

**THE HERITAGE ALLIANCE**

(previously known as Heritage Link)  
(A company limited by guarantee and not having a share capital)

**Charity No: 1094793**  
**Company Registration No: 04577804**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 March 2010**

## **ANNUAL REPORT 2009-10**

### **The Heritage Alliance Company Information**

#### **TRUSTEES**

Anthea Case (Chairman) until 2 December 2009  
Loyd Grossman (Chairman) from 2 December 2009  
Ian Lush (Deputy Chairman)  
Stephen Enthoven (Hon Treasurer) until 2 December 2009  
Charles Angus (Hon Treasurer) from 2 December 2009  
David Sekers until 2 December 2009  
Matthew Slocombe until 2 December 2009  
Dr Mike Heyworth  
Nick Way  
Dr Ben Cowell  
Catherine Croft  
Dr David Souden  
Crispin Truman  
Denis Dunstone from 2 December 2009  
Mary King from 2 December 2009  
Ela Palmer from 2 December 2009

#### **CHIEF EXECUTIVE OFFICER & COMPANY SECRETARY**

Kate Pugh

#### **COMPANY NUMBER**

04577804 (England and Wales)

#### **CHARITY NUMBER**

1094793

#### **PRINCIPAL ADDRESS AND REGISTERED OFFICE**

89 Albert Embankment  
London SE1 7TP to 23 July 2009

Clutha House 10 Storeys Gate  
London SW1P 3AY from 24 July 2009

#### **ACCOUNTANTS**

Kingston Smith  
Devonshire House  
60 Goswell Street  
London EC1M 7AD

#### **BANKERS**

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

SOLICITORS  
Allen and Overy  
1 New Change Lane  
London EC4N 9QQ

### **Structure, Governance and Management**

Heritage Link was incorporated on 30 October 2002 under the Companies Act 1985. The company is limited by guarantee and does not have any share capital. Every Member undertakes to contribute such an amount as may be required not exceeding £1 to the charity's assets if it should be wound up.

The governing document is the Memorandum and Articles of Association and the Trustees of the charity are the directors for the purposes of company law.

The name change to The Heritage Alliance was agreed by members and registered by Companies House on 19 February 2010 and by the Charity Commission on 1 April 2010.

The Heritage Alliance is a registered charity and company registered in England and Wales. It operates within guidelines approved by the Charity Commission, whereby the Trustees are the decision making body but they seek approval for major strategic decisions by members at the Annual General Meeting ("AGM"). Authority to conduct The Heritage Alliance's day-to-day activities is delegated to the Chief Executive, who is responsible for ensuring that the agreed strategy and policies are carried out. The Secretary of Heritage Alliance, Kate Pugh, was formally appointed as its first Chief Executive Officer on 10<sup>th</sup> December 2009.

Charities and organisations with a national or major regional remit within the heritage sector are entitled to subscribe as members of The Heritage Alliance, which is an umbrella body specifically set up to co-ordinate sector initiatives. Donations have been received from some member organisations during the year.

The Chairman is appointed by the Board. Trustees were pleased to appoint Loyd Grossman to take over the chairmanship from Anthea Case who came to the end of her term of office in December 2009.

Trustees are elected by registered members of The Heritage Alliance at the AGM or co-opted during the year by the Trustees at a Board meeting subject to ratification by members at the next AGM. Amendments to the Memorandum and Articles of Association approved by the membership at the AGM in December 2007 meant that Trustees who have reached the maximum term of office (2 x three year terms) are obliged to step down. Four new Trustees were elected at the 2009 AGM through an open recruitment process; Charles Angus, Denis Dunstone, Mary King and Ela Palmer. A fifth Trustee, Ben Cowell, was formally elected following co-option in March 2009. New Trustees are offered an induction programme.

The Board met on 1 July, 14 October, 10 December 2009 and 21 January 2010. The Trustees annually review the organisation's Risk Register reviewing areas of most concern at each board meeting. It was updated in February 2010.

### **Objects and activities**

The objects of the charity as set out in the Memorandum and Articles of Association are:

- a) For the benefit of the public:
  - i. To improve the efficient and effective fulfilment by heritage charities (as defined in the Articles of Association) of their objects; and

ii. To promote the efficient application of resources for charitable purposes by non-charitable institutions and organisations especially those established for purposes concerned with the protection, preservation, improvement, enhancement and/or revitalisation of the historic environment (as defined in the Articles of Association);

b) The advancement of education of the public:

i. In relation to historical and/or architectural significance of buildings and/or sites; and

ii. By promoting and encouraging public access to, study and appreciation of, the historic environment.

The Trustees of The Heritage Alliance confirm that the purposes of the organisation are recognised as Charitable pursuant to the Charities Act 2006. The Trustees believe that there are clear and identifiable public benefits arising from the pursuit of The Heritage Alliance's aims and objectives, and that these benefits are freely available to the general public without restriction. The Trustees have had regard to the guidance issued by the Charity Commission in considering public benefit.

Within these objects, the following themes were set out in the Strategic Plan 2009-12: clear messaging, more powerful advocacy, sharing knowledge and experience, and optimising operational effectiveness.

## **Achievements and Performance**

### **Key developments**

- **Stronger advocacy role**

The independent status of The Heritage Alliance together with its powerful membership base gives it a unique platform in England. This year several factors have prompted a shift in focus. Re-assessment of available funding has resulted in the charity drawing back from providing frontline services except in partnership with others. The pending General Election has prompted scrutiny of the main parties' policy regarding heritage and related issues and afforded the opportunity for the Heritage Alliance to set out its own calls for action for heritage and separately, for historic places of worship.

