

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

31ST MARCH 2008

Heritage Link

Company Information

Trustees

Anthea Case (Chairman)
Stephen Enthoven (Hon. Treasurer)
Dr. Jennifer Freeman
Dr. Honor Gay
Dr. Mike Heyworth
Ian Lush (Deputy Chair)
David Sekers
John Sell
Matthew Slocombe
Nick Way
Ian Wilson

Secretary

Kate Pugh

Company Number

04577804 (England and Wales)

Charity Number

1094793

Principal Address

89 Albert Embankment
London
SE1 7TP

Registered Office

89 Albert Embankment
London
SE1 7TP

Accountants

Kingston Smith LLP
Devonshire House
60 Goswell Road
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

Heritage Link

Report of the Trustees

for the year ended 31st March 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Heritage Link was incorporated on 30th 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.

Heritage Link 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").

Amendments to the Memorandum and Articles of Association to clarify the Trustee nomination procedure and to formalise a maximum term of office for the Chairman and Trustees were approved by the membership at the AGM in December 2007. Trustees are elected by registered members of Heritage Link 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. New Trustees are offered an induction programme.

The day to day administration of the Charity is carried out by the secretariat at the principal office at 89 Albert Embankment, London SE1.

Charities and other national not-for-profit organisations within the heritage sector may apply to register as members of Heritage Link, 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 Trustees annually review the organisation's Risk Register. It was updated in February 2008 to reflect the development of new projects and the establishment of a new Working Group.

OBJECTS AND OBJECTIVES

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.

Heritage Link was set up in 2002 by national heritage groups in England to promote the central importance of the voluntary movement in the sector and to make its voice heard more collectively and coherently at national and regional level. It provides a forum for members to formulate and promote policy on core issues relating to heritage and the voluntary sector. Through its activities, it aims to remove barriers to their efficient and effective operation and offers a support and information network. To facilitate the sharing of information and expertise it participates in all the major fora of both the heritage and voluntary sector.

The key strategic themes in Heritage Link's Strategic Plan 2006-9 remain:

- to promote the interests of members
- to promote better recognition of members' activities
- to build capacity

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

As in the previous year, there is a greater emphasis on promoting a more collaborative working culture and consensus building; lobbying, campaigning and strategic liaison; and on organisational development. These themes informed the development of the Annual Work Plan which is reviewed at each Board meeting as part of the Trustees' strategic management role.

SUMMARY OF ACTIVITIES IN RELATION TO THESE OBJECTIVES

In 2007-8 Heritage Link

- held a major seminar to inform members and share their specialist expertise on the Heritage White Paper
- ran a strong campaign with arts and sport counterparts over the diversion of Lottery Funds to the 2012 Olympics
- developed a major heritage and built environment project which has been adopted by the London Organising Committee for the Olympic Games (LOCOG) as one of the 'signature' projects for the Cultural Olympiad.
- completed the regional workshop phase of the two year Diversity Project
- instigated forward planning for Heritage Link's future development

In addition

- 16 formal consultation responses were submitted including the Heritage and Planning White Papers.
- an increased level of media and parliamentary activity was achieved.

Key Developments

1. Heritage Protection Reform

The Heritage White Paper published in March 2007 and the Draft Heritage Protection Bill published in April 2008 demanded considerable attention and response. Heritage Link held a well attended seminar in April 2007 to help inform members' individual responses and to provide a forum for developing Heritage Link's overarching response to the consultation. Positive feedback from the seminar demonstrated that members valued the outstanding specialist expertise made available. A second information sharing event was held in January 2008 for Funding and Planning Working Group members and throughout the year, Heritage Link Update has been a key means of communicating information and comment. Heritage Link has kept in close contact with English Heritage and others during the drafting of the Bill, promoting expert advice from members as well as partnership working to secure effective delivery. Concerns over resourcing continued and were raised by the Chairman with CLG as well as DCMS Ministers.

