

The Heritage Alliance

Annual Report and Financial Statements Year Ended 31 March 2020

Company registration number: 04577804

Charity registration number: 1094793

The Heritage Alliance

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Reference and Administrative Details

Trustees	Mr P M Ainsworth (Chairman) Mr J H Cleary Dr I H Samuel Prof I W F Baxter Dr B J Cowell Ms J Wills Mr P Aiers Dr A Whitelock Mrs H A Jermy Rear Admiral R A G Clare Mr C M B Sutton
Secretary	Ms E Glithero-West
Senior Management Team	Ms E Glithero-West, Chief Executive Officer
Principal Office	5-11 Lavington Street London SE1 0NZ
Registered Office	5-11 Lavington Street London SE1 0NZ The charity is incorporated in England & Wales.
Company Registration Number	04577804
Charity Registration Number	1094793
Solicitors	Taylor Walton 28-44 Alma Street Luton Bedfordshire LU1 2PL
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Independent Examiner	Francis Clark LLP North Quay House Sutton Harbour Plymouth Devon PL4 0RA

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Trustees' Report

The Trustees submit their report and the unaudited financial statements for the year ended 31 March 2020. The accounts have been drawn up in accordance with the appropriate statutory regulations, the company's governing document and Statement of Recommended Practice - Accounting and reporting by Charities (updated 2019) ('SORP'), UK Accounting Standards and the Charities Act 2011.

2. 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 should it be wound up.

The name-change from Heritage Link to The Heritage Alliance registered by Companies House on 19 February 2010, was confirmed by the Charity Commission on 1 April 2010.

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. A revised Articles of Association was adopted by Special Resolution dated 6 December 2018.

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 Officer, who is responsible for ensuring that the agreed strategy and policies are carried out.

Charities and not-for-profit heritage organisations are entitled to subscribe as full members of The Heritage Alliance, which is an umbrella body specifically set up to co-ordinate sector initiatives.

The Chairman is appointed by the Board. 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.

Chris Sutton was co-opted in February 2019 and his position as Alliance Trustee and Honorary Treasurer was ratified at the AGM on 26 February 2020. At this same meeting Richard Norton completed his second term with the Heritage Alliance as Trustee and Honorary Treasurer and stepped down from the Board.

At 31 March 2020, the Trustees, who are also directors, were as follows:

Mr P Ainsworth (Chair), Mr J H Cleary, Dr I H Samuel, Prof I W F Baxter
Mr C M B Sutton (Hon Treasurer), Dr B J Cowell (Deputy Chair),
Ms J Wills, Dr A Whitelock, Mr P Aiers, Rear Admiral R Clare, Ms H Jermy.

The Board met in April, July, October and February.

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3. 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 2011 and have considered the Charity Commission's guidance on public benefit in planning the charity's activities. 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.

4. Achievements and Performance 2019-20

The Heritage Alliance's (referred below as The Alliance) aims are to shape policy, demonstrate value, build skills and share best practice, and create a strong sustainable organisation. Top achievements this year include:

- Continuing to demonstrate the value of heritage to a new government and deepening our relationship with policy-makers and other sectors. The requests for assistance and data from Government continue to rise, particularly in relation to Brexit and the new Covid crisis at the end of the accounting year.

- There has been a great deal of political turbulence and we have produced multiple advocacy, analysis and briefing documents to aid decision-making, notably our 2019 Backing the Bedrock and 2019 Manifesto documents and innovative 'Inspiring Creativity' Report. We have continued our substantial service to the sector of coordinated responses and summaries of Government initiatives and briefings on matters relating to Brexit and associated legislation.

- The Alliance now sits on the Government's Heritage Council, DCMS's Heritage Working Group, DEFRA's Agriculture Bill Tests and Trials and Environmental Land Management stakeholder groups, and DEFRA's Environment Bill stakeholder group.

- At the end of this period the Covid Crisis saw our swift and coordinated response, feeding evidence from the sector to Government, and disseminating guidance and news to the sector. The essential role of a Heritage Alliance has been emphasised in the feedback we are receiving both in relation to our advocacy messages and our positive signposting through resources such as the Covid Guidance and Funding Hubs.

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- Our membership grew a further 9% to 146 organisations, with 135 core members and additional 11 affiliates and 13 individual members;
- We have continued to deliver the popular fortnightly e-bulletin Heritage Update, which celebrated its 400th edition in 2019. Update is read in 90 countries. We have also seen a significant increase in our social media presence. At the end of this accounting period we had 20,000 Twitter followers, an increase of 1,400 over 12 months, and our other channels have expanded. Particularly noteworthy is our Linked in presence which has seen a further rise to 1,811, an increase of over 450%;
- We have delivered a range of successful events including a legal training session with corporate partners Bates Wells, a second International Conference, including the launch of a new international funding directory, and our largest Heritage Day yet at the Tower of London which provided the platform for the new Heritage Minister's first speech.
- Our annual Heritage Debate on 21 October posed the timely topic "Reaching For Net Zero?". The event had an expert line up and an advance social media campaign #HeritageforClimate, showcased the work of our members in support of the Environment and fighting negative Climate Change. For the first time the debate was live streamed on Periscope and received 1.3k viewers;
- We launched a new Alliance report Inspiring Creativity: Heritage and The Creative Industries on 17 September at an event at the Ragged School in London, which showcased successful collaborations between heritage sites and organisations within the creative industries, shared best practice and offered recommendations for both sectors to build better partnerships into the future. The report set out recommendations for grant funders, Government and policy leads and has led to further collaboration and a number of speaking opportunities with related sectors;
- We ran a successful pilot of a British Council-funded travel grant scheme for the UK heritage sector, awarding 13 capacity building grants to organisations across the UK. All reports are on-line and a summary of the travel grants is also included in our published case studies.
- We saw a positive final year of the Heritage 2020 project Supporting Collaboration in the Historic Environment Sector in England 2016-2020 and a successful funding bid to Historic England for the future Historic Environment Forum model and two pilot Task Groups, bringing with it three support roles for sector collaboration.
- The Alliance built a consortium with skills experts Charity Digital, Media Trust and Naomi Korn Associates, leading to National Lottery Heritage Funding for our new Heritage Digital Programme to support the sector through Digital skills training in the next period.
- We appointed a new Honorary Treasurer, Chris Sutton, who was formally appointed to the Board at Heritage Day. We also made appointments of a new Head of Policy in January 2020 and, as a result of our successful bid to the National Lottery Heritage Fund, we welcomed a new Development and Membership Manger and Advocacy and Communications Officer. We have also been fortunate to secure a seconded Government Fast Streamer who joined us in March.
- As part of our National Heritage Lottery Funded resilience project, we have appointed business planning and evaluation consultants to work with us to create a new business plan and 2021 strategy focused on ensuring a stable future for the organisation.

