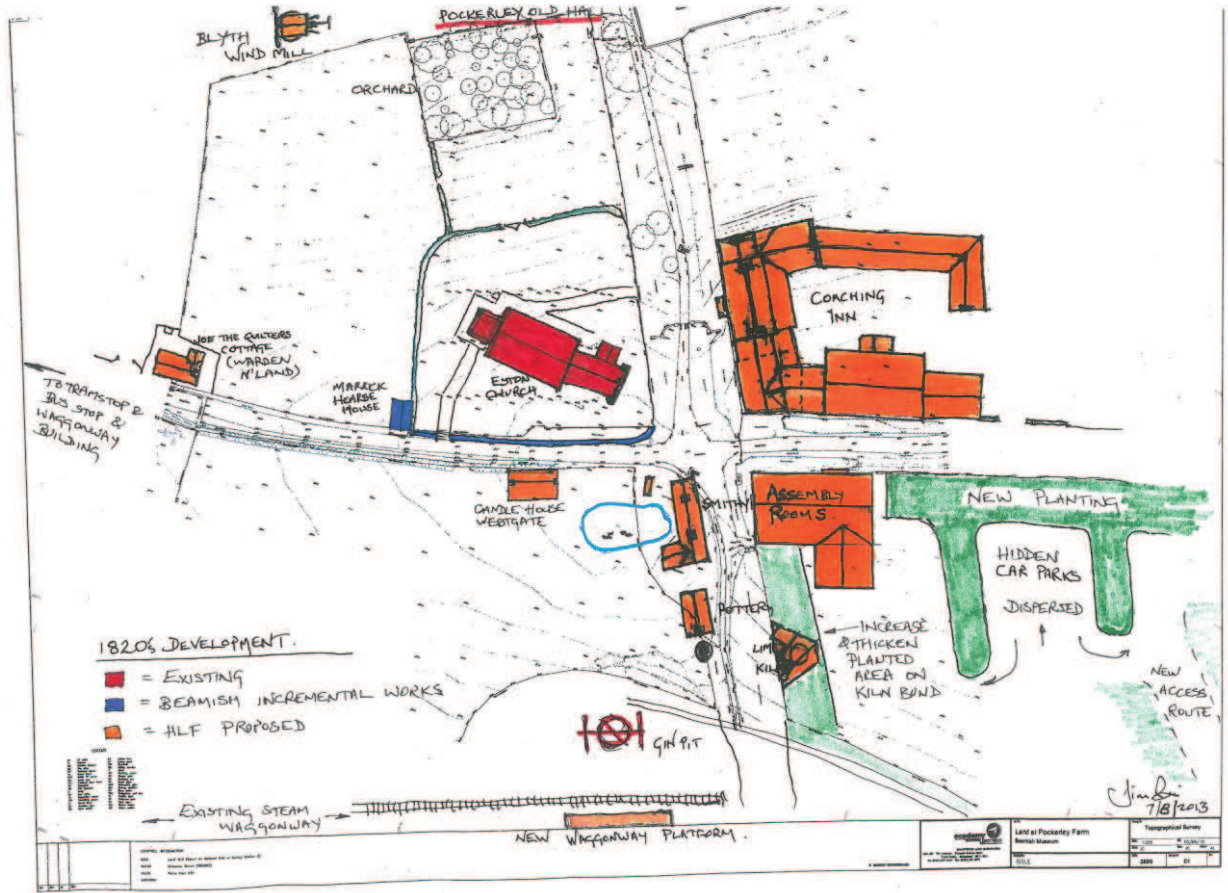
1900s Town masterplan  
 Yellow = existing buildings with change of use    Orange = new buildings



Early Priority Project:  
 1900s Town Chemist and Photographer's Studio on vacant corner site, with costume workshop above



Remaking Living Museum 1820s-1950s: 1820s Area



C16th Postmill, Blyth



Blacksmith, Wolsingham

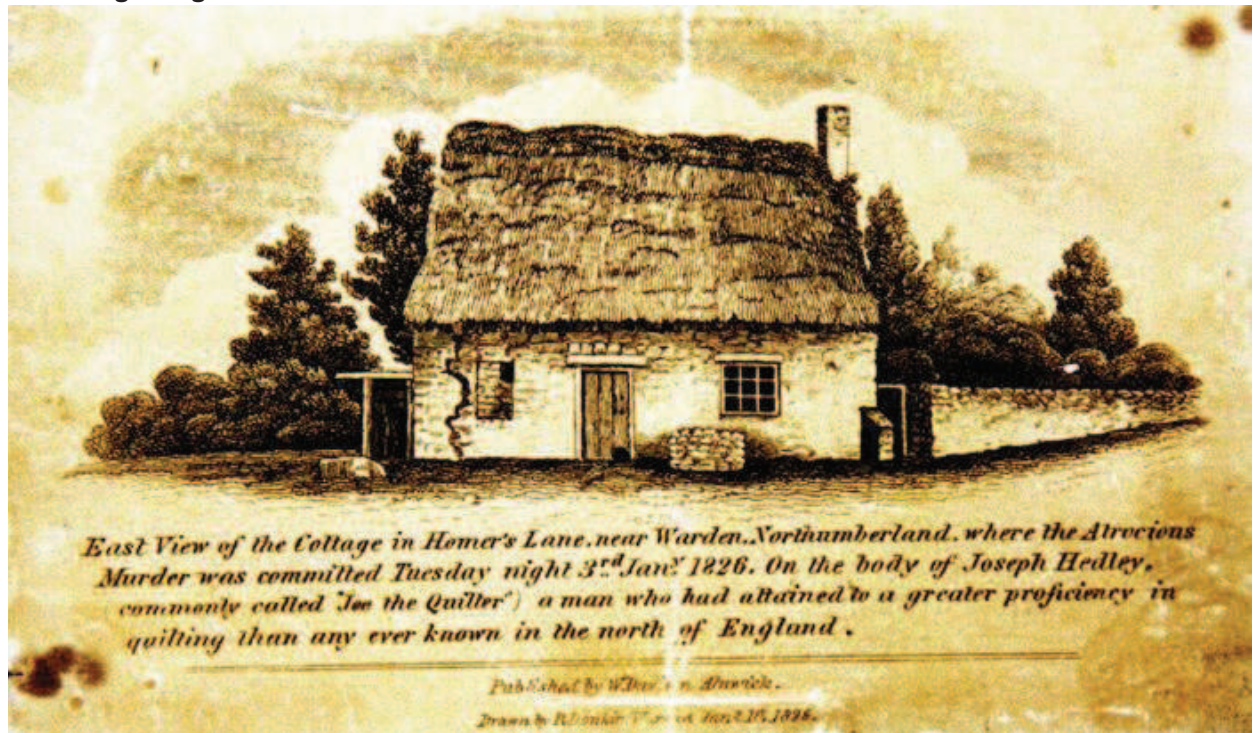


Lime Kiln



Candle House, Westgate

Remaking Living Museum 1820s-1950s: 1820s Area

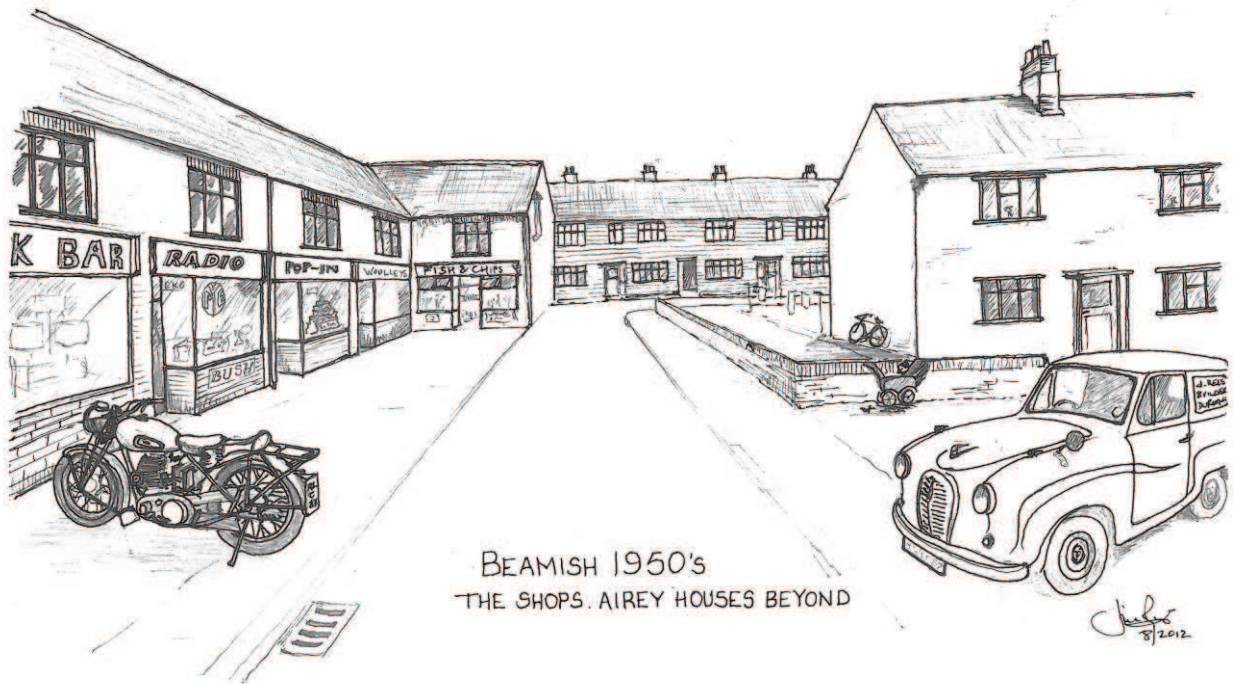
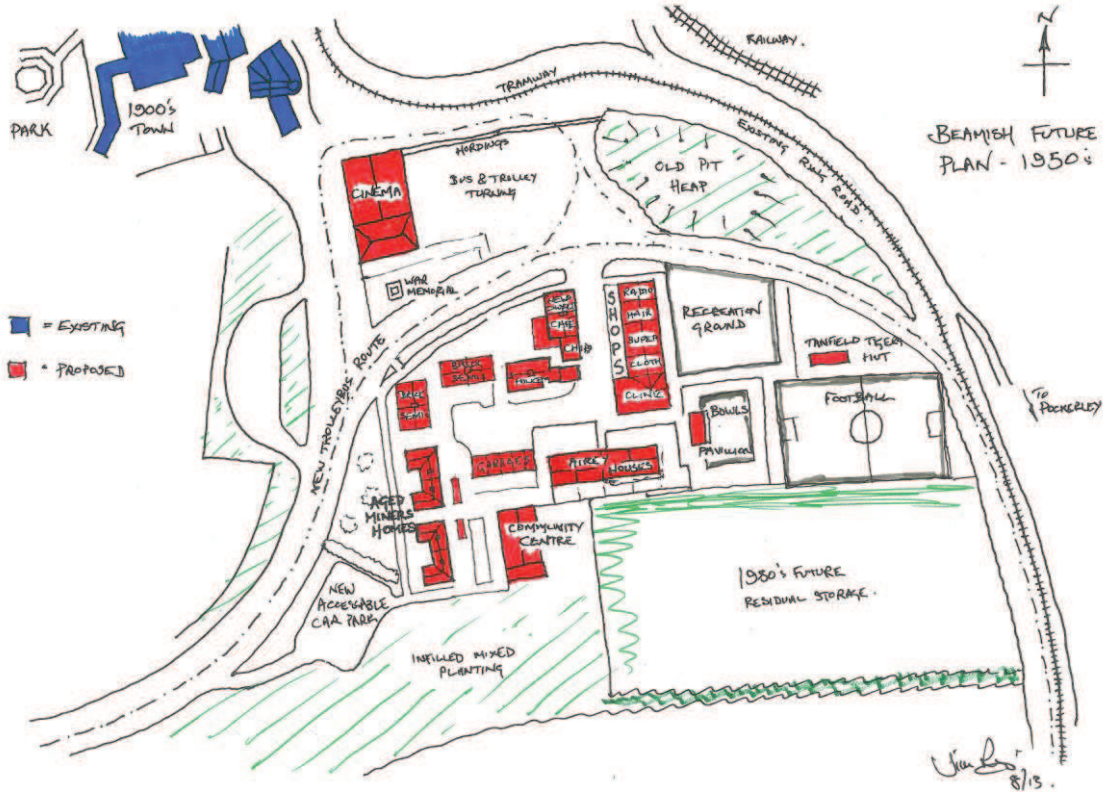