2. Campaign on Diversion of Lottery Funds

The announcement in March 2007 of a second diversion of lottery funds to the 2012 Olympics caused widespread dismay in heritage circles. Heritage Link campaigned independently and with arts and sport counterparts and National Council for Voluntary Organisations (NCVO) for the Government to reconsider the proposal arguing that it would limit charities' and community groups' contribution to the Cultural Olympiad. The coalition kept up pressure through media activity, joint statements and briefings to MPs to secure Government agreement that no further raid would be made; to make good the diversion from the sales of assets after 2012 and to limit the impact of Games related lottery tickets on the traditional Lottery distributors' incomes. Heritage Link met Ministers during the year and was invited to clarify its position before the Statutory Instrument was formally debated in the House of Commons.

The successful cross sector alliance raised the profile of the three umbrella organisations as the champions of the voluntary and community movement. Secretary of State James Purnell credited Heritage Link with a large part in achieving the Government commitment to repay the Lottery Distributors.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

3. Development of major Cultural Olympiad proposal

Although a heritage project did not appear among the Cultural Olympiad projects listed in the UK's bid for the 2012 Olympic Games, Heritage Link saw the Cultural Olympiad as a huge opportunity to showcase the national heritage to a global audience and for small local organisations to contribute to national cultural life. Following a challenge by Bill Morris, Director of Culture, Ceremonies and Education at Heritage Link's London networking event in June 2007, Heritage Link developed and has had accepted by LOCOG as a key signature project, the Access All Areas proposal. Access All Areas will build on the success of open days/open doors events through enabling more young people to volunteer as part of this programme and to forge new links with community groups. These open days/open doors events are already among the highest profile public activities in the heritage and built environment sectors and Access All Areas will enable them to help deliver the vision and values of the Cultural Olympiad. About 100 people attended an inaugural meeting held by Heritage Link and English Heritage in March 2008. Funding has been secured from English Heritage and others to appoint a part time project co-ordinator to take the project forward in 2008/09. Heritage Link will continue to lead this project on behalf of the sector in the run-up to 2012.

4 Promoting the historic environment as an education resource

Our work in relation to educational activities has been in part a consolidation of earlier work but has also expanded through consultations and through ensuring that heritage is included in wider Government initiatives. Heritage Link continued a close connection with the DCMS Engaging Places project and with the Learning Outside the Classroom Manifesto. Welcoming the Government's Cultural Offer, Heritage Link enlarged on the potential contribution offered by the historic environment and the Education Task Group offered its expertise in selecting the 10 pilot projects.

Heritage Link's Chairman has been appointed by the Minister for Culture to chair the National Partnerships and Strategy Board for the Engaging Places project.

COLLABORATIVE WORKING AND CONSENSUS BUILDING

Heritage Link membership increased from 81 in April 2007 to 86 in March 2008 and is now being used by English Heritage to define the non government heritage sector in England.

Heritage Link responded to the following consultations relating to heritage and the third sector: Accounting Standards Board, Accounting for Heritage Assets; DIUS Key Stage 3 Curriculum Reform; English Heritage Conservation Principles; DCMS Heritage White Paper Consultation; Cabinet Office Transfer of Funds to the Olympic Lottery Distribution Fund; Planning White Paper; Future of Volunteering Commission call for evidence; DTI National Minimum Wage and Voluntary Workers; BRE Effective Consultation; HMT Gift Aid; CLG Existing Housing an Climate Change; CLG Modernising Empty Property Relief; London Assembly Impact of the 2012 Games on Lottery Funding in London; English Heritage Enabling Development; CLG New Place Survey; and CLG PPS4 Planning for Sustainable Development.

In addition the Chairman brought a range of concerns in the voluntary sector to the attention of Government, NDPBs and others on a range of subjects from the diversion of Lottery funds to the 2012 Olympics and on the Comprehensive Spending Review to the Sub National Review, PSA targets and funding for historic landscape conservation.

Working Groups

The three Working Groups on Land-Use Planning, Funding and Social Inclusion continued to provide a forum for discussion for members and more noticeably this year an opportunity for members to hear specialist speakers. All reviewed their sections of the Annual Work Plan in October, set out their proposal for 2008 prior to discussion at the AGM before the Work Plan 2008 was circulated to members in March 2008.