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4.1 Shaping Policy

The Alliance is the largest coalition of independent organisations in the heritage sector, now at almost 150 organisation members. We are uniquely placed to coordinate sector views, draw on members' knowledge and help policy makers realise the potential of heritage, reflected in our seats on the Heritage Council and Heritage Working Group. The Alliance engages in thought leadership and briefs opinion-formers in the Westminster Government and beyond on the value of heritage and the contribution the independent heritage organisations make to contemporary society and its potential to solve a host of public policy problems. The Chair and Chief Executive continue to take a leading role in promoting this message with senior figures in government, Parliament, the heritage sector, other related sectors, and the business community. The Alliance now also sits on DEFRA's Agriculture Bill Tests and Trials and Land management stakeholder groups, and their Environment Bill stakeholder group.

The number of requests for assistance from Government continues to rise, compounded by the Covid crisis beginning at the end of the accounting year. We have regular meetings with Government officials, Ministers and Arms-Length Bodies. Over the past year we have coordinated material and advised the DCMS and other Government Departments, particularly DEFRA, on areas including Covid 19 impacts, Brexit impacts, no deal Brexit planning, the Budget and Spending Review, Soft Power strategy development, planning matters, the Agriculture, Fisheries and Environment Bills, environmental land management, immigration, emissions, VAT and fiscal incentives for repair, and worked closely with the department on the development and agendas of the Heritage Council.

In 2017, 93% of members responding to our policy priorities consultation rated our advocacy work as of high importance to them, highlighting it as the most important area of our work overall to the majority for respondents and this has been reinforced by recent in-depth consultancy work as part of our Resilient Heritage Alliance project. The consultants noted: "A key point to emphasise is that, while there is clearly room for improvement and development, we have rarely, if ever, heard such almost universally positive feedback on the THA's delivery of its advocacy and policy role. Consistently, respondents used (unprompted) the same basic phraseology along the lines of 'if it no longer existed, you'd need to re-invent it'." (THA Business Planning Consultant, NLHF funded).

The Alliance's new Manifesto, launched in Autumn 2019, became the main statement of our policy positions during this period, alongside a summary of our fiscal and funding priorities Backing the Bedrock 2019. The Alliance also responded to a range of calls for evidence and consultations on behalf of its members and produced briefing documents for their information. There has been a reduction in the number of Government consultations this year given the General Election and preparation for Brexit, but we have been providing more information directly to officials and have significantly increased the number of briefings and reports we have produced to keep the sector informed in these uncertain times and to ensure our advocacy messages are heard. Products this year include:

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Consultation Responses:

- Revising the definition of treasure in the Treasure Act 1996;
- Historic England's Triennial Review;
- Decapitalisation rates for the 2021 business rates re-valuation;
- Gardens contribution to economy, consultation response [May 2019];
- Marine Strategy Part One: UK Updated Assessment and Good Environmental Status;
- EU Mobility requirements;
- Second consultation on the review of standards for older passenger ships;
- DCMS Committee inquiry into the future of the National Lottery;
- Carbon Offsetting in Transport [26 September];
- The Art Council Draft Strategy 2020-2030;
- Building Better, Building Beautiful interim report - policy proposals;
- Response to the EFRA Committee on the Environment Bill [October 2019] - the EFRA Committee subsequently cited our response;
- Building Better, Building Beautiful (interim report) - call for evidence [October 2019];
- MAC call for evidence: PBS & Salary Threshold [November 2019];
- The Heritage Alliance Representation to the Treasury [Feb 2020];

Briefings and Reports:

- Heritage and Immigration Brexit Briefing [updated June 2019];
- Brexit and Heritage Briefing - (updated);
- Backing the Bedrock 2019: Funding and Fiscal Priorities [Summer 2019];
- New international heritage funding directory and a new set of international case studies;
- Inspiring Creativity: Heritage and The Creative Industries [17 September];
- The Heritage Manifesto 2019 [Autumn 2019];
- Environment Bill 2nd Reading - Briefing on the Exclusion of the Historic Environment [October 2019];
- DCMS Committee inquiry into the future of the National Lottery;
- Analysis of 2019 Political Party Manifestos [December 2019];
- Summary of the Queen's Speech [December 2019];
- Manifesto Comparison Venn Diagram [December 2019];
- The Agricultural Bill Briefing [Feb 2020];
- The Fisheries Bill Briefing [Feb 2020];
- The Environment Bill Briefing [Feb 2020];
- Joint Statement on the Covid 19 Crisis (NMDC, Museums Association, AIM, National Trust [March 2020];
- Sector Response to Covid 19 [March 2020].

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Through excellent relationships with policy and decision-makers, the expertise of our advocacy groups, relationships with the leaders of other related sectors, by sharing responses online, and promoting further consultation opportunities through the Have your Say section of the e-bulletin Heritage Update, the Alliance brings the extensive knowledge and expertise of its members into public policy making.

This is further supported by representing members' interests at various Ministerial round-tables and the Heritage Council, in sectoral forums, through our coordination of evidence, and through correspondence and policy papers. Similarly, Historic Religious Buildings Alliance has worked with Departmental colleagues on the Listed Places of Worship Grant Scheme, on the English Churches Sustainability Review, the Taylor Report, the Taylor Pilot Review and with the Heritage Lottery Fund on the Listed Places of Worship Roof Repair Fund, the Grants for Places of Worship and overview of Lottery Funding for Places of Worship.

The Alliance draws on its membership for their knowledge and expertise to influence legislation, policy and guidance. Members' shared interests are served by the five Advocacy Groups - Spatial Planning, Funding and Investment, Digital, Learning and Skills, Rural Heritage and Mobile Advocacy Groups, and two working groups on fiscal incentives and marine matters. These groups operate as the Alliance's primary advisory bodies on policy issues by preparing consultation responses as well as acting as information-sharing forums that bring in external stakeholders on more specialist issues.

- **Spatial Planning Advocacy Group:** SPAG has been a busy group again this year, meeting 4 times. It has continued to focus on the Government's proposed reform of permitted development rights and 'building up' and issues with Local Authority resourcing. The group has discussed and responded to the Better, Building Beautiful report. SPAG is generously sponsored by the Chartered Institute for Archaeologists.

- **Digital, Learning and Skills:** This energetic and broad group brings together academic institutions, those delivering training and skills and organisations with an educational offer or emphasis on the ground. The group again met three times this year and established new terms of reference, outlining its priorities which include a focus around skills and capacity building, sharing knowledge, and using digital to increase the accessibility of heritage. DLSAG focused on responding to changes to immigration rules in line with the UK's exit from the EU, looking at potential skills gaps across the heritage sector and discussing potential mitigation strategies.