The Heritage Alliance manifesto *Making the Most of our Heritage* builds on its founding ethos, drawing members together, sharing knowledge and expertise to establish policy positions and solutions. It promotes the value of heritage in the 21<sup>st</sup> century and the role of the non government heritage movement in delivering its economic, social environmental and educational benefits covering 4 policy areas: the new economy, value for money, empowering people and climate change. For the first time, this gives the voluntary sector a core script under which to press for the changes central to their work and to demonstrate how their activities contribute to the common good.

- **Organisational development**

The Alliance has made a step change in a year of challenges – the economic climate, the political context, a change of chairman, staff and premises, even a new name. Not only did Heritage Link transform into The Heritage Alliance but it has deployed all opportunities to advantage. The organisation is more mature, more professional, well respected, with a valuable track record in membership services, capacity and consensus building and partnership and project management. Already it is well on the way to achieving the shift set out in the Strategic Plan 2009-12.

Separately funded projects add significant capacity where most needed: the Cultural Olympiad (Discovering Places), Heritage Protection Reform (the Co-ordinator post), diversity (Making a Difference) and funding information (The Funding Directory). Although these and other revenue streams support core functions, English Heritage's funding has been fundamental to enabling the voice of the non government heritage bodies to be heard, promoting collaborative working between members and beyond, and strengthening the advocacy of the whole heritage sector in England. The Board welcomes English Heritage's continuing support.

The Strategic Plan set out priorities for 2009-12

- Clear messaging and more powerful advocacy
- Leading collaborative working in the heritage sector and beyond
- Sharing knowledge and experience
- Optimising organisational effectiveness

The Trustees are pleased to report that the charitable objectives have been advanced through these priorities by the following activities.

### **CLEAR MESSAGING AND MORE POWERFUL ADVOCACY**

The Heritage Alliance bases its advocacy around the interests of its members and the value of heritage to 21<sup>st</sup> century society.

#### **The Heritage Alliance Manifesto 2009**

The clearest message in 2009 was undoubtedly The Heritage Alliance manifesto, presented at Heritage Day in December 2009, which sets out the value of heritage and the contribution of the non-government heritage bodies in delivering its benefits. Unique in the heritage sector, the manifesto *Making the Most of our Heritage* brought together policy positions over the last 7 years into a single document. It sets out the measures a new government might take to maximise the contribution heritage makes to national economic and social wellbeing. It has been used in key meetings with opinion formers in Westminster and re-distributed to members in March with wider distribution planned after the General Election.

Elsewhere within The Heritage Alliance, calls for government action are in hand. The introduction of a Heritage Bill remained the key message throughout the year. The PlacesofWorship group produced its own manifesto where the call is for the extension of the Listed Places of Worship Grant scheme beyond 2011 and this again has been distributed widely. Three Advocacy Groups are preparing campaigning documents for use after the General Election.

On the wider arts campaigning the Alliance ensured that the value of heritage was recognised in the cultural manifesto *Cultural Capital* which was launched, with Alliance support, on 25 March. The development of the Discovering Places project within the Cultural Olympiad underlines the place of the historic environment in the national cultural offer.

Developing understanding in Westminster and Whitehall is another form of advocacy. Direct meetings were held with the Lib Dem Heritage spokesman, with the Conservative Shadow Ministers for DCMS, DEFRA and CLG and with the Culture Ministers Barbara Follett and Margaret Hodge for both the Heritage Alliance and in shared forums. The All Party Parliamentary Group on Historic Places of Worship affords an opportunity for the Alliance's Placesofworship grouping to discuss its concerns with parliamentarians.

The Alliance was also invited to design a heritage-based Industry and Parliament Trust Fellowship for parliamentarians, post election, using members' activities to demonstrate the benefits that heritage can bring.

### **Heritage Day**

Heritage Day is now one of the largest events in the heritage calendar when it is the turn of the non-government bodies to host a networking lunch and heritage debate after the members' AGM. This year, in advance of the anticipated general election, the three main parties' heritage spokesmen, Margaret Hodge (Labour), Ed Vaizey (Conservative) and Richard Younger-Ross (Lib Dem) shared a 'hustings' to present their commitments to heritage and the role of the voluntary heritage bodies. Interest from the heritage sector was strong with an all time high attendance of 170 at the German Gymnasium, St Pancras, London NW1. The event also served to celebrate the chairmanship of Anthea Case who stepped down after six years and to introduce the new Chairman, Loyd Grossman.

### **Higher profile**

In line with the stronger advocacy objective, The Heritage Alliance's public profile has increased this year through presentations and the media. Chairmen, Deputy Chair, Trustees and Chief Executive act as ambassadors. The new Chairman, Loyd Grossman, has generated high level coverage in the sectoral and national press and especially in reaching non traditional heritage audiences. More proactive media relations over heritage protection reform brought the Heritage Alliance to the notice of the planning and built environment press. The Alliance is now on Twitter with over 500 followers. It also supported its members in reaching new audiences by sponsoring a social media training day for heritage and cultural bodies.

## **LEADING COLLABORATIVE WORKING IN THE HERITAGE SECTOR AND BEYOND**

### **Membership**

Some structural changes and the new tiered subscription rate in January 2009 led to a small fall in numbers at the end of the last financial year but membership has begun to rise again from 75 in April 2009 to 77 in March 2010. Through its members and their members, The Heritage Alliance is the largest coalition of heritage interests in England representing nearly 5 million people.