One major project is managed by the Diversity Task Group under the aegis of the Social Inclusion Working Group. The Education Task Group and Volunteering Panel are thematic standing committees also operating under that Working Group.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

Working Groups (Continued)

1. The Planning Working Group has led Heritage Link's contribution to the wider debate on the Heritage White Paper and Planning White Paper, opening its meetings on both to other Heritage Link members. It proposed a plan of action over the Draft Heritage Protection Bill for the Trustees and provides a source of expertise to the Secretariat and members. It met four times during the year.

2. The Funding Working Group which met three times had successfully launched the on-line Heritage Funding Directory at the end of 2006/7. Statistics showed a remarkable 50,000 hits during its first three months. Its future maintenance was supported by a grant from the Leche Trust in 2007/8 and by further funding from the Heritage Lottery Fund.

Heritage Link's 2007 proposal to the Treasury for a grant scheme to offset the higher rate of VAT for repairs and maintenance for listed buildings in charitable ownership was taken on board by a cross sector fiscal group 'Heritage at the Heart of Communities' and a revised version included in a package of fiscal reforms submitted to the Treasury.

The Group represents heritage interests on DEFRA's Rural Development Programme for England Monitoring Committee. Work was undertaken on identifying funding for heritage through Regional Development Agencies. A project brief was put forward, but lack of capacity has put this on hold. Further fundraising skills seminars run in conjunction with Heritage Link's regional networking events have also been postponed due to staff changes.

3. The Social Inclusion Working Group met four times. Dr Honor Gay and Don Henson continued as Co-Chairs of the Group. The Group focussed on the major Embracing Difference Project through the Diversity Task Group but also keeps an overview on volunteering and education matters.

This year has seen the first full year of the two year Embracing Difference project which aims to help smaller heritage bodies engage with new audiences. Three regional workshops were held during this period bringing the total number of participants in the 5 events to 130 people. 68% came from Heritage Link member organisations or affiliated bodies and the others from community groups. A number of project proposals were put forward, more have been forthcoming since the events, and it is likely further projects will emerge after the programme has ended. In addition to the workshops the full time Co-ordinator has attended all Heritage Link regional networking events, contributed to sectoral conferences and specialist publications. The Diversity website page has built up a valuable body of news, comment and resources. The Task Group comprising four Heritage Link members (Gateway Gardens Trust, National Trust, Black Environment Network and Historic Houses Association) successfully bid for English Heritage funding in December 2007 to provide a worthwhile legacy from the work undertaken in the project and is considering how best to deploy this within their administrative capacity.

Don Henson, Head of Education and Outreach, Council for British Archaeology continued to ensure that Heritage Link and the voluntary sector were well represented on the DFES/DCMS initiatives Engaging Places and the Learning Outside the Classroom Manifesto. Links are maintained with the 'V' project on youth heritage volunteering in the South West.

placesofworship@heritagelink

This new collaborative group launched at Heritage Link AGM 2007 establishes a fourth forum for members to bring together expertise and opinion. The group will allow non-government interests to work together better on the basis of their shared concern for historic places of worship and especially where there is added value in doing so.

About 40 representatives came to the inaugural meeting on 10th March to discuss its objectives and terms of reference. The group will provide a national forum for liaison and communication on this issue, strengthen the 'third sector' voice and develop a shared vision on the way forward for historic places of worship, and enhance members' contribution to wider debates on heritage, regeneration and funding through the work of Heritage Link.

So far, its operation has benefited from volunteer input but fundraising is in hand to establish a development post in 2008.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

Other Discussion Fora:

The Annual General Meeting held on 11th December 2007 at the Ritzy Cinema, Brixton and attended by nearly 60 representatives of membership organisations included a members' discussion on the Culture Minister's three challenges set out earlier in the year. Later in the programme the Minister, Margaret Hodge, addressed a much larger, sector wide audience and discussed issues raised from the floor. Her comments on criteria for listing C20th buildings drew some criticism and this was taken up by the Chair and others in subsequent correspondence.