- **Rural Heritage:** This has continued to be the Alliance's busiest advocacy group this year, meeting six times. These meetings focused on efforts to lobby for inclusion of heritage in the future Environment Bill, the new ELMS schemes and other expected regulations, and next steps with the new Government. A number of smaller meetings with RHAG members were held to draft briefings on the Agriculture, Fisheries and Environment Bills. We have taken part in the DEFRA ELMS stakeholder engagement group meetings and workshops and sit on its Environment Bill stakeholder group. The group continues to advocate for the inclusion of heritage in the Environment Bill, and recommendation 6 of the 25 Year Plan. The group drafted a set of amendments which were put forward by both the National Trust and The Alliance and two of these are due to be put forward at Committee Stage when the Environment Bill returns to Parliament. This group is also preparing for lobbying work on the Environment Bill when it moves to the House of Lords.

- **Funding and Investment Advocacy Group:** The group met once this year with a focus on issues for the heritage sector surrounding Brexit, and the new strategies developed by Arts Council England, the National Lottery Heritage Fund and Historic England. The group also fed into the development of the new Heritage Manifesto as well as the Alliance's Fiscal Manifesto for 2019.

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- **Mobile Heritage Advocacy Group:** This is the third year of this group's operation. The mobile group met once and has been focussed on the use and supply of coal for heritage purposes, in order to persuade Ministers of the benefits of exemption for the heritage sector in this area. The group also continues to discuss the potential development of Heritage at risk register for the mobile heritage sector and the impact of Covid on mobile heritage.
- **Tax Group:** The group met three times this year, and continued to focus on a range of fiscal incentives as options for Government consideration around repair and maintenance of historic buildings. It prepared material for our Budget Representation on: Cut the VAT (focused on the equalisation of VAT between repair and maintenance and new build), the continuation and amendments to Heritage Maintenance Funds and the continuation of the Listed Places of Worship Grants Scheme. These areas were also included in the Alliance's document Backing the Bedrock.
- **Marine Group:** The Alliance is in the process of bringing greater expertise into its membership on underwater marine heritage and the marine working group has focussed on discussions with DCMS and DEFRA on the necessary amendments we would hope would go into a reintroduced Fisheries Bill. The Chair of the Marine Group worked with the Head of Policy and Comms to prepare the Fisheries Briefing ahead of the second reading of the Bill in the House of Lords.
- **Historic Religious Buildings Alliance (HRBA)** is an active group, operating within the Heritage Alliance for those seeking a secure future for historic religious buildings. It is run on entirely voluntary lines by Trevor Cooper (Chairman) and Becky Payne (Development Officer) with six further volunteers to work on policy, produce the newsletter, manage membership and update the website and Twitter account. Their free e-newsletter continues to be sponsored by Luke Hughes and Company, the specialist furniture designer. HRBA holds members' briefing meetings every quarter to hear from 3 or 4 speakers on a wide range of subjects and an annual Big Update conference in December.

4.2 Demonstrating Value

The Alliance has become one of the most powerful voices in the country speaking up on the value of heritage. We do this through face to face engagement, briefings and responses, our website, through social media, and through our e-news bulletin Heritage Update. We continue to seek new ways to communicate the power of heritage and its relevance to the issue of the day.

There has been a great deal of political turbulence and we have produced several advocacy, analysis and briefing documents to aid decision-making, notably our 2019 Backing the Bedrock and 2019 Manifesto documents and innovative 'Inspiring Creativity' Report. We have continued our substantial service to the sector of coordinated responses and summaries of Government initiatives and produced multiple papers on matters relating to Brexit and associated legislation. For much of this year we have focussed on demonstrating the value of heritage to a new government, preparing for a spending review and general election, and highlighting the potential impacts of Brexit for our sector. In the latter quarter, the focus has been on gathering and highlighting the impacts of the Covid crisis on heritage organisations and advocating for measures to mitigate damage.

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Heritage Update: Over the past 17 years, the fortnightly Update has revolutionised the way the Alliance connects the wider heritage community, allowing the sharing of information, for free across the sector allowing exchange of ideas and cross-promotion. We estimate that Update reaches 15,000 inboxes and has an incredible global reach, being read in at least 90 countries over the course of the year. Many of our interns have had the opportunity to produce an edition. Update provides a standard level of information that those working in the heritage sector are expected to know and keeps the sector informed of policy developments, consultations, job vacancies, events and training opportunities. Our business planning work this winter included extensive review of Heritage Update both through a stakeholders survey and a comms consultant assessment of the newsletter. It was recognized as a key resource for the sector, that was highly valued by heritage practitioners and organisations. Generously sponsored by the Historic Houses Foundation, Update celebrated its 400th issue in 2019, and by the end of the year 415 editions had been published. We plan to bring a 'new look' Update into circulation next year.

A more specialist monthly free ebulletin is also produced by Historic Religious Buildings Alliance, the group within the Alliance that brings together people working to ensure a secure future for historic religious buildings. Its direct readership has grown this year to 1,713 It continues to be sponsored by Luke Hughes and Company, the specialist furniture designer.

The website is an essential tool for the sector. In addition to broader heritage material, it also links to the HRBA website, the separate Heritage Update Archive website, the Giving to Heritage Website and the recently updated Heritage Funding Directory. The Alliance website had 48,043 views this year. As part of the legacy of the Giving to Heritage project we are midway through a website improvement process. The new website will feature a dedicated area for Alliance members, which will include a discussion forum and designated areas for our various advocacy groups to facilitate engagement.

Social media: Our reach has grown significantly this year. At the end of this accounting period we had 20,000 Twitter followers, an increase of 1,400 over 12 months, and our other channels have expanded. Particularly noteworthy is our LinkedIn presence which has seen a further rise to 1,811, an increase of over 450%;

A remodelling of The Heritage Funding Directory, sponsored by the Historic House Foundation and run in partnership with the Architectural Heritage Fund, is underway and will see a relaunch later in 2020. We are working to ensure that the information is easier to update and more easily navigable for users. The HFD had 10,082 unique visits this financial year.

In line with its objective to generate new thinking and dialogue on heritage issues, the Alliance continued the popular series of Heritage Debates with the timely topic "Reaching For Net Zero?". The event, generously sponsored by Ecclesiastical, had an expert line up and an organised social media campaign #HeritageforClimate, showcasing the work of our members in support of the Environment and fighting negative Climate Change. For the first time the debate was live streamed on Periscope and received 1.3k viewers. The event saw positive conversation about how the heritage sector can play its part in reaching net zero and many individuals who were not in attendance engaged with the event digitally.