Joe the Quilter's Cottage, Warden, Northumberland



Great North Road Coaching Inn

Remaking Living Museum 1820s-1950s: 1950s Urban Area



Remaking Living Museum 1820s-1950s: 1950s Urban Area with 'Homes for Memory'



Airey Houses, Kibblesworth



Domestic interior



View of the 1950's estates, Ushaw Moor



Police House, Sherburn Road, Durham



AGED MINERS' HOMES  
1950's BEAMISH *John 8/10*

Remaking Living Museum 1820s-1950s: Urban Area



Cinema, Crook



John's Cafe & Ice Cream Parlour, Wingate



Parade of Shops



Shields Road, Newcastle



Great Lumley

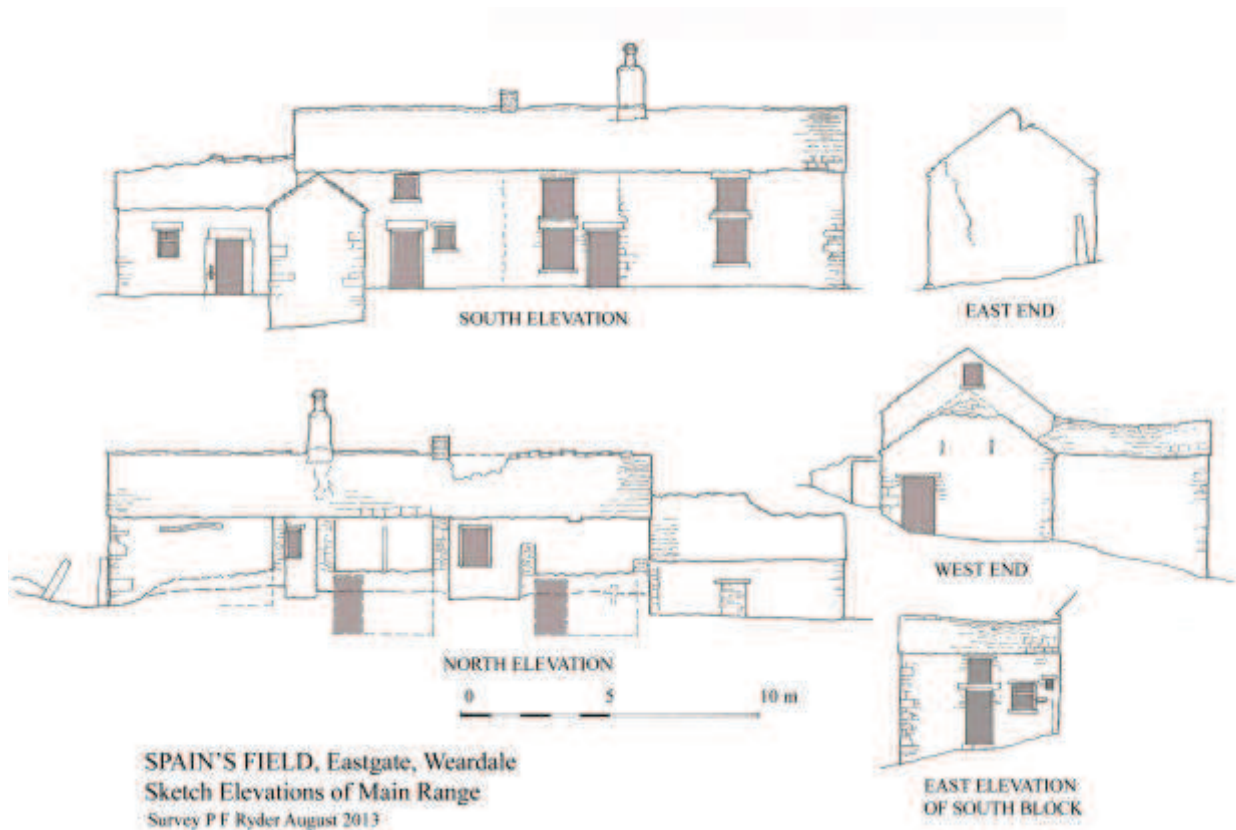
Remaking Living Museum 1820s-1950s: 1950s Rural Area