Regional programme

Well attended regional networking events were held in London (a combined London Region and London Olympics meeting), York which attracted an outstanding 125 people, and Norwich. Developing an effective regional heritage community remains a key objective but the review of regional networking events 2003-7 showed that although attendance was increasing, outcomes were difficult to capture. Voluntary heritage sector influence on the Regional Historic Environment fora and other regional bodies and agencies needed strengthening in view of changes in regional structures and powers during the year.

Co-ordinating the heritage sector to make the case for heritage at regional level continued to occupy the Board. The Chairman urged Chairs of Regional Historic Environment Fora and Regional Cultural Consortia to ensure heritage was represented on these fora/Consortia. A membership consultation in March 2008 has identified those members active in the regions and a Think Tank in June 2008 will draw on their experience to inform an enhanced regional strategy within Heritage Link's development proposals 2009-12.

STRATEGIC LIAISON AND COMMUNICATIONS

Heritage Link continues to engage with heritage and third sector bodies at national and regional levels through its members, Trustees and Secretariat. The main national strategic group is the Heritage Forum and the Historic Environment Review Executive Committee (HEREC) with its executive sub groups and associated groups. Heritage Link is also represented on the UK Historic Environment Research Group, the DEFRA RDPE Monitoring Committee, the National Planning Forum, The Archaeology Forum and the Joint Committee of National Amenity Societies. Regional bodies include the Engaging Places Regional Advisory Panel in Yorkshire and Humberside and Regional Historic Environment Fora.

As one of the partners acting through HEREK in developing the *Valuing our Heritage* prospectus and the national campaign *History Matters - Pass it on* in advance of the Comprehensive Spending Review, Heritage Link also took part in the round table discussion *Valuing our Heritage* hosted by the Smith Institute in September 2007. The small but welcome increase in English Heritage's settlement in the CSR was acknowledged as due in a considerable degree to joint heritage sector lobbying.

Heritage Link advised the voluntary heritage sector in Wales in setting up a similar umbrella body. It continues to raise the profile of the voluntary heritage sector in wider third sector forums. It is represented for example on the DCMS Voluntary and Community Sector Forum and has developed closer relations with its counterparts in the arts and sports voluntary sectors and with the National Council for Voluntary Organisations through the joint Lottery campaign and through regular meetings. The Association of Chief Executives of Voluntary Organisations (ACEVO) new Special Interest Group on Arts Culture and Heritage, chaired by the Heritage Link member met twice during the year, once with the Culture Minister, Margaret Hodge.

Facilitating access to its members as a research resource also continues across a range of topics. Opinion and evidence has been requested on areas such as experience of the new Gift Aid regime and the provision of buildings history specialists. Members were invited to take part in a series of Heritage Lottery Fund workshops to help shape new application materials and procedures.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

The annual audit of the historic environment Heritage Counts gives members the opportunity to show how they contribute to the national picture. In 2007 the response to the theme Learning and Skills was so high that as well as co-ordinating the voluntary sector profile, Heritage Link set up an annexe on its own website to feature additional material. In 2008 Heritage Link gathered information on voluntary heritage sector activity related to this year's theme, climate change. Also for Heritage Counts 2008, Heritage Link is undertaking an audit of the paid workforce in the voluntary heritage sector to provide evidence for PSA21, 'a thriving third sector'. This will add to existing participation statistics on volunteers, memberships and visitors.

Heritage Link Update

The fortnightly e bulletin continues to be Heritage Link's most public product. 23 issues appeared 2007/8 with a growing readership now estimated at 9,000. Analysis in March 2008 reveals the largest recipient categories are voluntary sector 25%, corporate and non voluntary 21% and government including EH 19%. Update reaches the USA, Australia, South Africa, Russia, France, Romania, Holland and even St Helena. Feedback includes such comments as 'I read Heritage Link Update avidly so here is one 'thank you' from a reader' and 'we think an *excellent* Update (on the Draft Heritage Protection Bill) to inform and get everyone moving in the right direction'.