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Due to the general election and purdah, the decision was made in November to postpone our annual **Heritage Day and AGM** until after the Christmas holiday and reschedule it to 26 February 2020. The event sold out with over 200 attendees and was again generously sponsored by Ecclesiastical Insurance. Speakers included the Minister for Heritage, Sport and Tourism Nigel Huddleston MP, Sir Tim Laurence, Chair of English Heritage and a range of THA members. The event featured the launch of Heritage Counts and our Heritage Lottery Funded 'Heritage Digital' Programme. Ecclesiastical's Heritage Heroes celebrated their 10th anniversary this year. The 2019 Heritage Hero, Diane White demonstrated how Heritage and Wellbeing can interact through the creation of a sensory garden in the heart of historic Buxton. Lifetime Achievement Hero, Stephen de Silva, was celebrated for a life long commitment to St. Albans Cathedral. Parts of the day were live streamed. The event featured some innovations this year, including stalls and a wider offering of advice sessions for members with three businesses, Bates Wells, Ecclesiastical Insurance and Tricolor Associates donating their time to hold 1:1 advice sessions for attendees of the event.

This popular event offers delegates the chance to meet a wide range of colleagues from across the sector and hear eminent speakers address the latest issues affecting the future of our heritage. It also culminates with our AGM at which our new honorary Treasurer and Alliance trustee Chris Sutton was formally appointed.

Outside its own membership, The Alliance works throughout the sector and beyond to achieve a greater degree of co-operation and collaboration between Government and the independent heritage sector. The Alliance is represented by the Chair, Chief Executive, staff and Advocacy Group Chairs on a wide range of external forums including The Heritage Council and Heritage Working Group, the Heritage Counts Steering Group, DEFRA's programme Monitoring Committee for the Rural Development Programme for England, Tests and Trials groups for the Agriculture Bill and the Environment Bill Stakeholder Group, and The Bank of England's Decision Maker Panel. All these, and other such forums, bring the independent heritage movement's experience and expertise into cross-cutting issues. The Alliance acts as the secretariat for both the Historic Environment Forum and the collaborative framework Heritage 2020. It participates in sectoral forums such as the Joint Committee of National Amenity Societies and The Archaeology Forum and wider cultural groups such as What Next? and the Cultural Campaigning Group. The Alliance's impact on the heritage sector continues to be marked in this period by the role it has on the Heritage Council and Heritage Working Group, its leadership of thinking on Brexit-related impacts, support for the sector during the Covid crisis and in managing the Heritage 2020 project Supporting Collaboration in the Historic Environment Sector in England from 2016-20.

Throughout 2019-20, the Heritage 2020 programme has continued to be a catalyst for collaboration in the historic environment sector in England. Its five working groups continue to deliver their themed activities (Capacity Building, Constructive Conservation and Sustainable Management, Discovery Identification and Understanding, Helping Things to Happen, and Public Engagement) and bring together 50 people from 36 organisations. The groups have maintained focus on delivering the strategic goals of the Heritage 2020 Framework that were set out in 2014. Inevitably, there has been some adaptation of the work to account for changes in the wider policy and operating context; and in the last quarter in response to the profound changes that the sector is experiencing related to the Covid-19 pandemic. Heritage 2020 programme delivery continues through virtual platforms.

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The 'Helping Things to Happen' group has acted as a Covid-19 sector response group and at the end of the financial year met every few days to coordinate the sharing of information on the impact of the virus on the sector. Work also continued on the development of the National Capacity Building programme bid (to Historic England) for funding to support the operation of the new model HEF, which was successful. The new programme will be managed by The Alliance on behalf of HEF. In social media, by the end of March Heritage Chat Twitter followers had grown to 1,888 and Heritage 2020 followers to 2,455. Over the year, 11 Heritage Chats were run. Summaries of all chats are available at <http://www.heritage2020.net/heritagechat-archive/>). Thanks are due to Historic England for its considerable investment in the sector's collaborative working.

Following the Alliance's first ever report on the independent heritage sector's impact overseas, a second annual conference was held, which included the launch of further case studies and a new international funding directory. The Scottish Confucius Institute for Business & Communication at Heriot-Watt University again sponsored the publication of the case studies and the event at the Chelsea Physic Garden.

One of the Alliance's objectives is to integrate heritage into other policy areas and to develop strategic partnerships with a view to ensuring the benefits of heritage are seen and understood by other sectors. Following on from the International Report in 2018, The Alliance launched a new report Inspiring Creativity: Heritage and The Creative Industries on 17 September at an event at the Ragged School in London, which showcased successful collaborations between heritage sites and organisations within the creative industries, shared best practice and offered recommendations for both sectors to build better partnerships into the future. The report, sponsored by The National Trust, Moment Factory and Kinver Solutions, set out recommendations for grant funders, Government and policy leads and has led to further collaboration and a number of speaking opportunities with related sectors. A further thematic report, sponsored by Wessex Archaeology, is underway focussed on the timely topic of heritage and wellbeing, building on the Alliance's successful 2017 Heritage Debate on the subject. This report will launch in autumn 2020.

Beyond the sector, we have worked closely with The Tourism Alliance, Wildlife and Countryside Link, various museums and construction organisations, the British Council, the Cultural Campaigning Network, What Next?, AHRC and the Institute of Fundraising. Memberships maintain a connectivity in adjacent sectors through the Charity Tax Group, Creative Industries Federation, the third sector umbrella bodies ACEVO and NCVO, and in Europe through our European counterpart, Europa Nostra. Our CEO is a co-chair of the ACEVO special Interest Group for Arts and Heritage and a Speaker for Schools. With Historic England we jointly run a UK-wide heritage forum for information exchange and collaboration.

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4.3 Building Skills and Sharing Best Practice

The Alliance prioritises collaborative working in all it does. It is now by far the largest coalition of heritage interests in England with an ever-growing membership of nearly 150 organisations and affiliates, and 13 individual members at year end. New members over the past year are: Friends of Newport Ship, Mills Archive Trust, British Napoleonic Bicentenary Trust, University, Nautical Archaeological Society, Philanthropy Company, Building Crafts and Conservation Foundation, Arcade, Hecate Arts, Imagemakers, Heritage of London Trust, Global Heritage Fund, Alexandra Palace, University of Southampton, Royal Institute of British Architects, ALGAO, The Milestone Society, Civic Voice, GEM: Group for Education in Museums. We also welcomed a number of new individual members. Our wide and varied membership illustrates the range and vitality of the independent heritage movement. We continue to meet regularly with our members, and this year we carried out a comprehensive membership campaign with over 100 individual conversations. We continue to attend events to support members and share their news, jobs and reports. We look for opportunities to bring members together and facilitate beneficial partnerships. Our advocacy, sectoral liaison and information work, and our events programme are all geared to support the profile and capacity of our members, enabling them, and their own members to fulfil their own objectives more efficiently and effectively. This year our corporate partners Bates Wells offered a legal support helpline to our members, year ran 1:1 advice sessions at our heritage day and delivered the Alliance's first legal training event.