Spain's Field, Eastgate, Weardale



A Family in Weardale, 1950s



Heritage transport & sustainable services infrastructure



Trolleybus

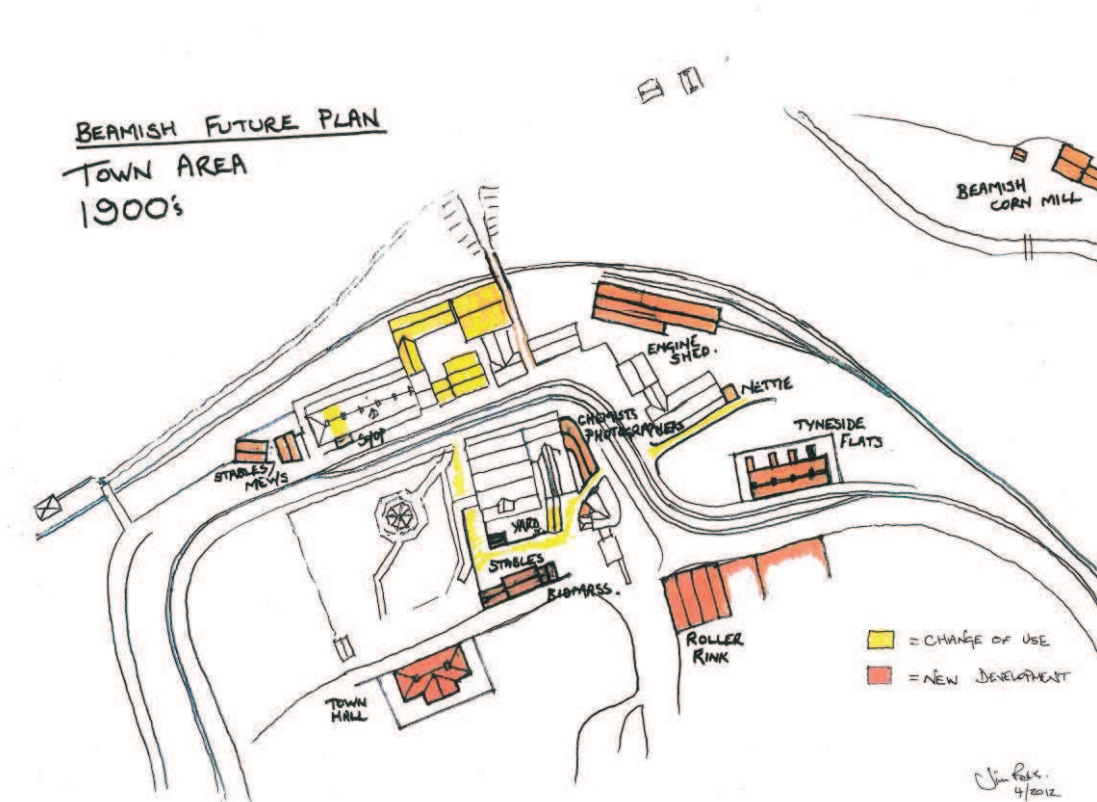


Bus, 1950s



Accessible Buses, ca. 1920s

Longer term ambitions 2015 – 2025: 1900s Town



Longer term ambitions 2015 – 2025: 1900s Mining Life, Colliery Pit and Village



VICTORIA TERRACE  
AT BEAMISH PIT VILLAGE

Double red brick terrace



PELTON FELL  
COLLIERY INN  
BEAMISH PIT VILLAGE

Colliery Inn





**JOINT COMMITTEE OF BEAMISH, THE NORTH OF ENGLAND OPEN AIR MUSEUM  
20<sup>th</sup> September 2013**

**PROPOSAL TO ESTABLISH A REGIONAL STAKEHOLDER GROUP  
REPORT OF THE MUSEUM DIRECTOR**

**1. Background and purpose of the report**

- 1.1 This document has been prepared for Beamish's key partners in North East Local Authorities, following a review of the regional open air museum's governance arrangements in 2012/13 and 2013/14. The key recommendations contained in the review were approved by Beamish's Joint Committee at their Annual General Meeting on 5<sup>th</sup> July 2013. Legal agreements outlining the changes are being circulated to all North East Local Authorities for their approval in July/August 2013.
- 1.2 This report has three objectives:
- a) Provide a brief summary of the outcomes of the governance review underway since 12<sup>th</sup> March 2012;
  - b) Outline a proposal to establish a Regional Stakeholder Group, with an explanation of its purpose, benefits and form/membership; and
  - c) Summarise the next steps and timescales.

**2. Outcomes of Beamish's governance review**

- 2.1 Working through ANEC, the objective of the review was to consider how best to develop Beamish's partnership with all North East Local Authorities, taking into account the needs of the museum's future plan 2013-2025 and clear demand for new ways of working with Local Authority and other key stakeholders to provide support and produce tangible, mutual benefits.
- 2.2 A Regional Advisory Panel was formed during 2012/13 with two meetings held to shape the recommendations of the review, engaging ANEC and lead officers/members from all 12 North East Authorities as well as representatives from key partners at the Arts Council England and Heritage Lottery Fund.

- 2.3 The Regional Advisory Panel considered the current governance arrangements at Beamish (see appendix A) and recommended a number of changes to the roles and responsibilities of Beamish's Joint Committee; Beamish Museum Ltd (operating charity); Beamish Development Trust (a fundraising organisation engaging business leaders); and the Friends of Beamish. Officers from Sunderland City Council and Durham County Council also considered a number of technical matters including VAT, financial management, legal agreements/leases, and pension issues.
- 2.4 The new governance model recommended by the Regional Advisory Panel and subsequently approved by the Joint Committee of Beamish in July 2013 is set out in Appendix B. The recommended changes can be summarised as:
- a) Developing further the invaluable fundraising work carried out by the Beamish Development Trust by integrating this group of business leaders within the Friends of Beamish, forming a new working group called the 'Business Friends of Beamish'.
  - b) Reviewing the role of Beamish Museum Ltd, with the charity taking on a 50-year lease for the museum and its collections from the freehold owner Durham County Council and entering into legal agreements with DCC to take on responsibility for procuring and managing capital developments.
  - c) Reviewing the membership of Beamish Museum Ltd, with a new Board comprising 15 trustees with 8 being Local Authority nominated trustees from core LA partners (including Chair); 1 being a nominated trustee from the Friends of Beamish; and a further 6 being co-opted Trustees. It is recommended that Local Authority representation be secured by a minimum revenue contribution of £5,000, with constituent authorities dividing up the eight nominations (including Chair) according to the proportion of their respective contributions.
  - d) Maintaining the existing Teesside Pension Agreement with existing Local Authority partners continuing to confirm the community benefit of Beamish Museum and its membership of the Local Government Pension Scheme, and collectively providing a guarantee for the historic LGPS pension deficit that Beamish Museum has (currently estimated at £1.8 million).
  - e) Dissolving the Joint Committee of Beamish, responding to demand for greater partnership working with Local Authorities through forming a new Regional Stakeholder Group, working through ANEC and engaging members and officers from all 12 North East Local Authorities in a light touch and appropriate way.

### **3. Proposal to establish a Regional Stakeholder Group**

3.1 The Regional Stakeholder Group has been shaped by consultation with Local Authority and other key partners including the HLF and Arts Council England. It has three objectives:

- a) Provide a light touch but effective way for partners to influence Beamish Museum's policy and strategy, scrutinising decisions and reviewing future budgets/plans through an annual review meeting held every autumn, ensuring that the educational, cultural, community and economic benefits of the museum are genuinely felt across the region.
- b) Develop a regional forum for developing and resourcing effective partnership working, focussing on delivering projects that generate mutual benefits in a way that links to regional work led by ANEC and does not cut across other organisations working in the region.
- c) Focussing on delivery and meeting the needs of partners, providing support to partners where appropriate and only when Beamish can genuinely add value, considering a range of agendas including museum education; marketing; skills/apprenticeships; cultural tourism; community engagement/volunteering; and developing resilient business models.

3.2 It is anticipated that the Regional Stakeholder Group will generate a number of tangible benefits both for Beamish and its partners, including:

- Enabling all North East Local Authorities to re-engage with and influence Beamish's work in an appropriate and effective way, without requiring a revenue contribution.
- Bringing North East Authorities together to restate their commitment to Beamish, recognising the regional benefits of the museum.
- Encouraging more partnership working between Beamish and its stakeholders, feeding into the ANEC Cultural Partnership and focussed on generating resource to deliver regional programmes with clear and mutual benefits.
- Creating inspiring learning programmes for schools to encourage more children from across the North East to enjoy learning in museums; building capacity locally and working towards an ambition to provide sponsored school visit to Beamish for every NE primary school child.

- Deepening the economic impact of Beamish across the region and demonstrating the value of investing in cultural tourism, developing more joint working.
- Working together to develop the activities offered in museums and cultural venues for people living with a dementia, creating a greater understanding of impact and ensuring access for people from across the region.
- Enabling Beamish to support partners with a range of issues including developing resilient/sustainable business models and community engagement/volunteering.

3.3 It is proposed that the Regional Stakeholder Group will be comprised of member and officer representation from all 12 Local Authorities, with up to three representatives invited from each Local Authority. It is hoped that the lead members and officers for culture will be able to attend, although they may wish to nominate a relevant substitute. Depending on the items on the agenda for discussion, it is anticipated that relevant stakeholders will be invited to attend from time to time, including for example Destination Management Organisations, HLF, and Arts Council England. It is anticipated that Beamish will seek funding from the Arts Council's Major Partner Museum programme to help provide resource for joint projects delivered through the group. Further funding for delivery will be sought from the public and private sectors.

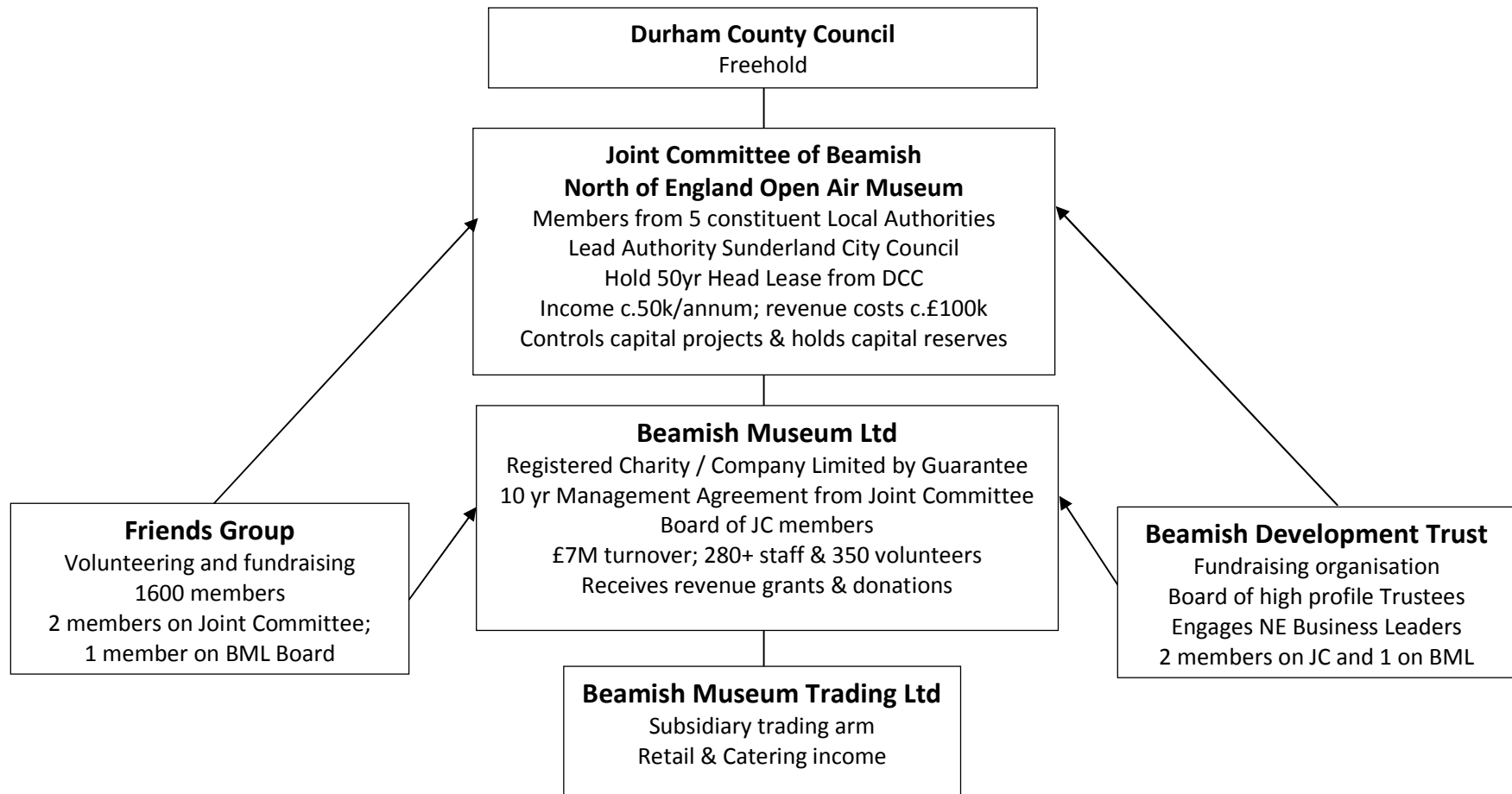
3.4 It is recommended that a joint Memorandum of Understanding be drafted between Local Authority partners, to clearly establish the terms of reference as well as the purpose and objectives of the group. It is anticipated that the group will meet three times per year, with the first meeting in October 2013 held to agree the draft Memorandum of Understanding, review performance in 2013/14 and look ahead to Beamish's priorities and plans from 2014/15.