The Heritage Alliance continues to promote collaborative working across the non government heritage sector. One of its functions is to represent the shared views and interests of members in formal consultations. During this period, it responded to the following: Commission for the Compact, Refreshing the Compact; CLG, on the statutory consultees for National Policy Statements; CLG/DCMS, response to draft PPS15; DCSF, Primary curriculum review; Civic Society Initiative consultations x 2; BIS, Penfold Review of Non-Planning consents; Legislation Committee Secretariat, Draft Legislative Programme; English Heritage Strategic Priorities 2010-15; DCMS, Third Sector Strategy review. This active consultation policy promotes a consensus view to a range of Departments in addition to the Government's lead Department on heritage, DCMS.

Responses on major issues, on Planning Policy Statement 5 (PPS5) and on English Heritage Strategic Priorities 2010-15, were drawn up out of dedicated seminars offering all members the opportunity to contribute directly. The Alliance was also involved in the process of commenting on the Government's Vision Statement for the Historic Environment published on 23 March 2010.

The Heritage Alliance continues to promote collective goals from all quarters. A much larger number of consultations were listed in *Heritage Update*, the free fortnightly e-bulletin, to engage the widest possible audience in opportunities to influence legislation and policy.

The Heritage Alliance connects and represents membership interests in heritage forums and initiatives. This year the meeting of main national strategic body, the Heritage Forum, took the form of Heritage Question Time on 21 October when the Chairman at that point, Anthea Case, joined a panel of other key sectoral chairmen to discuss a range of issues facing the historic environment.

The Heritage Alliance is a member of the overarching Historic Environment Review Executive Committee (HEREC), of its executive sub group and the two associated groups on Broadening Access and Climate Change. The Chief Executive contributed to Heritage Counts 2009, ensuring again that the contribution of the voluntary sector is recognised in the annual review of the state of the historic environment.

The former Chairman Anthea Case is also a Commissioner for CABE and, appointed by DCMS, chairs the Engaging Places Board. Advocacy Group chairmen are also on the Engaging Places and Learning outside the Classroom Boards as well as a number of other forums. The Alliance is also represented on the UK Heritage Research Group (UKHRG), the DEFRA Rural Development Programme for England (RDPE) Monitoring Committee, the DCMS-convened grouping on Gift Aid, the National Planning Forum, The Archaeology Forum and the Joint Committee of National Amenity Societies.

The Chairmen, Deputy Chair and Chief Executive have brought a range of concerns to the attention of Government Ministers, Shadow Ministers, their Special Advisers and Departments, NDPBs and others on a range of subjects from VAT, heritage protection reform, to volunteering and philanthropy as well as for better recognition of heritage in cultural initiatives such as Find Your Talent.

The Heritage Alliance welcomed English Heritage's rescue of Heritage Open Days when the Civic Trust went into administration in April 2009. It has been working with English Heritage to ensure that the long term future of the highly popular public engagement event continues to reflect its essential voluntary sector nature. Similarly, in the discussions following the demise of the Civic Trust, the Alliance recommended a more inclusive approach to ensure that a wide range of views was taken into account in framing a new national body. Supporting collaborative working in all its forms is a key part of our activities.

In its strategic liaison work, The Heritage Alliance also participates in third sector groupings such as the DCMS Voluntary and Community Sector Forum and through regular meetings with third sector counterparts in the arts and sports world with the National Council of Voluntary Organisations. The Heritage Alliance also helps lead the special interest group on arts and heritage set up within the Association of Chief Executives of Voluntary Organisations (ACEVO). These ensure that heritage interests are well recognised in third sector issues.

Conversely, facilitating access to members for research purposes also continues across a range of topics. Opinion and evidence has been sought for example on the uptake for HLF grants for industrial, maritime and transport projects and case studies to illustrate successful asset transfer.

The experience of the Alliance as a successful infrastructure body was again sought during the year for parallel heritage networks in Scotland and Wales.

The Alliance uses projects to add capacity in key areas, leading collaboration beyond the membership.

Discovering Places is one of the Major Projects for the Cultural Olympiad, the four year cultural festival in the run-up to the London 2012 Games to celebrate the richness and diversity of the UK's arts, culture and heritage. The Alliance leads the project with delivery

partner Natural England and Commission for Architecture and the Built Environment (CABE). It sits alongside other Major Projects being led by such organisations as the Arts Council, BBC, MLA (Museums, Libraries and Archives) and the Legacy Trust and is being delivered on behalf of the London Organising Committee for the Olympic and Paralympic Games (LOCOG).

The past year has seen significant advancements. In June it was announced that Discovering Places was part of the successful funding bid for the London 2012 Cultural Olympiad submitted by LOCOG to the Olympic Lottery Distributor (OLD). The funding allocated to Discovering Places is just over £1m for the remaining three years of the project. This required adjustments to the procedural and management arrangements for the project which were agreed by Heritage Link Board in October 2009.

A delivery strategy up to and including Games time was then revised and the new Project Board, chaired by Rita Gardner, Director of the Royal Geographical Society, held its inaugural meeting on 1 December 2009. Ian Lush, The Heritage Alliance Deputy Chair is Project Director, with Catharine Bull as Project Co-ordinator. An additional member of staff Claire Horan was appointed as the Project Manager from 4 January 2010. On the appointment of a new Director of Culture at LOCOG in February 2010 a full review of the Cultural Olympiad has been initiated. This process continues Discovering Places as a recognised part of the Cultural Olympiad and the details of the programme of activities are being assessed with LOCOG.