This year we ran a successful pilot of a British Council-funded travel grant scheme for the UK heritage sector, awarding 13 capacity building grants to organisations across the UK, enabling smaller organisations to explore new partnerships beyond the UK - so crucial at present. Case studies were captured to continue to build the picture and evidence base of the value of our sector in the Government's soft-power agenda. All reports are on-line and a summary of the travel grants scheme is also included in our published case studies.

Demand for the free Heritage Funding Directory (HFD) is still strong and we continue to receive encouraging feedback from users. It is generously funded by the Historic Houses Foundation who confirmed a further five years of sponsorship in 2019 to support its improvement. At our 2019 International Event, we launched the International Heritage Funding Directory, which will be fully integrated into the main HFD in due course. The resource continues to receive thousands of views.

A new Memorandum of Understanding for 2019-2024 has been agreed with our partners the Architectural Heritage Fund, and a coordinated campaign to update the records and promote the HFD on social media using #FunderFocus has been underway. The site is also undergoing a refresh, streamlining search categories, adding new pages, editing content, creating a table of additional advice and directories, sourcing credited images and case studies and considering optimal usability. We hope to launch this new look beta-tested website later in 2020. Whilst THA and the AHF's partnership will continue to evolve, we shall ensure this vital resource remains joined up with active support from both parties.

We also continue to maintain the Giving to Heritage resources and our new website will form part of the legacy of this project and its training materials. We have actively showcased the webinar resource on the site this year through Heritage Update.

The Alliance built a consortium with skills experts Charity Digital, Media Trust and Naomi Korn Associates, leading to National Lottery Heritage Funding for our new Heritage Digital Programme to support the sector through Digital skills training in the next period.

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4.4 Creating a Strong Sustainable Organisation

Human Resources

The Alliance continues to champion the enormous contribution heritage volunteers make to national life through our advocacy work and through the annual Heritage Alliance Heroes Awards, which celebrated their tenth year at this year's Heritage Day. Within the Alliance, the Chair, Trustees and Advocacy Group Chairs generously contribute their expertise and time. HRBA in particular benefits from eight volunteer officers. Our Heritage Day and Debates are also supported by voluntary events assistants.

The core Alliance office comprises four posts: Chief Executive, Lizzie Glithero-West at 0.8 FTE; our full time Head of Policy and Communications Hannah Shimko, Howard Weinberg, our 0.4 FTE finance and office manager and a communications assistant Lucy Inskip at 0.8FTE from Autumn 2019. As a result of our successful bid to the National Lottery Heritage Fund, we also welcomed a new Development and Membership Manager, Delphine Jasmin-Belisle and Advocacy and Communications Officer, Daniella Briscoe-People (0.5FTE). We have also been fortunate to secure a seconded Government Fast Streamer, Max Price, who joined us in March.

This year we have carried some staffing gaps in between Heads of Policy. In the Autumn 2019 we said goodbye to Desi Gradinarova and we made a successful appointment for our new Head of Policy and Communications Hannah Shimko who joined us in January 2020. Francesca Benetti provided policy cover to help cover the staffing gap during this period. We have run recruitments for a Heritage Digital Project Manager and three new Historic Environment Forum task manager leads. They will all join the Alliance in the first quarter of 2020.

We continue to support the Heritage 2020 project with a part-time consultant/project officer, Caroline Peach. This year we have also hosted around 50 volunteers and three funded interns including a placement from the Historic England positive action summer scheme, an Oxford University Santander Funded Summer Student and an Oxford University Crankstart Intern. We also hosted two sixth form work experience student as a result of our CEO's Speaker for Schools activities.

We are also very grateful to Bates Wells and Tricolor for their expert support of the Alliance this year and volunteers Hannah Shimko, Giles Woodhouse, Kate Pugh OBE, Francesca Benetti and Esther Robinson-Wild who are brought their expertise to a range of our cross-cutting projects. With the valuable support of project leaders and volunteers, including the Chairs of our Advocacy Groups, we can achieve much more than our slender staff resource would alone allow. We also continue to experiment with different ways of augmenting our workforce whilst supporting diversity goals and offering opportunity for those wanting to work in the sector in the future.

Financial resources

The Alliance endeavours to keep its financial costs to a minimum. We are very grateful to Historic England for funding a percentage of core costs under the National Capacity Building Grant programme, which supported our operations to the end of March 2020 and for their one year grant which covers the next financial year.

As part of our National Lottery Funded resilience project, we have appointed business planning and evaluation consultants to work with us to create a new business plan and 2021 strategy focused on ensuring a stable future for the organisation.

The Heritage Alliance

Trustees' Report

The Alliance Trustees are extremely grateful to members, sponsors, donors and funders for their financial support in a difficult economic climate. Particular thanks go to our core sponsors Ecclesiastical Insurance Group (for Heritage Debates, Heritage Day and the Heritage Alliance Heroes Award), the Historic Houses Foundation (for Heritage Update and the Heritage Funding Directory), ClfA for sponsorship of the Spatial Planning Advocacy Group, Confucius Institute at Heriott Watt for their sponsorship of our International Report, Luke Hughes (for HRBA's e-bulletin) and the National Trust, Kinver Solutions and Moment Factory for their Sponsorship of our Inspiring Creativity Report. We are also grateful to The National Trust for their annual donation and our Corporate Partners Bates Wells for their legal support to The Alliance and our members.

The year-end accounts show that Historic England support to the Alliance is now 37% of core costs (75% in 2004), and that sponsorship and earned income form a far higher proportion of revenue, an achievement which responds to the Board's objective to reduce the Alliance's dependence on grant aid. We also have the continuation of our core Heritage 2020 income stream. Project funds are kept separately in the charity's restricted funds. The main projects during this year were Historic Religious Buildings Alliance, the Travel Grant scheme and our resilience project which started at the end of the year. We are extremely grateful to the National Lottery Heritage Fund for their support for our resilience project which aims is to make the Alliance more self-sustainable in the future.

5. Financial Review

The Statement of Financial Activities on page 20 shows that gross income raised was £391,677 (£149,233 restricted and £242,444 unrestricted) and expenditure on unrestricted charitable activities was £216,670. Governance costs for the year were £2,430. After Project contributions to Overheads of £8,309, representing management charges to support the projects in restricted funds, the net surplus for the year on unrestricted funds was £34,083. (Last year the surplus was £7,178).

5.1 Reserves Policy

Free reserves comprise the total reserves available to the charity less those whose uses are restricted to specific purposes. The charity's policy is to hold six months' worth of core costs as reserves being deemed sufficient to enable the 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 totalled £159,192, 83% of the estimated core expenditure 2020-21 of £192,513.