Website

Major growth points this year were the development of the Diversity Programme webpage; guidance on community involvement in planning; and heavy traffic on the Heritage Funding Directory site. Continual additions over five years meant the website needed restructuring to improve navigation and search. Much work has gone into the new site to improve presentation, create an archive system and allow for further development as well as comply with access standards.

CAPACITY BUILDING

Much of Heritage Link's collaborative and communications work builds capacity in the sector. Projects such as the Diversity Programme are aimed at developing specific skills among member organisations. Events such as the Heritage White Paper seminar and the fund raising skills programme are also directly connected.

On a broader scale, Heritage Link has an interest in developing leadership skills. The Secretary took part in a Short Clore Leadership course in September 2007 with the intention of promoting it and its benefits to the wider membership.

As noted above, Heritage Link is charged with researching employment numbers in the voluntary heritage sector for Heritage Counts 2008, an exercise which could provide the basis for further workforce development work.

ORGANISATIONAL DEVELOPMENT

There were no new appointments to the Board 2007-8. During the Chairman's temporary absence, John Sell took on the role of Acting Chairman and a new post of Deputy Chairman created to which Ian Lush was appointed. The Board met 19th April, 11th July, 18th September and 14th November 2007, 30th January and 5th March 2008.

Trustees' revisions to Heritage Link's Memorandum & Articles of Association advised by Allen & Overy - agreed by members at the AGM 2007 and due to come into force at the AGM 2008 - will clarify the process of electing new Trustees and set a maximum term of office but with a discretionary extension. In advance of these amendments, Trustees drew up a Governance Code for Trustees and reviewed Board skills and competencies against which new nominations will be invited.

Considering Heritage Link's development beyond the end of the current Strategic Plan ie 2009, a Trustees' away day in September 2007 concluded that key strategic goals were still relevant but that organisational changes were required to fulfil members' expectations. This view was endorsed by key stakeholders, English Heritage, Heritage Lottery Fund and DCMS following consultations held during summer 2007. Trustees drew up a revised structure and strategy intended to take Heritage Link to a higher level of operation and requiring a doubling of staff resources. A membership consultation will be undertaken in 2008 to seek membership support for moving forward on this basis. Funding for the development plan is being explored with care taken to avoid competing with members.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

Human resources

Doubling the secretariat with the appointment of a full time Information and Events Co-ordinator in July 2006 meant that a higher level of activity was achieved and sustained throughout 2007-8. Kathryn Schofield left in March 2008 and her replacement was appointed.

Seven volunteers added to capacity for short term projects and events, one of whom provided temporary paid support during the handover period between Information and Events Co-ordinators. In addition a longer term Church Conservation Trust volunteer has been and will be essential to the development of placesofworship@heritagelink until funding for a paid post can be found.

Premises

The joint office arrangement with Wildlife and Countryside Link continues in order to share information and minimise overheads. Both organisations relocated to a larger office and meeting room in the same building in March 2008 without increased cost.

Financial Support

This year was the second of the new three year funding agreement for core costs 2006-9 under the English Heritage National Capacity Building Grant Programme. Financial support from the Heritage Lottery Fund (£2,000) ensured that the Heritage Funding Directory is kept up to date.

English Heritage also supports the major two year Diversity programme Embracing Difference. Further grants under the National Capacity Building Programme 2008 were offered to Heritage Link for additional activity on the Diversity programme and towards funding an Access All Areas post.

Heritage Link gratefully acknowledges donations of £3,900 from the National Trust, £400 (SPAB), £200 (Historic Royal Palaces), £50 (The Prince's Regeneration Trust and Wessex Archaeology), £25 (Historic Chapels Trust), £20 (Norfolk Archaeological Trust), and £5 (Council for Independent Archaeology).

During the year, in-kind support has been gratefully received from members: the Council for British Archaeology continued to host the Heritage Link website and the distribution of Heritage Link Update. Professional parliamentary advice and human resources expertise have been provided pro bono through members. In addition Allen & Overy donated considerable legal advice in amending the Memorandum & Articles of Association.