The first main event Discovering the Greenway, took place in East London in July 2009 as part of the Open Weekend celebration, held across the country. Discovering Places' three partners, Natural England, Commission for Architecture and Built Environment (CABE) and Heritage Link combined their resources and expertise to produce a successful afternoon of family friendly activities. A diverse range of people from the local neighbourhood and across London enjoyed the opportunity to see the Olympic site and find out more about the local environment of the Greenway.

Building up contacts in the nations and regions has been a major focus over the past year. 11 meetings were held with the national and regional creative programmers to keep them informed on the developments of the project and explore ways of engaging people in their area. In August, the Discovering Places team was asked to co-ordinate a meeting of representatives from the heritage sector for the Torch Relay Producer to outline the scope of the Torch Relays and receive feedback from the sector on ways of taking part. The benefit of the Discovering Places offer to provide days out around the Torch Relays is acknowledged by the Torch Relay team at LOCOG and is seen as an exciting opportunity for all parties.

An expert in consulting with young people has carried out scoping work on the youth strategy for the project.

#### **Heritage Protection Reform (HPR)**

The new 3 day a week post is a commissioned post through English Heritage initially for a year. This additional capacity has allowed The Heritage Alliance to take a more active role in representing members' concerns, working with EH to gain the support of the sector and keeping up pressure for a Heritage Protection Bill for instance by providing specialist briefings for Parliamentary Questions and by comment on the Queen's Speech 2010.

Karen Bewick, HPR Co-ordinator, organised a members seminar to gain feedback on the draft Planning Policy Statement (PPS) and accompanying guidance, submitted a response to the Government pre legislative programme consultation, drafted the Heritage Link response to the PPS and guidance. The document and member responses were hosted on new dedicated HPR web pages. Proactive media relations resulted in coverage in the built environment and planning press.

She has continued to work closely with English Heritage, attending the EH HPR Implementation Board meetings, developing a joint survey to identify HPR training needs for the heritage voluntary sector and initiating a joint initiative to set up regional seminars focused on local listing. An up-to-date HPR news service is provided via the dedicated Alliance web pages. The extra capacity afforded by this post has enhanced the charity's profile as a collaborative partner and source of expert briefings, to its overall advantage.

#### **PlacesofWorship@TheHeritageAlliance**

This forum, established in 2008, brings together those with interest in historic fabric of faith buildings within the membership and outside, to develop a shared vision on the way forward for historic places of worship and to strengthen the 'third sector' voice. At the end of its first year it had over 40 members and nearly 90 on the mailing list.

Funding generously renewed for a second calendar year from October 2009 by the National Churches Trust, meant the group supported by Development Officer Deborah Jarman was able to move forward substantially. The steering group, chaired by Crispin Truman (Churches Conservation Trust and Heritage Alliance Trustee) met 3 times during this period. The Annual Meeting was held at St Paul's Church Bow, London E3 in May 2009.

The Places of Worship Manifesto was made available for Heritage Day on 2 December 2009 and at the Church of England Synod in February before being formally launched on 4 March. Top of its priorities is the extension beyond March 2011 of the Listed Places of Worship Grant Scheme that compensates for VAT on repair and maintenance work, an issue of major concern across the country. The Steering Group chair wrote to the Prime Minister on this subject in April 2009. The launch of the manifesto highlighted the scale and scope of the grant scheme and prompted an attending MP to ask a Parliamentary Question on 16 March. POWAlliance is part of the joint campaign with the Church of England and English Heritage.

Information sharing and capacity building continued with 4 issues of the free newsletter *powwow* and the development of webpages to cover events, library page and case studies. POWAlliance provides administrative support for the All Party Parliamentary Group on historic places of worship to engage MPs and Peers in the sector's issues, organising two events during this period.

#### **VAT**

The long campaign for a change in VAT to avoid the adverse effect on repair and maintenance costs moved into a new stage with the EC decision in March 2009 to allow member states to adopt a lower rate for repairs and maintenance to residential property in private ownership. The Heritage at the Heart of Communities group (HATHOC) led by The Heritage Alliance's Deputy Chair with Prince's Regeneration Trust, met with HM Treasury officials in July to discuss the possibility of the UK government implementing such a measure. The Heritage Alliance also supports the construction industry coalition Cut the VAT. Again the EC decision led to activity throughout the year with a joint letter in the Financial Times on Budget Day, correspondence with Ministers but given the economic climate, any change in UK policy seems remote. Nevertheless, The Alliance supported the Cut the VAT research on the long term effect a cut in the rate of VAT might have on Treasury income, published in February 2010 and launched in the House of Common on 8 March 2010.

#### **SHARING KNOWLEDGE AND EXPERIENCE**

##### **Advocacy Groups**

The membership forums on Spatial Planning, Funding and Social Inclusion remain the means by which members' knowledge and experience is brought into policy formation.

In line with the new focus of the Strategic Plan 2009-12, the working groups evolved from discussion forums, still bringing together the expertise of members together on shared concerns but with more emphasis on advocacy. Work plans detailing their annual programmes were circulated to members in May 2009 and February 2010.

### **1 Spatial Planning Advocacy Group**

This Group, chaired by Trustee Mike Heyworth (CBA) met three times with the last meeting held jointly with the Joint Committee of National Amenity Societies. Promoting the Heritage Bill and influencing Planning Policy Statement 5 on the Historic Environment continued to form the main business.