#### 4. Next steps/timescales

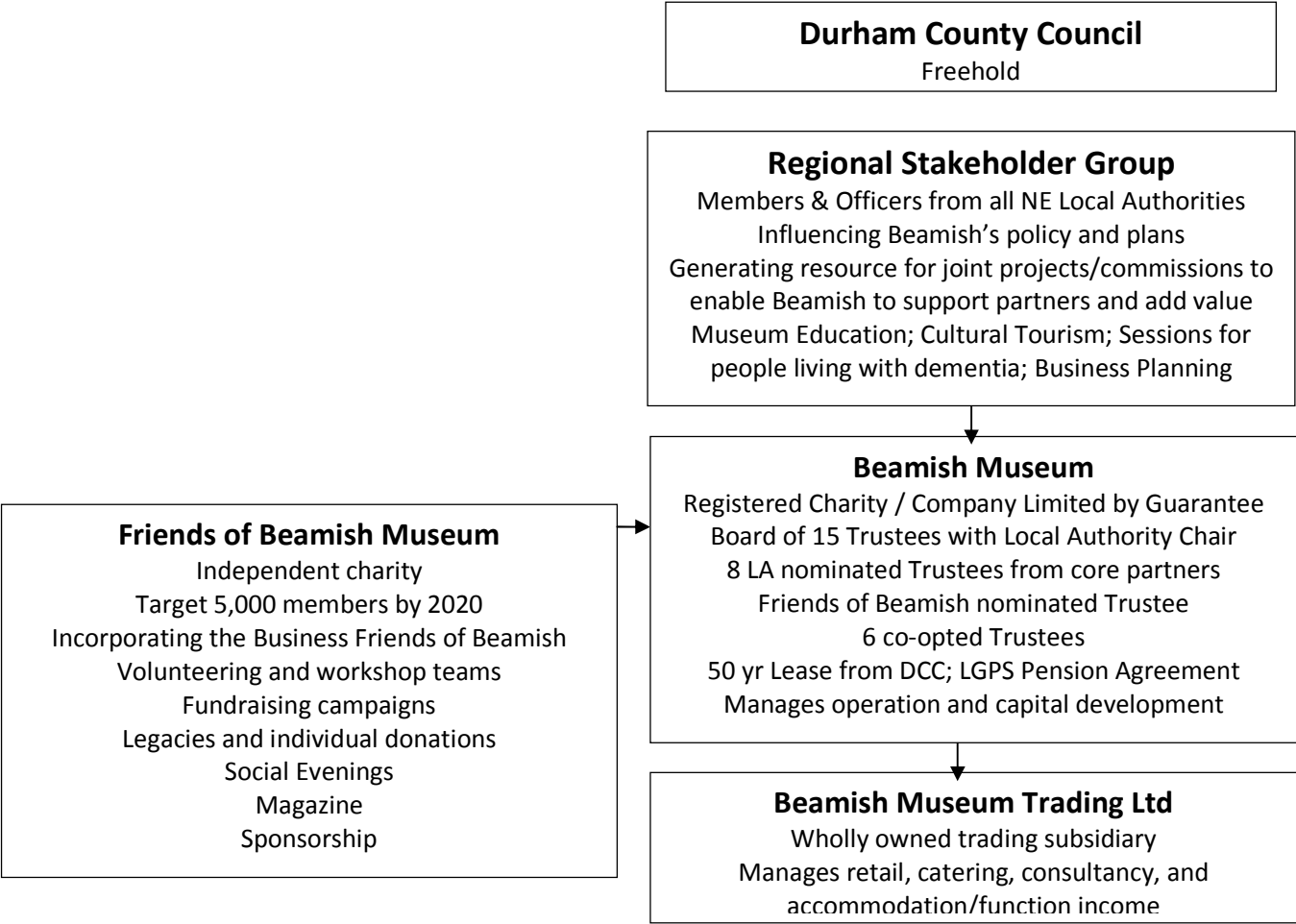
<u>Date</u>	<u>Action</u>
5 July 2013	Joint Committee approval of new governance model
August/September 2013	Legal agreements circulated to constituent Local Authorities for approval: Agreement to Dissolve Joint Committee and form Regional Stakeholder Group; New Memorandum and Articles of Association for Beamish Museum Ltd; Lease to BML from DCC.
20 September 2013	Joint Committee meeting – update for members
26 September 2013	ANEC Cultural Partnership meeting – briefing
25 October 2013	First Regional Stakeholder Group Meeting at Beamish

**Richard Evans**  
**Director, 17<sup>th</sup> August 2013**

**APPENDIX A: CURRENT ORGANISATIONAL CHART 2013**



**APPENDIX B: FUTURE ORGANISATIONAL CHART FROM 2014**



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JOINT COMMITTEE – 20<sup>th</sup> SEPTEMBER 2013

AUDITED STATEMENT OF ACCOUNTS 2012/2013

REPORT OF THE TREASURER

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**1. PURPOSE OF REPORT**

- 1.1 To report the communications received from the External Auditors concerning the financial statements for 2012/2013.
- 1.2 To provide the Audited Statement of Accounts for 2012/2013 for approval by Members.

**2. DESCRIPTION OF THE DECISION**

Members are recommended to:

- 2.1 Note that the External Auditors, BDO LLP (Chartered Accountants) have issued an unqualified audited Annual Return for 2012/2013 (Appendix 1).
- 2.2 Approve the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March 2013 (Appendix 2).

**3. BACKGROUND**

- 3.1 Smaller relevant bodies in England must complete an annual return summarising their annual activities at the completion of each financial year in accordance with the Accounts and Audit Regulations 2011. Members are responsible for ensuring that financial management is adequate and effective and that the body has a sound system of internal control.
- 3.2 A smaller relevant body includes Joint Committees which now have gross income or gross expenditure levels below £6.5 million for the financial year in question (2012/2013) as well as either of the two immediately preceding years (2010/2011 and 2011/2012). This regime applies to the Joint Committee.

3.3 The Audit Commission was replaced by BDO LLP (Chartered Accountants) from 1st April 2010, as the Joint Committee's external auditors, and they are required to report on the final accounts by 30th September of each year. The Joint Committee has received an unqualified audit report.

#### **4. KEY MESSAGES**

4.1 The Auditor's communication (Smaller Bodies in England Annual Return for the year ended 31<sup>st</sup> March 2013) is included with this report, shown as part of Appendix 1. In summary, the communication shows that:

- The External Auditors have issued an unqualified audit opinion. See Section 3 of the Smaller Bodies Annual Return
- There were no changes required to the Statement of Accounts and Annual Return and there were no misstatements identified
- The External Auditor has not identified any issues in relation to the qualitative aspects of the Joint Committee's accounting practices and financial reporting

**Malcolm Page**  
**Treasurer**

# Small Bodies in England

## Annual return for the year ended 31 March 2013

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Small relevant bodies in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their annual activities at the end of each financial year.

The annual return on pages 2 to 5 is made up of four sections:

- **Sections 1 and 2** are completed by the person nominated by the body.
- **Section 3** is completed by the external auditor appointed by the Audit Commission.
- **Section 4** is completed by the body's internal audit provider.

**Each body must approve this annual return no later than 30 June 2013.**

### Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in red. Do **not** leave any red box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2013, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2013.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guides for either local councils or internal drainage boards. These publications may be downloaded from the National Association of Local Councils (NALC) or Society of Local Council Clerks (SLCC) websites ([www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk)) or from the members area of the Association of Drainage Authorities website ([www.ada.org.uk](http://www.ada.org.uk)).