5.2 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.

6. Future Plans

During the year, the Alliance commenced work on its vision for 2021-2025. We are focussing efforts and resource in the following areas:

The Heritage Alliance

Trustees' Report

Advocacy: We will continue to build relationships and use effective advocacy to persuade others, including public bodies at national and local level, to support the Alliance's specific policy objectives. Attention will be focused on evidence gathering and support for the sector in relation to the Covid crisis. Key to this will be the extensive knowledge and hands-on experience of our members. We set out future advocacy direction in our 2019 manifesto, Fiscal and Funding Priorities paper Backing the Bedrock 2019 and other policy documents and reports. We will retain and foster influential relations with key stakeholders including Government and provide high quality, evidence-based insights into the sector and its value, impacts, needs and aspirations. Key advocacy priorities for decision-makers in the next period as set out in our manifesto include:

- Champion our world-leading heritage sector on the world stage - maximising Brexit's opportunities, and minimising its challenges for heritage;
- Ensure continued National Lottery funding for the heritage sector and adequate funding for Historic England;
- Promote heritage assets as part of creating vibrant places and more homes;
- Reform the tax regime to promote the repair and maintenance of our nation's irreplaceable heritage assets;
- Help the heritage sector to attract more investment and engagement and build sector skills and capacity.

Engagement: We will promote the value of heritage to Government, Parliament, businesses, communities, other sectors and individuals, in order to increase awareness and support for our policy objectives. We will look for opportunities to shape future policy and bring benefits to the sector in new and creative ways, which will include the legacy to our creative industries and international reports, our upcoming wellbeing work. We will also look to develop further the discussion from our 2018 debate on diversity and inclusion.

Capacity Building: We will create networks, build knowledge, showcase new ideas, and identify and encourage innovation. We will aim to lead and support our members to achieve their full potential as heritage organisations. Particular focus in this area next year will be the delivery of our Heritage Lottery Funded 'Heritage Digital' and 'Rebuilding Heritage' programmes, through our Covid-focused practical and advocacy support (often in partnership with others), member support, communications and events;

Resilience: We will build a strong, relevant and future-ready model for the Alliance, including through a new vision for 2021, a new business plan and through an enhanced service as a result of back-office supporting infrastructure improvements such as the website and new CRM. In 2017 and 2018 surveys of our members and wider stakeholders members emphasised that the Alliance is unique and irreplaceable. This has been reinforced by recent in-depth consultancy work as part of our Resilient Heritage Alliance project this year. The consultants noted: "A key point to emphasise is that, while there is clearly room for improvement and development, we have rarely, if ever, heard such almost universally positive feedback on the THA's delivery of its advocacy and policy role. Consistently, respondents used (unprompted) the same basic phraseology along the lines of 'if it no longer existed, you'd need to re-invent it.'" (THA Business Planning Consultant, NLHF funded). A sustainable future for the Alliance will be to the benefit of all.

The Heritage Alliance

Trustees' Report

Going concern

Covid-19 has proved a substantial challenge for the Heritage sector over the last six months. Many of our members are facing redundancies, have had staff on furlough and are facing an uncertain future. The Alliance has worked hard to support our membership and the wider sector through advocacy (including through regular Heritage Working Group meetings with ministers), an information service, practical support, and through our delivery of new Heritage Lottery Funded projects to build the skills and the resilience of the sector during this time of crisis. The Alliance has not been negatively financially impacted by the crisis during this financial year, and Trustees consider that, despite the pressures of Covid, the Alliance is a going concern because of its current grant funding and guaranteed project income. Our membership this financial year continues to rise. However, we know that the next two or three years will provide challenges. We will need to secure essential grant income, only currently guaranteed until March 2021, and we anticipate some reduction in membership income as organisations deal with their own uncertain futures in the 2021 billing year. Reductions in income would only cause us to cease to be a going concern in the most extreme scenarios, and only after at least two more years given our levels of reserves; reductions would however result in the need to reduce the amount of activity that the Alliance undertakes. The accounts continue to be prepared on a going concern basis.

The annual report was approved by the trustees of the charity on14 Oct 2020..... and signed on its behalf by:



.....
Mr P M Ainsworth (Chairman)
Trustee

The Heritage Alliance

Statement of Trustees' Responsibilities

The trustees (who are also the 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 the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 14 Oct 2020 and signed on its behalf by:



.....
Mr P M Ainsworth (Chairman)
Trustee

The Heritage Alliance

Independent Examiner's Report to the trustees of The Heritage Alliance

I report to the group trustees on my examination of the consolidated accounts of The Heritage Alliance and its subsidiary undertakings for the year ended 31 March 2020 which are set out on pages 20 to 39.

Respective responsibilities of trustees and examiner

As the trustees of the group you are responsible for the preparation of the consolidated accounts of The Heritage Alliance in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Heritage Alliance are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the consolidated accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since The Heritage Alliance's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Heritage Alliance as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

The Heritage Alliance

Independent Examiner's Report to the trustees of The Heritage Alliance



.....
Duncan Leslie (FCA)
the Institute of Chartered Accountants in England and Wales

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 15/12/2020
.....

The Heritage Alliance

Consolidated Statement of Financial Activities

Year Ended 31 March 2020

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	5,291	658	5,949
Charitable activities	4	236,793	148,575	385,368
Investment income	5	360	-	360
Total income		<u>242,444</u>	<u>149,233</u>	<u>391,677</u>
Expenditure on:				
Charitable activities	6	<u>(216,670)</u>	<u>(107,980)</u>	<u>(324,650)</u>
Total expenditure		<u>(216,670)</u>	<u>(107,980)</u>	<u>(324,650)</u>
Net income		25,774	41,253	67,027
Transfers between funds		<u>8,309</u>	<u>(8,309)</u>	<u>-</u>
Net movement in funds		34,083	32,944	67,027
Reconciliation of funds				
Total funds brought forward		<u>125,109</u>	<u>47,555</u>	<u>172,664</u>
Total funds carried forward	18	<u><u>159,192</u></u>	<u><u>80,499</u></u>	<u><u>239,691</u></u>

The Heritage Alliance

Consolidated Statement of Financial Activities

Year Ended 31 March 2020

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

For comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	5,083	12	5,095
Charitable activities	4	224,645	42,374	267,019
Investment income	5	229	-	229
Total income		<u>229,957</u>	<u>42,386</u>	<u>272,343</u>
Expenditure on:				
Charitable activities	6	<u>(225,779)</u>	<u>(5,713)</u>	<u>(231,492)</u>
Total expenditure		<u>(225,779)</u>	<u>(5,713)</u>	<u>(231,492)</u>
Net income		4,178	36,673	40,851
Transfers between funds		<u>3,000</u>	<u>(3,000)</u>	-
Net movement in funds		7,178	33,673	40,851
Reconciliation of funds				
Total funds brought forward		<u>117,931</u>	<u>13,882</u>	<u>131,813</u>
Total funds carried forward	18	<u><u>125,109</u></u>	<u><u>47,555</u></u>	<u><u>172,664</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The Heritage Alliance