Planning Policy Statement 5 (PPS5) was finally published for consultation in July 2009. The Group planned and delivered a members' seminar in September 2009 to draw up a response on the draft PPS5 and supporting guidance. English Heritage funding provided the Alliance with additional capacity to inform and coordinate activity around the Heritage Reform Implementation Programme. Karen Bewick took up the year long post of Heritage Protection Reform Co-ordinator in September 2009. Her role has been critical in maintaining successful communication between English Heritage and the Alliance and with the wider sector and in developing shared programmes relating to PPS15 and local listing. Work also began on a draft advocacy document to be published after the 2010 General Election.

### **2 Funding Advocacy Group**

The Funding Advocacy Group chaired by John Sell met twice during this period. Its sub group the Rural Heritage Forum became a separate Advocacy Group in 2010.

After disappointment that the European Finance Ministers decision over VAT at the ECOFIN Council in March 2009 limited a reduction of VAT to the renovation and repair only of private dwellings not a wider cultural category, the Alliance continued to lobby on this issue and for other fiscal incentives for investment in heritage. Support for the Cut the VAT Coalition continued through correspondence in national broadsheets and with the Chancellor of the Exchequer.

Support to fundraising continued with a substantial updating of the free online Heritage Funding Directory, funded by the Heritage Lottery Fund and the Leche Trust and relaunched in November 2009. Although the fund raising skills seminar programme had been suspended temporarily, there were plans by the end of the year to run a regional pilot in partnership with Heritage Lottery Fund in 2010, and a second proposal to hold a seminar for independent trusts and foundations to review grant making trends. All these initiatives aim to facilitate more effective fundraising to support heritage objectives.

### **3 Inclusion Advocacy Group**

This Group co chaired by Trustee David Souden and Don Henson met 3 times during this period. Don Henson continues to lead the Education Task Group, a virtual network of eight Alliance members, which responds on behalf of the Alliance to educational consultations such as changes to the primary curriculum. Both Chairs are closely involved in wider educational initiatives such as Learning Outside the Classroom where there has been considerable discussion over the implications of the quality badging scheme and as well as Engaging Places and Find Your Talent. Preparations for the second annual policy day to be held by this group are in hand together to share knowledge and best practice with members, and to pro-actively influence the public policy agenda

The Inclusion Advocacy Group also oversees the Embracing Difference/Making a Difference project. Funding for the final phase of this diversity project, was confirmed by English Heritage in September 2009 to boost the resources devoted to updating and refreshing the website created as a legacy of the first two year project Embracing Difference. This aimed to

help small heritage groups understand and address inclusion issues. The project is managed by a sub group (National Trust, SPAB, HHA) led by Sara Crofts (SPAB). A consultant, appointed in March, will complete the project by the end of August 2010.

Through the Inclusion Group, The Heritage Alliance also helped secure the future of Opening All the Gates, at risk when the original host organisation Gateway Gardens Trust closed. An independent grouping comprising the National Trust, Historic Houses Association, Association of Gardens Trust (all Alliance members) with the Royal Horticultural Association will now complete the project.

#### **4. Rural Heritage Advocacy Group**

This Group, co-chaired by John Sell and Jonathan Thompson (Country Land & Business Association) was formed in anticipation of Common Agricultural Policy (CAP) reform and the related risk to funding for the rural heritage. It became an Advocacy Group in its own right in 2010 in order to review and influence policies that impact upon the management of the rural historic environment and to keep Alliance members informed.

This year it presented an online briefing note for members and Heritage Update readers on the importance of EU funding to the UK under the Common Agricultural Policy. In March, the Chairman and a representative from the Historic Farm Buildings Group, attended a round-table discussion in Brussels on post-2013 CAP reform together with other representatives from European heritage and countryside organisations. These organisations agreed to produce a joint manifesto outlining what they want CAP to achieve and why; lobbying will take place both at European and member state level.

#### **E Bulletins**

Issues 159-182 of Heritage Update appeared during this period, a total of 24 reaching an estimated readership of 12000 in the UK and beyond. The free fortnightly ebulletin remains The Heritage Alliance's most public product and the most effective way of sharing knowledge and experience through the sector through a comprehensive, timely digest of relevant news and views.

A revised editorial policy has given Heritage Update a more campaigning stance and actively promote the work of members. Feedback on the new house style has been extremely positive.

The [placesofworship@theheritagealliance](mailto:placesofworship@theheritagealliance) ebulletin, *powwow*, ran to 4 issues during this period keeping members and others informed of developments relating to historic places of worship. Circulation is growing fast with 90 on the direct mailing list and a wider readership through onward forwarding.

#### **Website development**

The Alliance website has been significantly upgraded and rebranded to become more visual, user-friendly and aesthetically pleasing whilst building on the content. Images illustrate the work of members. To reach the widest possible audiences, a dedicated webpage was created to promote The Heritage Alliance manifesto, to put key statistics in the public domain and to link to members' own manifestos and others of relevance.

All staff were trained to upload content so that the appearance and up-to-date content of website now reflects the aims of the organisation and forward-thinking activity.

## **OPTIMISE ORGANISATIONAL EFFECTIVENESS**

### **Board development**

An audit of Board skills and competencies in July 2009 identified the areas that would need to be replaced or strengthened when four Trustees and the Chairman reached the end of their terms of office. A short list was drawn up from members' nominations and four new Trustees, including a new Hon Treasurer Charles Angus were subsequently elected at the AGM.

In December 2009, Anthea Case stepped down after 6 years as Chairman of Heritage Link. A nominations panel handled the search for a new Chair over the summer, advertising nationally and was able to secure the appointment of Loyd Grossman. He addressed members at Heritage Day in December 2009.