# Section 1 – Accounting statements 2012/13 for:

Enter name of reporting body here:

BEAMISH NORTH OF ENGLAND OPEN AIR MUSEUM

	Year ending		Notes and guidance
	31 March 2012 £	31 March 2013 £	
1 Balances brought forward	663,547	691,152	Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from local taxation and/or levy	0	0	Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body.
3 (+) Total other receipts	1,365,494	1,707,884	Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	0	0	Total expenditure or payments made to and on behalf of all body employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5 (-) Loan interest/capital repayments	64,853	63,053	Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).
6 (-) All other payments	1,273,536	1,970,892	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	691,152	365,091	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	(58,495)	(657,157)	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation. CASH BALANCE IS NEGATIVE I.E. CASH AT BANK IS OVERDRAWN
9 Total fixed assets plus other long term investments and assets	21,962,786	22,960,419	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March
10 Total borrowings	647,329	606,103	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2013 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:



Date 28/06/2013

I confirm that these accounting statements were approved by the body on:

28/06/2013

and recorded as minute reference:

WP 1

Signed by Chair of meeting approving these accounting statements:



Date 28/06/2013

## Section 2 – Annual governance statement 2012/13

We acknowledge as the members of **BEAMISH NORTH OF ENGLAND OPEN AIR MUSEUM** our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2013, that:

	Agreed –		'Yes' means that the body:
	Yes	No	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	✓		prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption <b>and</b> reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the body to conduct its business or on its finances.	✓		has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4 We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year has given all persons interested the opportunity to inspect and ask questions about the body's accounts.
5 We carried out an assessment of the risks facing the body <b>and</b> took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body.
7 We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference

**WP1**

dated **28/06/2013**

Signed by:

Chair **Rob M**

dated **28/06/2013**

Signed by:

Clerk **[Signature]**

dated **28/06/2013**

**\*Note:** Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the body will address the weaknesses identified.

# Section 3 – External auditor certificate and opinion 2012/13

## Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2013 of:

**BEAMISH NORTH OF ENGLAND OPEN AIR MUSEUM**

## Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2013; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

## External auditor report

(~~Except for the matters reported below~~)\* on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the body:

Please see enclosed report

**BDO LLP Southampton  
United Kingdom**

(continue on a separate sheet if required)

External auditor signature

*[Handwritten Signature]*

External auditor name

**BDO LLP Southampton  
United Kingdom**

Date

*3/9/13*

**Note:** The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

# Section 4 – Annual internal audit report 2012/13 to

BEAMISH NORTH OF ENGLAND OPEN AIR MUSEUM

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2013.

Internal audit has been carried out in accordance with the body's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the body.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records have been kept properly throughout the year.	✓		
B The body's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			N/A
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F Petty cash payments were properly supported by receipts, all expenditure was approved and VAT appropriately accounted for.			N/A
G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.			N/A
H Asset and investments registers were complete and accurate and properly maintained.	✓		
I Periodic and year-end bank account reconciliations were properly carried out.	✓		
J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded.	✓		

NO LEVY

NO PETTY CASH

NO EMPLOYEES OR MEMBERS ALLOW.

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit: LEON MITCHELL

Signature of person who carried out the internal audit: [Signature] Date: 10/06/2013

**\*Note:** If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**\*\*Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).


## Guidance notes on completing the 2012/13 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the *Practitioners' Guides*\* which are updated from time to time and contain everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you may encounter.
- 2 Make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Financial Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers **all** your bank accounts. If your body holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting statements. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliation is available in the *Practitioners' Guides*\*.
- 6 **Explain fully** significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that **you** understand the reasons for all variances. Include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guides*\* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2012) equals the balance brought forward in the current year (Box 1 of 2013).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of their audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxes have been completed?	✓
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	✓
Section 1	Approval by the body confirmed by signature of Chair of meeting approving the accounting statements?	✓
	An explanation of significant variations from last year to this year is provided?	✓
	Bank reconciliation as at 31 March 2013 agreed to Box 8?	✓
Section 2	An explanation of any difference between Box 7 and Box 8 is provided?	✓
	For any statement to which the response is 'no', an explanation is provided?	✓
Section 4	All red boxes completed by internal audit and explanations provided?	✓

**\*Note:** *Governance and Accountability for Local Councils in England – A Practitioners' Guides*, is available from NALC and SLCC representatives or *Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guides*, is available from the ADA at The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL or from the NALC, SLCC or ADA websites - see page 1 for addresses.





ISSUES ARISING REPORT FOR  
North of England Open Air Museum  
Audit for the year ended 31 March 2013

## Introduction

The following matters have been raised to draw items to the attention of North of England Open Air Museum. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2013.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Bank Account
- Treatment of salary recharges to Beamish Museum Limited

The following issue(s) have been raised to assist the readers of the annual return. They require no action to be taken by the body.

**Bank Account**

*What is the issue?*

The amount in box 8 represents the amount of funds held by the host authority which are exceeded by payments made by it on behalf of the North of England Open Air Museum. This is not an overdraft but will be cleared when capital grants due on related expenditure is received by the host authority.

*Why has this issue been raised?*

This is a note to the reader of the accounts.

*What do we recommend you do?*

No action is required to be taken.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England - A Practitioners Guide NALC/SLCC

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The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the body so they do not occur again in future years.

#### **Treatment of salary recharges to Beamish Museum Limited**

##### *What is the issue?*

Boxes 3 & 6 currently contain £927,621 in respect of unpaid salary costs which are due by Beamish Museum Limited to Sunderland City Council. Boxes 3 & 6 do not contain the whole of the salary cost recharges by Sunderland City Council to Beamish Museum Limited via the body.

##### *Why has this issue been raised?*

The salary costs of Beamish Museum Limited are not costs of the body and therefore should not form part of the body's income and expenditure.

##### *What do we recommend you do?*

The body should ensure in future any unpaid salary costs of Beamish Museum Limited should be held on the Body's balance sheet in debtors and creditors, with the recharged costs and income being posted to the same income and expenditure code, to ensure that there is no gross up of this expenditure on the Annual return.

Further guidance on this matter can be obtained from the following source(s):

Not applicable

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 03 September 2013

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**Beamish**

**The North of England Open Air Museum**

**Joint Committee**

**Annual Return 2012/2013**

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Beamish Museum is owned by the constituent authorities of the Beamish Joint Committee and managed and operated by Beamish Museum Limited on behalf of the Joint Committee on land owned by Durham County Council and leased to Sunderland City Council as nominee for and on behalf of the Joint Committee. Notwithstanding the legal ownership of assets, the accounts are published as the Joint Committee's accounts on the basis of substance over form (in accordance with FRS 5), to demonstrate accountability to the Museum's various stakeholders, including the constituent authorities for the use of its assets and the activities of its operating and trading companies. The Museum is primarily funded through admission income from visitors which is received and accounted for by Beamish Museum Limited. The Joint Committee however receives funding from its Constituent Authorities to fund its direct costs. All capital investment in the Museum and the way it is financed is determined by the Joint Committee.

I am pleased to present the Annual Return for the year 2012/2013. A published and audited Annual Return (accounts) is at the heart of ensuring proper accountability for the use of local taxpayers' money. We recognise, however, that the accounts of the Museum can only tell part of the story. The Joint Committee needs to demonstrate that it is aiming to operate to the highest standard of conduct, in accordance with the principles of corporate governance, and that there are robust systems of internal control in place.

Elsewhere within the Annual Return is the Annual Governance Statement which includes assurances on the systems of internal control and the governance arrangements. This Statement confirms that there are sound systems in place. I will, however, continue to ensure action is taken when necessary to maintain and develop the system of internal control in the future.

C Marshall  
Chairman of the Joint Committee

Date: 20<sup>th</sup> September 2013

## Certification of the Annual Return

As Chairman of the Joint Committee held on the 20<sup>th</sup> September 2013, I hereby acknowledge receipt of the Annual Return (subject to audit) for 2012/2013 by this Committee, and in accordance with the Accounts and Audit Regulations (England) 2003 Regulation 7(1), I confirm that the Annual Return (subject to audit) was approved at the Joint Committee on 20<sup>th</sup> September 2013 in accordance with sub-paragraph 10 (3) (a) with regard to the aforementioned regulations.

C Marshall  
Chairman of the Joint Committee

Date: 20<sup>th</sup> September 2013

The Accounts and Audit (England) Regulations 2011 came into force on 31 March 2011. Prior to the 2011 Regulations, to be classified as a smaller relevant body, a body had to have gross income or expenditure (whichever was higher) of less than £1m in the year of account or in either of the two preceding years. This threshold has been revised under the 2011 Regulations, so that the limit is based on the thresholds laid down by companies' legislation in the definition of small companies. Under Regulation 2(1) a body can now be classified as a smaller relevant body if its gross income or expenditure (whichever is the higher) is no more than £6.5m.

As the Joint Committee's gross income and expenditure is below the recently revised threshold, the Joint Committee resolved at a meeting held on 6 May 2011 to be classified as a smaller relevant body for the preparation of the 2010/2011 and subsequent financial statements. The Joint Committee is therefore exempt from preparing a Statement of Accounts under the 'Code of Practice on Local Authority Accounting in the United Kingdom 2012' published by the Chartered Institute of Public Finance and Accountancy (CIPFA). It is, however, required to produce an Annual Return prepared in accordance with proper practices in relation to accounts. This means that the provisions of the Code of Practice will be relevant to the extent that they are not overridden or made redundant by statutory requirements.

The Annual Return of the Joint Committee for the financial year 2012/2013 is shown in the following pages and contains the following financial statements:

- **Statement of Responsibilities for the Annual Return**  
This discloses the respective responsibilities of the Joint Committee and the Treasurer.
- **Statement of Accounting Policies**  
This discloses the accounting policies that are significant to the understanding of the Annual Return.
- **Annual Governance Statement**  
This statement sets out the principal arrangements that are in place to ensure a sound system of internal control is maintained, which is reviewed annually and approved each year by the Joint Committee.
- **Income and Expenditure Account**  
This statement brings together expenditure and income relating to all of the Joint Committee's functions.
- **Balance Sheet**  
This shows the balances and reserves available to the Joint Committee, its long-term indebtedness, fixed and net current assets employed by its operations, and summarised information on the fixed assets held.
- **Statement of Total Recognised Gains and Losses**  
This statement shows all of the Joint Committee's gains and losses arising in the financial year.



- **Cash Flow Statement**

This summarises the inflows and outflows of cash arising from transactions with third parties for revenue and capital purposes.

The revised budget estimate approved by the Joint Committee on 15<sup>th</sup> March 2013 forecast a break-even position at the year end based on a contribution from reserves of £33,731. The actual contribution made from reserves at the year end was £32,198. The Joint Committee's accumulated revenue reserve has therefore decreased by £32,198 from £106,491 at 1 April 2012 to £74,293 at 31 March 2013.