Consolidated Balance Sheet

31 March 2020

	Note	2020 £	2019 £
Current assets			
Stocks	13	120	-
Debtors	14	20,444	12,176
Cash at bank and in hand		<u>356,854</u>	<u>313,275</u>
		377,418	325,451
Creditors: Amounts falling due within one year	15	<u>(129,727)</u>	<u>(144,787)</u>
Total assets less current liabilities		247,691	180,664
Creditors: Amounts falling due after more than one year	16	<u>(8,000)</u>	<u>(8,000)</u>
Net assets		<u>239,691</u>	<u>172,664</u>
Funds of the group:			
Restricted funds		80,499	47,555
Unrestricted income funds			
Unrestricted funds		<u>159,192</u>	<u>125,109</u>
Total funds	18	<u>239,691</u>	<u>172,664</u>

The financial statements on pages 20 to 39 were approved by the trustees, and authorised for issue on ^{14 Oct 2020}..... and signed on their behalf by:



.....
Mr P M Ainsworth (Chairman)
Trustee

Company Registration Number: 04577804

The Heritage Alliance

Balance Sheet

31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments		1	1
Current assets			
Stocks	13	120	-
Debtors	14	20,444	12,176
Cash at bank and in hand		356,854	313,275
		<u>377,418</u>	<u>325,451</u>
Creditors: Amounts falling due within one year	15	<u>(129,728)</u>	<u>(144,788)</u>
Net current assets		<u>247,690</u>	<u>180,663</u>
Total assets less current liabilities		247,691	180,664
Creditors: Amounts falling due after more than one year	16	<u>(8,000)</u>	<u>(8,000)</u>
Net assets		<u>239,691</u>	<u>172,664</u>
Funds of the charity:			
Restricted funds		80,499	47,555
Unrestricted income funds			
Unrestricted funds		<u>159,192</u>	<u>125,109</u>
Total funds	18	<u>239,691</u>	<u>172,664</u>

For the year ending 31 March 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The net movement in funds of the charity is the same as the group.

The financial statements on pages 20 to 39 were approved by the trustees, and authorised for issue on ^{14 Oct 2020}..... and signed on their behalf by:



.....
Mr P M Ainsworth (Chairman)
Trustee

Company Registration Number: 04577804

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

5-11 Lavington Street
London
SE1 0NZ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group. The impact of Covid-19 has been discussed in the Trustees' Report. The accounts are prepared on the going concern basis.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience. Therefore management do not perceive there to be any critical areas of judgement or key sources of estimation uncertainty in the formulation of the financial statements.

Any estimates and underlying assumptions used by management such as depreciation rates are reviewed on an ongoing basis. Any revision deemed to be required to any accounting estimates would be recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

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

Charitable activities

Subscriptions are based on a calendar year and are accounted for on a receivable basis. Therefore three quarters of the income received from these subscriptions has been deferred until the 2020/21 financial year.

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.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

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.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life.

Fixed asset investments

At year end the charity owned all of the issued ordinary share capital, consisting of 1 ordinary shares of £1 each, of the Heritage Alliance Trading Limited, a company registered in the UK, whose purpose was the delivery of Discovering Places project and which has now become dormant.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

Fund structure

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 funds 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.

Pensions and other post retirement obligations

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.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The charity has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

3 Income from donations and legacies

	Unrestricted general funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations from individuals	5,291	658	5,949	5,095
	<u>5,291</u>	<u>658</u>	<u>5,949</u>	<u>5,095</u>

4 Income from charitable activities

	Unrestricted general funds £	Restricted funds £	Total 2020 £	Total 2019 £
Grants	61,750	125,570	187,320	91,250
Subscriptions	57,297	8,506	65,803	49,333
Income from Heritage 2020 support	76,224	-	76,224	77,659
Income from update bulletin	5,550	-	5,550	9,053
Sponsorship	23,850	11,835	35,685	29,989
Income from events	12,122	2,664	14,786	9,735
	<u>236,793</u>	<u>148,575</u>	<u>385,368</u>	<u>267,019</u>

5 Investment income

	Unrestricted general funds £	Total 2020 £	Total 2019 £
Other investment income	360	360	229

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

6 Expenditure on charitable activities

	Unrestricted general funds £	Restricted funds £	Total 2020 £	Total 2019 £
Salaries and national insurance	45,365	41,293	86,658	56,018
Project expenses	-	66,687	66,687	5,713
Support costs	171,305	-	171,305	169,761
	<u>216,670</u>	<u>107,980</u>	<u>324,650</u>	<u>231,492</u>

	Activity undertaken directly £	Activity support costs £	Total 2020 £	Total 2019 £
Heritage projects	<u>153,345</u>	<u>171,305</u>	<u>324,650</u>	<u>231,492</u>

Included in the expenditure analysed above, there are also governance costs of £2,430 (2019 - £2,476) which relate directly to charitable activities. See note 7 for further details.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

7 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted general funds £	Total 2020 £	Total 2019 £
Salaries and national insurance	50,726	50,726	47,304
Rent, rates and services	17,500	17,500	17,047
Professional fees	61,388	61,388	60,069
Printing, postage and stationery	2,084	2,084	1,484
Telephone	1,900	1,900	3,144
Travel and subsistence	998	998	3,084
Insurance	1,320	1,320	1,320
Other expenses	1,416	1,416	1,468
Subscriptions to external bodies	1,575	1,575	998
AGM, national and regional events	17,253	17,253	23,565
Bank charges	175	175	161
Computer expenses	12,540	12,540	7,641
Governance costs	2,430	2,430	2,476
	<u>171,305</u>	<u>171,305</u>	<u>169,761</u>

Governance costs

	Unrestricted general funds £	Total 2020 £	Total 2019 £
Independent examiner fees			
Examination of the financial statements	2,430	2,430	2,476
	<u>2,430</u>	<u>2,430</u>	<u>2,476</u>

The above includes the fee for the subsidiary company Heritage Alliance Trading Limited.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

8 Trustees' remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

2 Trustees received reimbursements of travel and subsistence expenses amounting to £761 in the current year (2019 - 1 Trustee; £298).

9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	122,285	90,555
Social security costs	7,833	6,710
Pension costs	7,267	6,057
	<u>137,385</u>	<u>103,322</u>

The monthly average number of persons (including senior management team) employed by the group during the year expressed as average headcount was as follows:

	2020 No	2019 No
Full and part time employees	<u>5</u>	<u>3</u>

5 (2019 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

The key management personnel of the group are considered to be the Trustees and CEO. The total employee benefits paid to key management personnel during the year was £45,366 (2019 - £44,049).