### **Strategic Plan 2009**

Trustees approved the Strategic Plan 2009-12 for presentation to members at Heritage Day 2009. Capitalising on the strong membership platform achieved over the previous three year period, this shifted the whole ethos of the organisation towards more powerful advocacy. Over the next three years, the Plan required that The Heritage Alliance would give the voluntary heritage sector a clear voice, share knowledge and experience, be a catalyst for collaborative working in the sector and beyond and connect heritage with the big issues in 21<sup>st</sup> century society. Each of the Advocacy Groups used their autumn meetings to set out their programme including one specific annual product. The Operational Plan circulated to members in February 2010 set out the actions agreed by Board, secretariat and projects in pursuit of the strategic objectives during the next calendar year.

Key actions in achieving this step change have been the relocation of offices to Westminster, and the change of name from Heritage Link to the Heritage Alliance as more forceful and descriptive of its aims. 75% of members agreed formally to the name change well within the period set by Companies House.

### **Human Resources**

Staff changes supported a more efficient use of human resources. In October 2009, a new administrative support post filled by Toks Ferguson to take over the book keeping and office management released the Policy & Communications Officer to devote more time to the Advocacy Groups. In January Emma Robinson took over from Kate Jones as Policy & Communications Officer. At the end of the financial year the Secretariat comprises 2.4 FTE, and 1 full time and 3 part time project staff make up 2.8 FTE posts.

### **Premises**

Although the shared office arrangement with Wildlife and Countryside Link had worked well for 6 years, the increase in project staff outstripped the space available. The Secretariat successfully moved offices from Albert Embankment to Westminster in July under an arrangement with one of its members, the Pilgrim Trust. This achieves greater operational capacity and efficiency and raises our profile in Westminster considerably.

### **Financial Support**

This year was the first year of the third, three-year funding arrangement with English Heritage under the National Capacity Building Programme to support core costs of running the secretariat. We are grateful for their continuing confidence and support but at the same time it is the Trustees' wish to develop sources of independent income.

All projects are expected to be self-sufficient financially and their funding placed in the charity's restricted funds. Through the National Capacity Building Programme, English Heritage also supports the 2<sup>nd</sup> phase of the diversity programme, Making a Difference, and the Discovering Places (Cultural Olympiad) initiative. The proposed Parliamentary post that

would have accompanied the Heritage Bill became the Heritage Protection Co-ordinator post which is a 100% commissioned post funded by English Heritage initially for a year.

The Trustees of the National Churches Trust have generously supported the continuation of the placesofworship group into a second year from October 2009. The Heritage Lottery Fund has generously donated £1000 to secure the maintenance and development of the Heritage Funding Directory.

We very much welcomed for the first time support by Ecclesiastical Insurance Group in sponsoring Heritage Day with a donation of £1000. The Heritage Alliance also gratefully acknowledges a generous donation of £3250 from the National Trust. In kind support has also received from members: the Council for British Archaeology kindly continued to host the website and the distribution of Heritage Update; and professional parliamentary advice has been provided through a member. Graphic designers, Identica, kindly gave their time pro bono to create a new corporate identity. Through the Media Trust, corporate public affairs expertise was made available by Yellow Pages.

### **Financial Review**

The Statement of Financial Activities on page 16 shows that gross income raised was £181,297 and expenditure on charitable activities was £179,108. Governance costs for the year were £3,793. The net expenditure for the year was £1,604.

### **Reserves Policy**

Free reserves comprise the total reserves available to the charity less those whose uses are restricted to specific purposes

During this period, the Trustees agreed that achieving a level of free reserves to cover one year's expenditure was excessive and have changed the reserves target to six months'. This is deemed to be sufficient to enable the Heritage Alliance to meet its charitable and operational commitments in the event of a significant shortfall in income or the occurrence of significant operational risk. At the balance sheet date, the free reserves of the charity totalled £62,269 that is 56% of the estimated core expenditure 2010/11.

### **Investments**

Cash balances in excess of current operating requirements mainly represent the holding of free reserves, and are therefore invested solely within the Charities Aid Foundation Gold deposit account to ensure their availability at short notice and to minimise any risk of depletion of capital value.

### **Future Plans**

The Trustees will continue to develop The Heritage Alliance in line with the strategic priorities 2009-12, keeping in mind anticipated changes in public funding. The Board is also concerned to reduce the percentage of core costs dependent on English Heritage funding.

The Trustees will develop the advocacy role of The Heritage Alliance, on behalf of its members as a key voice for the public benefit of our heritage and on wider cultural, social and economic issues.

In 2010-11 The Heritage Alliance will:

- Brief an incoming government on the value of heritage and of the non government organisations

- Disseminate the Alliance Manifesto *Making the Most of our Heritage* before and after the general and local elections
- Hold two major policy events
- Strengthen heritage and countryside organisations' advocacy in advance of CAP reform.
- Re-establish capacity-building fundraising seminars on a new partnership model
- Establish principles for developing the Alliance's membership base.

In 2010-11 The Heritage Alliance will continue to:

- respond to consultations for and on behalf of the voluntary heritage organisations.
- represent the voluntary heritage sector in sectoral and wider forums
- raise shared concerns in Westminster and Whitehall
- bring the experience and expertise of members into sectoral projects, research and initiatives such as Heritage Counts
- support the members discussion forums - Advocacy Groups - and their work programmes
- maintain and develop Heritage Update as the key means of sharing information and best practice throughout the sector and also through the website.
- lead and develop partnerships such as Discovering Places, the [placesofworship@theheritagealliance](mailto:placesofworship@theheritagealliance) group, and over Heritage Protection Reform.