The balance of the Joint Committee reserves at 31st March 2013 is summarised below:

General Reserves	£
Revenue Fund Balance	74,293
Capital Development Reserve	281,798
Other Earmarked Reserves	9,000
<b>Total</b>	<b>365,091</b>

All reserves have been reviewed to ensure that they are relevant, appropriate and in the case of earmarked reserves remain fully committed. The revenue fund balance is to be used to fund future running costs of the Joint Committee which are projected to exceed income in future years. Once funds are fully utilised, the Joint Committee will require funding from its constituent authorities and BML to continue its operations.

In March 2009, Beamish set out a programme of capital projects to improve the performance of the Museum in the Business and Operational Improvement Plan (BOIP). The BOIP is reviewed regularly to take into account changes in contract costs and the level and sources of funding available and updated reports are submitted to the Joint Committee for their approval. The BOIP consists of nine capital projects at a total estimated cost of £4.187m. During 2012/2013, work was carried out on six projects at a total combined cost of £0.998m, the details of which are included at Note 4 to the Balance Sheet. The BOIP projects were funded as follows:

- BML Surplus - £650,000
- Donation towards Hetton Band Hall - £10,000
- Contribution from Beamish Development Trust - £21,912
- Arts Council England Grant - £43,500
- Capital Development Reserve - £272,221

Malcolm Page - Treasurer to the Joint Committee

Date: 20<sup>th</sup> September 2013

## The Joint Committee's Responsibilities

### The Joint Committee is required:

1. To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For this Joint Committee, that officer is the Executive Director of Corporate and Commercial Services of the Lead Authority (Sunderland City Council), who acts as Treasurer to the Joint Committee.
2. To manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
3. To approve the Annual Return

## The Treasurer to the Joint Committee's Responsibilities

The Treasurer is responsible for the preparation of the Joint Committee's Annual Return which, in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* ("the Code"), is required to present a true and fair view of the financial position of the Joint Committee at the accounting date and its income and expenditure for the year ended 31st March 2013.

In preparing this Annual Return, the Treasurer has:

1. Selected suitable accounting policies and then applied them consistently;
2. Made judgments and estimates that were reasonable and prudent;
3. Complied with the Code, except where disclosed.

The Treasurer has also:

1. Kept proper accounting records which were up to date;
2. Taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Treasurer confirms that the above responsibilities have been observed and that the accounts set out in the following pages show a true and fair view of the financial position of the Joint Committee at 31<sup>st</sup> March 2013.

Malcolm Page  
Treasurer to the Joint Committee  
Date: 20<sup>th</sup> September 2013

## 1. General Principles

The Accounts have been prepared in accordance with the principles of the Code of Practice on Local Authority Accounting in the United Kingdom 2012 issued by CIPFA. They conform to the requirements of the Code of Practice as required for smaller bodies except where disclosed in the following notes:

## 2. Fixed Assets

### Intangible Fixed Assets

Intangible fixed assets are defined in FRS 10 - Goodwill and Intangible Assets as being non-financial fixed assets that do not have a physical substance but are identifiable and are controlled by the entity through custody or legal rights. For the Joint Committee, intangible assets include software and software licences where these are assessed as bringing benefits to the Joint Committee for more than one financial year. These assets are included at cost.

### Tangible Fixed Assets

Tangible fixed assets are assets that have physical substance and are held for use in the provision of services or for administrative purposes on a continuing basis. All expenditure on the acquisition, creation or enhancement of fixed assets is accounted for on an accruals basis and is capitalised in the Balance Sheet, provided that the fixed asset yields benefit to the Joint Committee and the services it provides, for a period of more than one year. This excludes expenditure on routine repairs and maintenance of fixed assets, which is charged direct to the Income and Expenditure account as it is incurred.

Fixed assets are valued at original purchase cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Capital projects that are still in progress as at 31st March are classed as 'fixed assets under construction' and are shown in the Balance Sheet as non-operational assets on a purchase cost basis. These cost values are transferred to operational assets once the capital scheme has been completed.

The Museum operates a de-minimis level under which expenditure on fixed assets is charged to revenue as it is incurred. The de-minimis level has been established at a value of £10,000 for the recording of all capital assets other than vehicles which are recorded as fixed assets irrespective of cost. Asset values are not adjusted for depreciation and assets are not re-valued.

**Disposals:** when an asset is disposed of, the value of the asset in the Balance Sheet is written-off to the Income and Expenditure Account as part of the gain or loss on disposal. Receipts from disposals are credited to the Income and Expenditure Account as part of the gain or loss on disposal i.e. netted off against the carrying value of the asset at the time of disposal.

## 3. Debtors and Creditors

Revenue transactions are recorded on a system of receipts and payments during the year.

The treatment of expenditure and income that relates to periods that span the 31st March year-end requires further explanation.

### a) Periodical Payments relating to periods not ending on 31st March

In these cases the charges made in the financial year reflect a 12-month period for the service provided e.g. four quarters accounts are included.

### b) Debtors

The debtors in the Balance Sheet represent sums due to the Joint Committee which had not been paid by the year-end, and which are regarded as collectable.

### c) Creditors

The Joint Committee uses a procurement module within its Financial Management System to account for the bulk of its creditors each year. This means that all orders for goods and services must be processed through the system with the effect that the system records and identifies all creditors as being both commitments (where the goods have been received by 31st March 2013 but not yet invoiced) and creditor payments (where the goods have been received and invoiced but not paid until the following financial year), automatically. This means that there is a significant reduction in the need for manual intervention.

### d) Receipts in Advance

The Joint Committee occasionally receives funds from third parties, including grants, ahead of their intended use. Such receipts are posted to the Balance Sheet in order that they can be matched in the following year with the expenditure to which they relate.

## 4. Provisions

Provisions are amounts set aside to meet specific future expenditure, the amount and timing of which cannot yet be accurately determined.

## 5. Cost of Support Services

Sunderland City Council and Durham County Council provided support services to the Joint Committee. Sunderland City Council provides Financial, Audit, IT, Personnel and Payroll support based on a formal Service Level Agreement with the Joint Committee. The charges made for each of these service areas are calculated based on full cost recovery applied against the most appropriate apportionment basis for the service (e.g. days worked, staff numbers etc.). The associated costs are included in Running Expenses in the Income and Expenditure Account.

Durham County Council provides Legal, Committee and Property Services support to the Joint Committee on a nil cost basis.

## **6. Internal Interest**

Interest is credited to the Income and Expenditure Account based on the level of fund balances. The amounts are calculated using 7-day money market rates.

## **7. External Interest**

All interest payable to the Joint Committee on external borrowings undertaken by Sunderland City Council is accrued and accounted for in the accounts for the period to which they relate on the basis that the treatment reflects the overall economic effect of borrowings. Similarly, interest receivable on investments made with Sunderland City Council is also accrued and accounted for in the accounts of the period to which they relate.

## **8. Investments and Deferred Liability**

Sunderland City Council administers all of the Joint Committee's borrowing through its Consolidated Advances and Borrowing Pool (CABP) and as such the Joint Committee does not undertake borrowing of its own. The amount of borrowing undertaken by Sunderland City Council on the Joint Committee's behalf has been recognised as a deferred liability on the Balance Sheet for 2012/2013.

All investments are made via Sunderland City Council and interest on investments is calculated on a 7-day rate and paid to the Joint Committee half yearly.

## **9. Value Added Tax**

VAT is not included in the Joint Committee's Income and Expenditure Account as all VAT collected is payable to HM Revenues and Customs and all VAT paid is recoverable from it.

## **10. Loan Repayments**

These transactions are included in the Income and Expenditure Account and are accrued into the appropriate financial year to which they relate.

## Scope of Responsibility

The Joint Committee of Beamish, the North of England Open Air Museum is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Joint Committee also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Joint Committee is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Joint Committee has approved and adopted a local Code of Corporate Governance which is consistent with the principles of the SOLACE/CIPFA Framework, Delivering Good Governance in Local Government.

This Statement explains how the Joint Committee has complied with the SOLACE/CIPFA Framework and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

## The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Museum is directed and controlled. It enables the Joint Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Museum's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The governance framework has been in place at the Museum for the year ended 31st March 2013 and up to the date of approval of the Annual Return.

## The Governance Framework

There is a clear vision of the Museum's purpose and intended outcomes that is clearly communicated, both within the organisation and to external stakeholders.

The Museum's forward plan is clearly detailed in Beamish's Future Plan 2013 - 2025, which was prepared with extensive consultation with stakeholders and approved in January 2013. It will be reviewed regularly by the Joint Committee and the Board of BML. The Museum's Business Plan from 2009/10 to 2012/13 was the Business and Operational Improvement Plan 2009 - 2013. This

plan was prepared in 2008/09 and reviewed regularly by the Board of BML in consultation with staff, volunteers and key stakeholders.

The Museum Director reports to the Joint Committee on a bi-monthly basis on the operation of the Museum by BML and its trading subsidiary. The reports include details of visitor numbers, income generation, trading activity, planned events and commentary on the outcome of events that have taken place, curatorial issues, education issues and other developments.

The Museum Director continues to meet with all museum stakeholders both informally and formally, to keep them involved and informed of developments at the Museum. This includes attending meetings of the Friends of Beamish and the Beamish Development Trust.