Trustees are keen to diversify revenue streams. An affiliate membership scheme instigated in January 2008 allows corporate, non English organisations and individuals to support Heritage Link.

The 3 year Update sponsorship arrangement with Chris Blandford Associates is very welcome. The Institute of Field Archaeologists also requested an arrangement to forward Heritage Link Update to its entire membership for a fee of £900pa. Income is also earned through the Situations Vacant section. Event sponsorship is another opportunity taken up this year by Cathedral Communications for the London/Olympics Regional event.

Reserves Policy

It is the Trustees' intention to sustain the unrestricted reserves of the charity at a level that will enable them to respond to any emergency situation that may arise. At the balance sheet date, the free reserves of the charity totalled £65,734 - 69% of the estimated core expenditure 2008/9.

Heritage Link

Report of the Trustees

for the year ended 31st March 2008 (continued)

Statement of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- 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 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 operation.


The Trustees are responsible for keeping the accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure the financial statements comply with the trust deed.

They are also responsible for safeguarding the assets of the charity and hence 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 January 2007).

Approved by the Trustees on: 9th July 2008



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A Case - Chairman

Heritage Link

Accountants' Report to the Trustees on the Unaudited accounts of Heritage Link

We have examined without carrying out an audit, the accounts of Heritage Link for the year ended 31 March 2008, which comprise the Statement of Financial Activities, Balance Sheet and related notes.

This report is made solely to the charitable company's members, as a body, in accordance with section 249(c) of the Companies Act 1985. Our work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in a report made under section 249(c) addressed to them. To the fullest extent permitted by law, we do not accept or assume any responsibility to any party other than the charity and the charity's members as a body, for our review work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Reporting Accountants

As described on page 9 the charitable company's trustees (who are directors of Heritage Link for the purposes of company law) are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the members.

Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

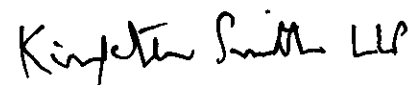
Opinion

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under s.221 Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in s.249C(6) of the Act, so far as applicable to the company; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year, specified in s.249A(4) of the Act, and did not fall within any of the categories of companies not entitled to the exemption, specified in s.249B(1), at any time within that year.

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 4th September 2008



Kingston Smith LLP
Chartered Accountants
and Registered Auditors

Heritage Link
Statement of Financial Activities
(Including Income and Expenditure Account)
For the year ended 31st March 2008

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2008 £	Total funds 2007 £
Incoming Resources from generated funds					
Voluntary income:					
Members' Subscriptions		8,220	-	8,220	6,750
Donations		6,913	-	6,913	6,016
Income from charitable activities:					
Grants		68,000	-	68,000	63,565
Project donations		-	43,000	43,000	38,306
Update subscriptions and adverts		3,025	-	3,025	1,490
Sponsorship		3,000	-	3,000	-
Consultancy services		34	-	34	1,846
Interest received		1,943	-	1,943	2,363
Total Incoming Resources		<u>91,135</u>	<u>43,000</u>	<u>134,135</u>	<u>120,336</u>
Resources Expended					
Charitable activities	2	87,380	37,739	125,119	126,583
Governance costs	5	2,439	-	2,439	2,440
Total Resources Expended		<u>89,819</u>	<u>37,739</u>	<u>127,558</u>	<u>129,023</u>
Net Income/(Expenditure) for the year		<u>1,316</u>	<u>5,261</u>	<u>6,577</u>	<u>(8,687)</u>
Balance Brought Forward at 1st April 2007		<u>64,418</u>	<u>4,308</u>	<u>68,726</u>	<u>77,413</u>
Balance Carried Forward at 31st March 2008		<u><u>65,734</u></u>	<u><u>9,569</u></u>	<u><u>75,303</u></u>	<u><u>68,726</u></u>