No employee received emoluments of more than £60,000 during the year.

10 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>2,430</u>	<u>2,476</u>

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

11 Taxation

The group is a registered charity and is therefore exempt from taxation.

12 Fixed asset investments

Charity

	2020 £	2019 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2019	<u>1</u>	<u>1</u>
At 31 March 2020	<u>1</u>	<u>1</u>
Net book value		
At 31 March 2020	<u>1</u>	<u>1</u>
At 31 March 2019	<u>1</u>	<u>1</u>

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2020	2019	
Subsidiary undertakings					
Heritage Alliance Trading Limited	England and Wales	Ordinary shares	100%	100%	dormant company

The address of its registered office is: 5-11 Lavington Street, London, SE1 0NS, United Kingdom.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

13 Stock

	Group 2020 £	Charity 2020 £
Stocks	<u>120</u>	<u>120</u>

14 Debtors

	2020 £	Group 2019 £	2020 £	Charity 2019 £
Trade debtors	16,977	3,855	16,977	3,855
Prepayments	1,005	5,919	1,005	5,919
Other debtors	<u>2,462</u>	<u>2,402</u>	<u>2,462</u>	<u>2,402</u>
	<u>20,444</u>	<u>12,176</u>	<u>20,444</u>	<u>12,176</u>

15 Creditors: amounts falling due within one year

	2020 £	Group 2019 £	2020 £	Charity 2019 £
Trade creditors	12,400	7,854	12,400	7,854
Other taxation and social security	3,364	4,985	3,364	4,985
Other creditors	4,031	7,471	4,032	7,472
Accruals	22,782	10,193	22,782	10,193
Deferred income	<u>87,150</u>	<u>114,284</u>	<u>87,150</u>	<u>114,284</u>
	<u>129,727</u>	<u>144,787</u>	<u>129,728</u>	<u>144,788</u>

Deferred income

Group	2020 £
Deferred income at 1 April 2019	(114,284)
Resources deferred in the period	(109,372)
Amounts released from previous periods	<u>136,506</u>
Deferred income at 31 March 2020	<u>(87,150)</u>

Charity	2020 £
Deferred income at 1 April 2019	(114,284)
Resources deferred in the period	(109,372)
Amounts released from previous periods	<u>136,506</u>
Deferred income at 31 March 2020	<u>(87,150)</u>

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

16 Creditors: amounts falling due after one year

	2020 £	Group 2019 £	2020 £	Charity 2019 £
Other creditors	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>

17 Commitments

Group and Charity

Commitments under operating leases

The total amount contracted for but not provided in the financial statements was £4,125 (2019 - £4,125).

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Notes to the Financial Statements

Year Ended 31 March 2020

18 Funds

Group and Charity

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
Charity and group	125,109	242,444	(216,670)	8,309	159,192
Restricted funds					
Heritage Funding Directory Project	4,228	5,600	(4,255)	(1,000)	4,573
HRB	13,294	11,444	(5,502)	(2,060)	17,176
Philanthropy	533	-	(200)	-	333
Resilience	9,500	84,100	(69,395)	-	24,205
Travel Grant scheme	20,000	(804)	(14,105)	(3,090)	2,001
Creative Industries Event	-	9,236	(7,077)	(2,159)	-
International Event	-	3,799	(3,799)	-	-
Digital	-	-	(828)	-	(828)
HEF Capacity Building	-	35,858	(2,819)	-	33,039
Total restricted funds	<u>47,555</u>	<u>149,233</u>	<u>(107,980)</u>	<u>(8,309)</u>	<u>80,499</u>
Total funds	<u>172,664</u>	<u>391,677</u>	<u>(324,650)</u>	<u>-</u>	<u>239,691</u>

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Notes to the Financial Statements

Year Ended 31 March 2020

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
<i>General</i>					
Charity and group	117,931	229,957	(225,779)	3,000	125,109
Restricted funds					
Heritage Funding Directory Project	5,635	-	(407)	(1,000)	4,228
HRB	7,714	12,886	(5,306)	(2,000)	13,294
Philanthropy	533	-	-	-	533
Resilience	-	9,500	-	-	9,500
Travel Grant scheme	-	20,000	-	-	20,000
Total restricted funds	<u>13,882</u>	<u>42,386</u>	<u>(5,713)</u>	<u>(3,000)</u>	<u>47,555</u>
Total funds	<u>131,813</u>	<u>272,343</u>	<u>(231,492)</u>	<u>-</u>	<u>172,664</u>

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Notes to the Financial Statements

Year Ended 31 March 2020

The specific purposes for which the funds are to be applied are as follows:

1. Heritage Funding Directory. The ongoing maintenance of this free online directory to heritage funds is supported by a generous grant of £2,500 p.a. from the Country Houses Foundation.

2. Historic Religious Buildings Group, formerly the Places of Worship group. This interfaith and cross denominational forum has functioned on an entirely voluntary basis since April 2011. Membership fees were introduced in 2013 to enable the Group to meet the costs of its annual meeting, office use charge and the volunteer Development Officer's travel expenses.

3. Philanthropy programme. The main project has now concluded and the remaining funds are being used to support general philanthropic work.

4. Resilience. This was funding received from Heritage Lottery for a resilience bid for new staffing to take us forward and allow the charity to grow.

5. Travel grant scheme. The funding from the British Council to run a Travel grant scheme to promote travel to our members to countries on the Overseas Development Listing and also to Europe.

6 & 7. Creative Industries Event and International Event were two events run during the course of the year.

8. Digital is a new project to be funded by NLHF, the negative balance represents upfront costs before the project grant is received.

9. HEF Capacity Building is a new grant commencing next year, but with upfront receipts and start up costs.

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

19 Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Total funds
	General	funds	Total funds
	£	£	£
Current assets	296,919	80,499	377,418
Current liabilities	(129,727)	-	(129,727)
Creditors over 1 year	(8,000)	-	(8,000)
Total net assets	<u>159,192</u>	<u>80,499</u>	<u>239,691</u>

	Unrestricted funds	Restricted funds	Total funds at 31 March 2019
	General	funds	2019
	£	£	£
Current assets	277,896	47,555	325,451
Current liabilities	(144,787)	-	(144,787)
Creditors over 1 year	(8,000)	-	(8,000)
Total net assets	<u>125,109</u>	<u>47,555</u>	<u>172,664</u>

The Heritage Alliance

Notes to the Financial Statements

Year Ended 31 March 2020

20 Related party transactions

Group and Charity

There were no related party transactions in the year.

21 Control

The ultimate controlling party is the Trustees.