Communication of objectives to staff and stakeholders takes place through the following means:

- Bi-monthly BML Board and Joint Committee meetings;
- Distribution of the Future Plan 2013 - 2025 both internally and beyond the Museum including online;
- Monthly 'Catch-Up' Meetings in the Tea Room with all staff and volunteers invited, where progress and results are regularly reviewed and upcoming developments discussed openly;
- Annual staff away days including all staff. In February / March 2013 this involved a visit to Saltaire Mill. Training included a review of the previous year's performance as well as a look at the priorities in the year ahead;
- Staff training and induction sessions, held regularly in teams from early 2009 to help develop the business plan and continue to allow staff to suggest ways of improving the visitor experience and performance of the museum;
- Attendance by the Museum Director and other officers at a number of stakeholder meetings including those with Arts Council England (Renaissance); Heritage Lottery Fund; Visit County Durham and the Durham Cultural Partnership;

The Foreword to the Annual Return sets out the Museum's priorities, how the Museum spent money on achieving these during the last financial year, and how successful the Museum has been.

Through the Museum's Investors in People (IIP) processes, a staff focus group and a volunteer focus group continues to meet to improve communication through all levels in the Museum.

Arrangements are in place to review the Museum's future plan and any implications in terms of its governance arrangements, including ways of strengthening partnerships with Local Authorities in the North East. The following actions are being taken:

- The constitution of the Joint Committee is being reviewed and a draft agreement / memorandum is being prepared to form a Regional Stakeholder Group in 2013/14 to

engage all local authorities and regional partners. A report to the Joint Committee is expected in July 2013 detailing the new arrangements.

- The Articles and Memorandum of Understanding governing Beamish Museum Ltd are being reviewed to clarify the membership and responsibilities of the charity, including capital development of the Museum.

Through reviews by external inspectorates and funders the Museum constantly seeks ways of securing continuous improvement. The Museum has professional and objective relationships with funders and all external inspectorates.

There is an annual review of the Museum's Code of Corporate Governance to ensure that it is up to date and effective.

Arrangements exist for measuring the quality of the Museum's performance, for ensuring it is delivered in accordance with the Museum's objectives and for ensuring that they represent the best use of resources, including:

- There are clear and effective performance management arrangements including personal development plans with staff which address financial responsibilities.
- Performance reports are issued weekly and distributed via e-mail to all departments in the Museum. They are monitored weekly in operational management group meetings.
- Reports on key performance indicators and trading accounts for retail and catering are issued to all relevant managers and supervisory staff monthly.
- Services are delivered by suitably qualified / trained / experienced staff and all posts have detailed job profiles / descriptions and person specifications.
- Codes of Conduct defining the standards of behaviour for members and staff are in place, conform to appropriate standards, and are communicated and embedded across the organisation. The following are in place:
  - Members' Codes of Conduct;
  - Employees' Code of Conduct;
  - Whistle Blowing Policy.
- Standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, are reviewed and updated as appropriate and clearly define how decisions are taken and the processes and controls required to manage risks:
- The Executive Director of Commercial and Corporate Services (Sunderland) is the designated Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972 ensuring lawfulness and financial prudence of decision making, and is responsible for the proper administration of the Museum's financial affairs.



- The Legal Services Manager (Property, Planning and Projects), (Durham) is the Museum's Monitoring Officer who has maintained an up to date version of the Constitution and has endeavoured to ensure lawfulness and fairness of decision making.
- The Museum has in place up to date Procurement Procedure Rules and Financial Procedure Rules, which are subject to regular review.
- Written procedures are in place covering financial and administrative matters, as well as HR policies and procedures. These include:
  - Whistle Blowing Policy;
  - Anti Fraud and Corruption Policy;
  - Codes of Conduct;
  - Complaints Policy;
  - Procurement Codes of Practice.
- There are robust and well embedded risk management processes in place, including a Corporate Risk Profile and individual risk profiles for all new developments and business plans.
- There are comprehensive budgeting systems in place and a robust system of budgetary control, including formal quarterly and annual financial reports, which indicate financial performance against forecasts.
- There are clearly defined capital expenditure guidelines in place.
- Appropriate project management disciplines are utilised.

The core functions of an audit committee, identified in CIPFA's Audit Committees - Practical Guidance for Local Authorities, are undertaken by members. The Museum has a Board which, as well as approving the Museum's Annual Return, undertakes to:

- consider the effectiveness of the museum's corporate governance arrangements, risk management arrangements, the control environment and associated anti-fraud and corruption arrangements and seek assurance that action is being taken on risk-related issues identified by auditors and inspectors;
- be satisfied that the museum's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it;
- receive and consider the external audit plan;
- where appropriate, review the findings of internal audits, the main issues arising, and seek assurance that action has been taken where necessary;
- consider the reports of external audit and inspection agencies;

- ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted;
- review the external auditor's opinions and reports to members, and monitor management action in response to the issues raised by external audit;

Arrangements exist to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

- The Legal Services Manager (Property, Planning and Projects), (Durham) is the Museum's designated Monitoring Officer to safeguard the legality of all Museum activities.
- The Museum maintains an internal audit service, provided by Sunderland City Council.
- The Museum is regularly audited by external funders for revenue and capital projects including Renaissance. Agencies involved include the DCMS, Heritage Lottery Fund, and Arts Council England.

Arrangements for whistle-blowing and for receiving and investigating complaints are in place and are well publicised:

- The Museum is committed to establishing and maintaining effective reporting arrangements to ensure that, where an individual, whether an employee of the Museum, a Member, or any member of the public, has concerns regarding the conduct of any aspect of the Museum's business, they can do so through a variety of avenues, promptly and in a straight forward way.
- The framework in place ensures the aims of this Policy are met are set out in the 'Whistle Blowing Policy' document.

## Review of Effectiveness

The Joint Committee of the Museum has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness is informed by feedback from Members and the work of all senior managers within the museum who have responsibility for the development and maintenance of the governance environment, any internal audit reports and also by comments made by the external auditors and other review agencies and inspectorates.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes the following:

- The role of the Museum:
  - Members have participated in the annual review of the Museum's Corporate Governance arrangements;

- The Chairman of the Board has overseen the review and signed the Annual Governance Statement.
- The role of the Museum's Board includes the following:
  - promoting and maintaining high standards of conduct by members, co-opted members;
  - monitoring the operation of the Members' Code of Conduct;
  - monitoring the operation of the Museum's Anti-Fraud and Corruption Policy so far as it relates to the actions of Members of the Museum Board;
  - considering reports and complaints relating to the conduct of Members of the Board;
- All Senior Managers have participated in the annual governance review through carrying out self-assessments relating to their areas of responsibility.
- The Director has provided a Controls Assurance Statement relating to the museum, having considered the detailed self-assessments from the Senior Managers.
- Internal audit planning processes include consultation where appropriate with the Director and reviews of the Business and Operational Improvement Plan. Internal Audit carries out regular systematic auditing of key financial systems in operation at the Lead authority and used by the Museum.

A review of the effectiveness of the Museum's governance framework including an improvement plan has been agreed for the continuous improvement of the Museum's corporate governance and internal control arrangements.

We propose over the coming year to take steps to implement the improvement plan to further enhance the Museum's governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in the review and will monitor their implementation and operation as part of the next annual review.

Councillor Carl Marshall  
Chairman

Malcolm Page CPFA  
Treasurer to the  
Joint Committee

Richard Evans  
Museum Director

Date: 20<sup>th</sup> September 2013

## Income and Expenditure Account for the Year Ended 31 March 2013

	Notes	2012/2013		2011/2012	
		£000	£000	£000	£000
<b>Income</b>					
Constituent Authorities contributions		76		81	
Other income		<u>1,631</u>	<u>1,707</u>	<u>1,286</u>	<u>1,367</u>
<b>Expenditure</b>					
Running expenses	2	973		161	
Interest payable and similar charges		<u>22</u>	<u>995</u>	<u>23</u>	<u>184</u>
Net surplus/(deficit) for year			712		1,183
<b>Net operating surplus/(deficit) for the year before appropriations:</b>			712		1,183
Transfer (to)/from Capital Development Reserve			295		(44)
Transfer (to)/from Earmarked Reserves			(1)		(1)
Capital Financing			<u>(1,332)</u>		<u>(1,110)</u>
<b>Net surplus / (deficit) for the year</b>			<u><u>(326)</u></u>		<u><u>28</u></u>

**Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2013**

	Notes	2012/2013 £000	2011/2012 £000
Operating Surplus/(deficit) for the year on the Income and Expenditure Account		712	1,183
Gain/(loss) arising on revaluation of fixed assets		0	0
Other gains/(losses) required to be included in the STRGL	10	0	0
<b>Total recognised gains/(losses) for the year</b>		<b>712</b>	<b>1,183</b>

## Balance Sheet as at 31 March 2013

	Notes	2012/2013		2011/2012	
		£000	£000	£000	£000
<b>Fixed Assets</b>	4				
Intangible Fixed Assets		104		104	
Tangible Fixed Assets					
Operational assets:					
Infrastructure		2,175		2,175	
Land and buildings		14,960		14,946	
Vehicles, plant and equipment		3,158		3,127	
Community assets		1,127		1,127	
Non-operational assets:					
Assets under construction		1,437		484	
Deferred premiums on the early repayment of debt		0	22,961	0	21,963
<b>Total fixed assets</b>					
<b>Long Term Investments</b>	5	0		0	
<b>Current Assets</b>					
Debtors	6	1,146		787	
Investments - Short term	7	0		532	
<b>Total current assets</b>		<b>1,146</b>		<b>1,319</b>	
<b>Current Liabilities</b>					
Creditors	8	(125)		(37)	
Cash at bank overdrawn		(657)		(591)	
<b>Total current liabilities</b>		<b>(782)</b>		<b>(628)</b>	
<b>Net current assets/(liabilities)</b>			<b>364</b>		<b>691</b>
<b>Net assets</b>					
Deferred Liability (Borrowing)	9		(606)		(647)
<b>Total assets less liabilities</b>			<b>22,719</b>		<b>22,007</b>
Capital financing account	10		22,354		21,316
<u>General Reserves:</u>					
Earmarked reserves	11	9		8	
Capital development reserve	12	282		577	
Revenue fund balance		74	365	106	691
<b>Total equity</b>			<b>22,719</b>		<b>22,007</b>

**Cash Flow Statement for the Year Ended 31 March 2013**

This statement summarises the flow of cash from revenue and capital transactions with third parties.