Heritage Link

Balance Sheet at 31st March 2008

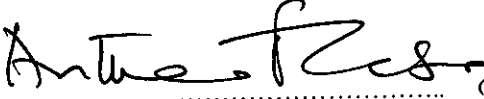
	Note	2008 £	2007 £
Current Assets			
Debtors	6	830	670
Cash at bank and in hand		<u>76,588</u>	<u>70,725</u>
		77,418	71,395
Creditors: Amounts falling due within one year	7	<u>2,115</u>	<u>2,669</u>
		75,303	68,726
Net Current Assets		<u>75,303</u>	<u>68,726</u>
Total Assets less Current Liabilities		<u><u>75,303</u></u>	<u><u>68,726</u></u>
Unrestricted General Fund	8	65,734	64,418
Restricted Funds	9	<u>9,569</u>	<u>4,308</u>
		75,303	68,726
Total Funds		<u><u>75,303</u></u>	<u><u>68,726</u></u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 226, 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 VII of the Companies Act 1985 relating to small companies.

Approved by the Trustees on: 9th July 2008


 Chairman
A. Case

Heritage Link

Notes to the Financial Statements

For the year ended 31st March 2008

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 January 2007) and the Companies Act 1985.

Subscriptions

Subscriptions are accounted for on an receivable basis.

Bank Interest

Bank interest is accounted for on a receivable 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.

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

	2008	2007
	£	£
Salaries and national insurance	46,624	38,614
Support costs (note 3)	40,756	43,243
Projects	37,739	44,726
	125,119	126,583
	125,119	126,583

Heritage Link
Notes to the Financial Statements
For the year ended 31st March 2008 (Continued)

3 Support costs	2008	2007
	£	£
Salaries and national insurance	11,806	9,654
Rent	8,678	8,756
Printing, postage and stationery	1,855	9,627
Telephone	843	658
Travel and subsistence	1,879	902
Insurance	990	928
Subscriptions to external bodies	538	482
AGM, National and Regional Events	12,074	8,126
Advertising	100	652
Staff training	30	1,617
Computer expenses	1,698	1,642
Bank charges	1	2
Sundry expenses	264	197
	<u>40,756</u>	<u>43,243</u>

4 Employees	2008	2007
	No.	No.
The average monthly number of persons (excluding directors) employed by the company during the year was:		
Administration and support and project work	<u>3.0</u>	<u>1.7</u>
	£	£
Staff costs for the above persons:		
Salaries	49,888	41,964
Social security costs	4,953	4,155
Pension costs	2,973	1,738
Payroll services	466	411
	<u>58,280</u>	<u>48,268</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 £449 in respect of travel expenses (2007: One trustee reimbursed a total of £21).

5 Governance costs	2008	2007
	£	£
Accountancy and independent review	2,409	2,410
Legal & professional fees	30	30
	<u>2,439</u>	<u>2,440</u>

6 Debtors	2008	2007
	£	£
Trade debtors	185	25
Other debtors	645	645
	<u>830</u>	<u>670</u>

Heritage Link
Notes to the Financial Statements
For the year ended 31 March 2008 (Continued)

7	Creditors	2008	2007
		£	£
	Trade creditors	-	646
	Other creditors	2,115	2,023
		<u>2,115</u>	<u>2,669</u>
8	Unrestricted Funds	Balance at 1st April 2007	Movement in year
		£	£
		64,418	1,316
		<u>64,418</u>	<u>1,316</u>
			<u>65,734</u>
9	Restricted Funds	Balance at 1st April 2007	Income
		£	£
		£	£
	Heritage Link projects		
	1. Heritage Funding Directory Project	2,135	2,000
	2. Diversity Programme	2,173	(811)
		<u>2,173</u>	<u>(36,928)</u>
		<u>4,308</u>	<u>(37,739)</u>
	At 31st March 2008	<u>4,308</u>	<u>9,569</u>

1. The two year Diversity Programme (1st September 2006 – 31st August 2008) aims to help voluntary heritage organisations increase their capacity to engage the whole community in their heritage and to stimulate and support 6 model projects. The programme with full time co-ordinator is funded by English Heritage through the National Capacity Building Programme.

2. Heritage Funding Directory Project: generous support from the Leche Trust and the Heritage Lottery Fund has ensured that the free on-line Directory to heritage funding sources, both financial and in kind, is maintained and updated.