**The Heritage Alliance**  
**Report of the Trustees**  
**for the year ended 31 March 2010 (continued)**

**Statement of Trustees' responsibilities**

The trustees (who are also directors of The Heritage Alliance for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

**Preparation of the Financial Statements**

The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in April 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Trustees on:

18/08/10

  
.....  
Loyd Grossman - Chairman

# The Heritage Alliance

## Independent Examiner's Report to the Trustees on the Unaudited accounts of The Heritage Alliance

I report on the accounts of the Trust for the year ended 31 March 2010, which are set out on pages 16 to 21.

### Respective Responsibilities of Trustees and Examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

### Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### Independent Examiner's Statement

In accordance with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Devonshire House  
60 Goswell Road  
London EC1M 7AD



J T L Cross FCA DChA  
Kingston Smith LLP  
Chartered Accountants

Date: 24 August 2010

**The Heritage Alliance**  
**Statement of Financial Activities**  
**(Including Income and Expenditure Account)**  
**For the year ended 31 March 2010**

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2010 £	Total funds 2009 £
<b>Incoming Resources from generated funds</b>					
Voluntary income:					
Donations		3,250	-	3,250	3,325
Grants		70,000	-	70,000	62,078
Interest received		204	-	204	2,272
<b>Income from charitable activities</b>					
Members' Subscriptions	1	18,191	-	18,191	4,214
Affiliate membership		2,817	-	2,817	2,125
Project grants and donations		-	80,800	80,800	63,936
Income from Update bulletin		2,290	-	2,290	2,682
Sponsorship		1,000	-	1,000	3,000
Income from events		2,605	140	2,745	2,510
<b>Total Incoming Resources</b>		<u>100,357</u>	<u>80,940</u>	<u>181,297</u>	<u>146,142</u>
<b>Resources Expended</b>					
Charitable activities	2	96,164	82,944	179,108	129,615
Governance costs	5	3,793	-	3,793	2,462
<b>Total Resources Expended</b>		<u>99,957</u>	<u>82,944</u>	<u>182,901</u>	<u>132,077</u>
<b>Net Income/(Expenditure) for the year before transfers</b>		<u>400</u>	<u>(2,004)</u>	<u>(1,604)</u>	<u>14,065</u>
<b>Transfers</b>		<u>(116)</u>	<u>116</u>	<u>-</u>	<u>-</u>
<b>Net Income/(Expenditure) for the year after transfers</b>		<u>284</u>	<u>(1,888)</u>	<u>(1,604)</u>	<u>14,065</u>
<b>Balance Brought Forward at 1st April 2009</b>		<u>61,985</u>	<u>27,383</u>	<u>89,368</u>	<u>75,303</u>
<b>Balance Carried Forward at 31st March 2010</b>		<u><u>62,269</u></u>	<u><u>25,495</u></u>	<u><u>87,764</u></u>	<u><u>89,368</u></u>

# The Heritage Alliance

## Balance Sheet at 31 March 2010

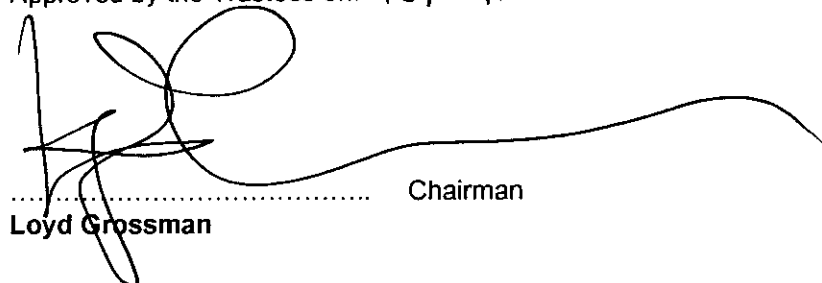
	Note	2010 £	2009 £
<b>Current Assets</b>			
Debtors	6	3,908	11,109
Cash at bank and in hand		106,470	93,852
		110,378	104,961
<b>Creditors: Amounts falling due within one year</b>	7	22,614	15,593
<b>Net Current Assets</b>		87,764	89,368
<b>Total Assets less Current Liabilities</b>		87,764	89,368
Unrestricted General Fund	8	62,269	61,985
Restricted Funds	9	25,495	27,383
<b>Total Funds</b>		87,764	89,368

In preparing these financial statements:

- (a) The trustees are of the opinion that the company is entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- (b) No notice has been deposited under Section 476 of the Companies Act 2006, and
- (c) The trustees acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 394 and 395, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on: 18/08/10


  
 ..... Chairman

Loyd Grossman

# The Heritage Alliance

## Notes to the Financial Statements

### For the year ended 31 March 2010

#### 1 Accounting Policies

##### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in April 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

##### Subscriptions

From January 2009, tiered subscription rates were introduced, linked to members' turnover. Subscriptions are now accounted for on a receivable basis so that three quarters of the income received from these subscriptions has therefore been deferred until the 2010 financial year.

##### Other incoming resources

Bank interest is accounted for on a receivable basis, as are government grants. Donations are recognised on a received basis.

##### Fixed Assets

The charity applies a capitalisation threshold of £1,000. Items of a lesser value are taken directly to the Statement of Financial Activities in the year in which the items are acquired.

##### Expenditure

All expenditure directly relating to the objectives of the charity is included in Charitable Activities. Support costs represent expenditure incurred in the management of the charity's activities. Expenditure which cannot be allocated directly is apportioned on the basis of staff time.