	Notes	2012/2013		2011/2012	
		£000	£000	£000	£000
<b>Revenue Activities</b>					
Expenditure:					
Cash paid to and on behalf of employees		0		0	
Other operating cash payments		976	976	68	68
Income:					
Cash received for goods and services		0		0	
Other revenue income		(443)	(443)	(161)	(161)
<b>Servicing of Finance</b>					
Expenditure:					
Interest paid		22		23	
Income:					
Interest received		(1)	21	(3)	20
Net cash flow from revenue activities	13		554		(73)
<b>Capital Activities</b>					
Expenditure:					
Purchase of fixed assets			907		1,381
Income:					
Capital grants received		(904)		(992)	
Other capital income		0	(904)	0	(992)
Net cash inflows/(outflows) before financing	17		557		316
<b>Management of Liquid Resources</b>					
Increase/ (decrease) in short term deposits	15		(532)		(1,149)
<b>Financing</b>					
Expenditure:					
Repayment of amounts borrowed	16		41		42
Income:					
New loans raised	16		0		(11)
<b>(Increase)/decrease in cash</b>	14		<b>66</b>		<b>(802)</b>

**Notes to the Income and Expenditure Account****1. Members' Allowances**

There are no Members' allowances paid by the Joint Committee.

**2. External Audit Fees**

The Joint Committee has made a provision of £2,400 for fees relating to the external audit and inspection of the 2012/2013 accounts.

	2012/2013 £000	2011/2012 £000
Fees payable to the External Auditors	2	1

**3. Related Party Transactions**

The Code requires the disclosure of any material transactions with related parties to ensure that stakeholders are aware when these transactions take place and the amount and implications of such transactions. Relevant disclosures include the provision of support services as disclosed in the accounting policies and disclosure in respect of Government Grants which is shown in the notes to the cash flow statement. Disclosures in respect of members' interests are also required to be reported. After consultation with Members there are no disclosures to report.

Beamish Development Trust is a registered charity whose principal activity is the raising of money from industry, commerce, private trusts and individuals to support the development plans of the Beamish North of England Open Air Museum. Consequently, a close relationship exists between the two bodies. The Chairman of the Joint Committee, which oversees the Museum, also sits as a Trustee on the Charity and those officers who advise the Joint Committee are also responsible for advising the Development Trust.

The Joint Committee has a significant and controlling influence over Beamish Museum Limited (BML) and Beamish Museum Trading Limited (BMTL). The Joint Committee continues to be responsible for the assets of the Museum and makes all decisions on capital schemes and procuring grants for capital development. BML (a charitable company limited by guarantee) is responsible for managing and operating the Museum on behalf of the Joint Committee. BMTL manages all of the retailing and catering operations. The Joint Committee approved in March 2008 a Management Contract setting out the responsibilities of the Joint Committee and Beamish Museum Limited under the new arrangements and a Scheme of Delegation to officers. All staff are employed by BML and some are seconded to BMTL as appropriate.



## Notes to the Balance Sheet

## 4. Movement of Fixed Assets

All assets on the asset register are now recorded at original purchase cost. These values are not updated apart from when there are subsequent additions and should remain at this value until their disposal. Assets are no longer subject to depreciation or revaluation.

	Intangible Assets £000	Infra- structure £000	Land & Buildings £000	Vehicle, Plant & Machinery £000	Community £000	Non Operational Assets* £000	Total £000
Gross Book Value 31/03/12	104	2,175	14,946	3,127	1,127	484	21,963
Reclassification	0	0	0	0	0	0	0
Additions	0	0	14	31	0	953	998
<b>Gross book value 31/03/13</b>	<b>104</b>	<b>2,175</b>	<b>14,960</b>	<b>3,158</b>	<b>1,127</b>	<b>1,437</b>	<b>22,961</b>

\* Assets under construction

Capital expenditure incurred in the year was £0.998m and the main items are detailed below:

Capital Expenditure	2012/2013 £000
<u>BOIP Projects:</u>	
Entrance Building	15
Kibblesworth Houses	33
Eston Church	67
Hetton Band Hall	200
Transport & Industry Projects	427
Town Bakery	256
	<b>998</b>

The capital expenditure of £0.998m was funded as detailed below:

Capital Funding	2012/2013 £000	%
Grants and contributions	726	73
Capital development reserve	272	27
	<b>998</b>	<b>100</b>

## 5. Long Term Investments

Beamish Museum Limited (a charitable company limited by guarantee) is responsible for managing the Museum on behalf of the Joint Committee. Beamish Museum Trading Limited, a subsidiary of Beamish Museum Limited (BML) manages all of the retail and catering operations. BML and its trading subsidiary were incorporated on 22/03/2006 and 05/03/2008 respectively. The 2008/09 accounts for both BML and its trading subsidiary were filed in January 2010. The new companies did not hold any assets during 2012/13 and are therefore shown at a nominal value on the balance sheet.

## 6. Debtors

	31 March 2013 £000	31 March 2012 £000
Sundry Debtors - Revenue	1	0
Sundry Debtors - Capital Schemes	193	395
VAT Refund of Input Tax	26	16
Sundry Debtors - Beamish Museum Limited Revenue	926	376
	<b>1,146</b>	<b>787</b>

## 7. Investments - Short Term

	Value as at 31/03/13 £000	Value as at 31/03/12 £000
Short Term Investments	0	532

## 8. Creditors

	31 March 2013 £000	31 March 2012 £000
Sundry creditors - revenue	6	8
Sundry creditors - capital	119	29
Revenue Payments to Beamish Museum Limited	0	0
	<b>125</b>	<b>37</b>

## 9. Deferred Liability

Sunderland City Council administers all of the Joint Committee's borrowing through its Consolidated Advances and Borrowing Pool (CABP) and as such the Joint Committee does not undertake borrowing in its own name. The amount of borrowing undertaken by

Sunderland City Council on the Joint Committee's behalf has been recognised as a deferred liability on the Balance Sheet for 2012/2013.

	Balance as at 1 April 2012 £000	Balance as at 31 March 2013 £000	Movement 2012/2013 £000
Deferred Liability	647	606	41

## 10. Capital Financing Account

The Capital Financing Account amalgamates the 2009/2010 balances from the Grants and Contributions to Deferred Account, the Revaluation Reserve and the Capital Adjustment Account, and includes the adjustments made as a result of re-stating fixed asset values to cost value and subsequent capital financing.

	2012/2013 £000	2011/2012 £000
Balance as at 1 April	21,316	20,161
Capital Financing 2012/2013	1,038	1,155
Balance as at 31 March	<u>22,354</u>	<u>21,316</u>

## 11. Earmarked Reserves

This reserve was established in 2003/2004 to meet anticipated future expenditure in specific areas of the Museum.

	2012/2013 £000	2011/2012 £000
Joint store sinking fund	9	8
Balance as at 31 March	<u>9</u>	<u>8</u>

## 12. Capital Development Reserve

The Capital Development Reserve was established with monies received from HM Customs and Excise in respect of a VAT refund on income on admissions. A subsequent VAT refund and associated interest has also been received from HM Revenue and Customs. The purpose of the Reserve, which is invested with Sunderland City Council, is to provide funding for future Capital projects.

	2012/2013 £000	2011/2012 £000
Balance as at 1 April	577	532
Add: Internal interest appropriated to the Reserve	1	3
Capital grant not utilised	0	56
Less:		
Funding for grant debtor not received	(24)	0
Utilisation for capital funding in year	(272)	(14)
Balance as at 31 March	<u>282</u>	<u>577</u>

## Notes to the Cash Flow Statement

### 13. Revenue Activities

The net cash flow can be reconciled to the Income and Expenditure Account as follows:

	2012/2013		2011/2012	
	£000	£000	£000	£000
Operating (Surplus) / Deficit for the year		(712)		(1,183)
Non cash transactions:				
Capital Grants	726		1,142	
Minimum revenue provision	0		42	
Direct revenue funding	(23)		15	
Net Movement in reserves and provisions	0		(44)	
Other	0	703	0	1,155
Items on accruals basis:				
Increase / (Decrease) in debtors	561		(168)	
(Increase) Decrease in creditors	2	563	123	(45)
Net cash flow from revenue activities		<u>554</u>		<u>(73)</u>

### 14. Increase / (Decrease) in Cash

	Balance as at 1 April 2012 £000	Balance as at 31 March 2013 £000	Movement 2012/2013 £000
Cash at bank Overdrawn	(591)	(657)	(66)

## 15. Increase / (Decrease) in Liquid Resources

	Balance as at 1 April 2012 £000	Balance as at 31 March 2013 £000	Movement 2012/2013 £000
Short term investments	532	0	(532)

## 16. (Increase) / Decrease in Financing

	Balance as at 1 April 2012 £000	Balance as at 31 March 2013 £000	Movement 2012/2013 £000
Deferred Liability	647	606	41

## 17. Reconciliation of Net Cash Flow to Movement in Debt

	2012/2013 £000	2011/2012 £000
Increase / (decrease) in cash during year (Note 14)	(66)	802
Increase / (decrease) in liquid resources (Note 15)	(532)	(1,149)
(Increase) / decrease in financing (Note 16)	41	31
	<u>(557)</u>	<u>(316)</u>
Net Debt as at 1 <sup>st</sup> April	(706)	(390)
Net Debt as at 31 <sup>st</sup> March	<u>(1,263)</u>	<u>(706)</u>
	<u>(557)</u>	<u>(316)</u>

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

## **Agenda Item 8**

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