##### Pension costs

The Charity contributes to the personal pension arrangements for certain employees. Any cost of providing pensions for employees is charged to the Statement of Financial Activities in the year in which the contributions are paid.

##### Governance costs

Governance costs relate to the direct costs associated with the constitutional and statutory requirements of the Alliance and include the costs of the independent examination and other constitutional related costs.

##### Funds

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

Restricted fund are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The purpose of each restricted fund is set out in the notes to the financial statements.

#### 2 Charitable Activities

	2009	2008
	£	£
Salaries and national insurance	39,983	36,640
Support costs (note 3)	56,181	46,853
Projects (restricted)	82,944	46,122
	179,108	129,615

**The Heritage Alliance**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2010 (Continued)**

<b>3 Support costs</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Salaries and national insurance	26,656	24,426
Rent and rates	5,760	7,263
Printing, postage and stationery	4,465	2,877
Telephone	1,259	921
Travel and subsistence	1,921	2,039
Insurance	2,958	989
Subscriptions to external bodies	836	415
AGM, National and Regional Events	7,386	6,500
Advertising	1,410	-
Staff training	-	55
Computer expenses	2,512	881
Bank charges	12	10
Sundry expenses	1,006	477
	<u>56,181</u>	<u>46,853</u>

<b>4 Employees</b>	<b>2010</b>	<b>2009</b>
	<b>No.</b>	<b>No.</b>
The average monthly number of persons (excluding directors) employed by the company during the year was:		
Administration and support and project work	<u>6.0</u>	<u>5.0</u>
	<b>£</b>	<b>£</b>
Staff costs for the above persons:		
Salaries	56,270	52,957
Social security costs	4,776	4,689
Pension costs	2,898	2,805
Payroll services	2,695	615
	<u>66,639</u>	<u>61,066</u>

No remuneration was paid to any trustee in respect of services provided during the current or previous period. Two trustees were reimbursed a total of £404 in respect of travel expenses (2009: One trustee reimbursed £359).

<b>5 Governance costs</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Accountancy and independent examination	2,800	2,447
Legal & professional fees	993	15
	<u>3,793</u>	<u>2,462</u>

**The Heritage Alliance**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2010 (Continued)**

<b>6 Debtors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	444	292
Subscriptions due (received post year end)	2,425	6,250
Grants receivable	-	4,085
Other debtors	1,039	482
	<u>3,908</u>	<u>11,109</u>
	<u><u>3,908</u></u>	<u><u>11,109</u></u>
<b>7 Creditors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Deferred income	14,558	13,316
Tax and social security	2,824	-
Other creditors	5,232	2,277
	<u>22,614</u>	<u>15,593</u>
	<u><u>22,614</u></u>	<u><u>15,593</u></u>

The deferred income relates to the tiered subscriptions rates and all of the 2010 total was deferred at the end of this year, with the whole amount from 2009 being released in this year.

<b>8 Unrestricted Funds</b>	<b>Balance at</b>	<b>Movement</b>	<b>Balance at</b>
	<b>1st April 2009</b>	<b>in year</b>	<b>31st March 2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	61,985	284	62,269
	<u>61,985</u>	<u>284</u>	<u>62,269</u>
	<u><u>61,985</u></u>	<u><u>284</u></u>	<u><u>62,269</u></u>

**The Heritage Alliance**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2010 (Continued)**

9 Restricted Funds	Balance at 1st April 2009	Income	Expenditure	Transfers	Balance at 31st March 2010
	£	£	£	£	£
The Heritage Alliance projects					
1. Heritage Funding					
Directory Project	3,455	1,000	(2,911)	-	1,544
2. Diversity					
Programme/Making a					
Difference	5,801	-	(2,399)	-	3,402
3. Discovering Places	2,062	45,000	(41,896)	-	5,166
4. Places of Worship	8,290	15,440	(14,495)	-	9,235
5. Moving costs	7,775	-	(7,891)	116	-
6. Heritage Protection					
Reform Post	-	19,500	(13,352)	-	6,148
	<u>-</u>	<u>19,500</u>	<u>(13,352)</u>	<u>-</u>	<u>6,148</u>
At 31st March 2010	<u>27,383</u>	<u>80,940</u>	<u>(82,944)</u>	<u>116</u>	<u>25,495</u>

1. Generous support from the Leche Trust and the Heritage Lottery Fund allowed the free on-line resource to be updated and enhanced, and then relaunched in November 2009.

2. After the first Diversity project Embracing Difference came to an end in August 2008, English Heritage offered a grant to fund a further project Making a Difference to ensure that the legacy from the first project was made freely available to all. The underspend from this is now being used to develop the webpages.

3. The major Cultural Olympiad project, renamed Discovering Places, is recognised and partly funded by LOCOG and by a grant from English Heritage. There are two members of staff attached to the project led by The Heritage Alliance Deputy Chairman, as Project Director.

4. This project to bring together organisations concerned with the future of all kinds of places of worship is generously funded 100% by the National Churches Trust.

5. English Heritage agreed that an underspend on the 2008-9 core costs grant could be used to cover a move to larger premises. The office move was accomplished in July 2009.

6. In July 2009 English Heritage commissioned a part time post to enable The Heritage Alliance to appoint a part time member of staff to help sustain the momentum for reform and to inform and co-ordinate voluntary sector activity around the Heritage Protection Reform Implementation programme. The appointment was taken up on 7 September.

#### 10 Operating Lease Commitments

There is an operating lease for the premises at The Heritage Alliance with a commitment of £5,913 a year which expires in 2 to 5 years time (2009: none).