

**VALE MILL TRUST**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2022**

**Charity number 1011002**

# **VALE MILL TRUST**

## **TRUSTEES ANNUAL REPORT**

For the year ended 31 December 2022

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The trustees are pleased to present their annual report together with financial statements of the charity for the year ended 31 December 2022.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **1. Objectives and activities**

To maintain the Mill and keep it open to the public whilst generating income through events and activities within the grounds. To work in partnership with other organisations to allow educational benefit and use of the site.

### **2. Achievements and performance**

The year of 2022 brought some fundamental changes to the Mill and a renewed vision for strengthening the organisation through building capacity to manage change and provide the stability required for a sustainable future.

The Digital Maturity Grant from Gateshead Council gave the opportunity to update the very tired website and non-existent digital capacity. The project also provided a significant step forward in our financial management as it included training in the use of new accounting software.

After many months of hard work with guidance from consultants we were delighted to be awarded a grant from the National Lottery Heritage Fund. This allowed us to appoint a Volunteer Co-Ordinator for a 12 month fixed term contract and provided funding to strengthen our governance.

Following a successful application to the CIL fund a range of essential gardening machinery was purchased to replace the items the volunteers had been using and constantly repairing. The Mill hosted a Teddy Bears Picnic, a Large Games Day and a variety of music events on Saturdays and Sundays; following a successful bid to Awards for All through the Community Foundation.

A series of workshops including ‘An Introduction to Blacksmithing’, “An Introduction to Woodworking with Hand Tools” and “Working with Fused Glass” in collaboration with Gateshead Learning Skills were well attended and successful.

New signage has transformed the site presentation and interpretation for visitors. The costs of this project were met by funding from Suez UK.

The focus for a Heritage Open Day event with the theme of ‘fantastic inventions’ led us to promote the fire brick. With the help from some dedicated volunteers, we now have a striking monument to the legacy of brickworks of the North East which has proven a very popular attraction for visitors to the site.

# VALE MILL TRUST

## TRUSTEES ANNUAL REPORT

For the year ended 31 December 2022

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The tearoom is a strong draw for visitors and continues to attract repeat custom. The funds raised through the activities of the volunteers surpassed all expectations and provided core funding for the charity.

### 3. Public benefit

The Board of Trustees has referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

### 4. Financial review

Vale Mill Trust are funded by a variety of income. The total income for the year was £52,179. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the year ended 31 December 2022, shows a net surplus across all funds of £12,784 (2021: £7,228).

The Balance Sheet at 31 December 2022 shows total funds carried forward of £21,046 of which £11,974 are restricted funds, the unrestricted reserves are £9,072.

#### Reserves policy

The Board of Trustees has examined the charities requirements for reserves in light of the major risks to the organisation. The established policy is for unrestricted funds held by the charity to be set at 5 months of the expenditure plus estimated close down costs; the unrestricted fund for the year is £9,072. The reserves are needed to maintain the current activities of the charity in the event of a significant drop in funding. The reserves are also needed to cover the costs of potential redundancies.

### 5. Plans for future periods

The Trust will work to consolidate the progress made this year and undertake new projects to improve the provision for beneficiaries in our locality. The waterwheel has been in need of urgent restoration, work plans have been agreed with the engineer who initially built the wheel, and restoration work has commenced.

The grounds will continue to be developed to diversify the offer for volunteers and improve the experiences of visitors to the site. There will be a focus on improving the accessibility to different parts of the site and improving site safety following completed risk assessments.

The trust will continue dialogue with external partners so their needs can be incorporated into development priorities this coming year. We look toward promoting opportunities at the Mill to potential new partners through local and regional networking communities. A study and consultation will be undertaken to determine how the spaces available at the Mill can be best used to diversify the range beneficiaries using the resource.

The Trustees are currently undertaking a review of the governance of the charity. The Trustees will develop a three-year plan for the Trust.

# VALE MILL TRUST

## TRUSTEES ANNUAL REPORT

For the year ended 31 December 2022

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### 6. Reference and administrative details of the charity, its trustees and advisors

Charity Name        Vale Mill Trust

Registered  
Charity Number    1011002

Trustees	Simon Gideon Smith	Chair
	Cheryl Metcalf	Secretary
	Kevin Boyle	Appointed 06/03/2022 Resigned 24/10/2022
	Chris O'Toole	Appointed 01/05/2022 Resigned 05/02/2023
	Susan McKell	Appointed 01/06/2022 Resigned 17/10/2023
	Neil (Mac) McDiarmid	Appointed 24/03/2023
	David Yellowley	Appointed 24/03/2023

Registered Office   Path Head Water Mill  
Summerhill  
Blaydon  
Tyne and Wear  
NE21 4SP

Independent  
Examiner            MW Accounting,  
Bookkeeping and  
Training  
Woodgate House  
Wood Street  
Gateshead  
NE11 9NP

Bankers              TSB  
PO Box 373  
Leeds  
LS14 9GQ

# **VALE MILL TRUST**

## **TRUSTEES ANNUAL REPORT**

For the year ended 31 December 2022

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### **7. Structure, governance and management**

#### Governing documents

Vale Mill Trust is a charitable organisation, governed by its constitution, adopted on 24<sup>th</sup> April 1992.

#### Appointment of Trustees

Trustees are elected by members of the organisation at the Annual General Meeting (AGM) and are eligible to stand for re-election each year. There is a minimum of three and maximum of 12 trustees at any given time. The trustees have the power to co-opt up to three other members and agree to meet at least four times a year.

#### Organisation

The trustees administer the charity.

The trustees are aware that the major risk to the organisation is lack of funding. Reserves are reviewed on a yearly basis to ensure that there are sufficient funds available to cover five months running costs and any estimated close down costs.

#### Risk management

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

# VALE MILL TRUST

## TRUSTEES ANNUAL REPORT

For the year ended 31 December 2022

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### 8. Trustees responsibilities in relation to the financial statement

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for the year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

31/10/2023

Approved by the trustees on ..... and signed on their behalf by:

Neil McDiarmid  
Treasurer

  
Mac McDiarmid (Oct 31, 2023 11:53 GMT)

## **VALE MILL TRUST**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

For the year ended 31 December 2022

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I report on the financial statements of Vale Mill Trust for the year ended 31 December 2022, which are set out on pages 7 to 15.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

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

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

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

#### **Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I 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.

Michelle Wright  
MW Accounting, Bookkeeping & Training  
Woodgate House  
5c Wood Street  
Gateshead  
NE11 9NP  
Date: 31/10/2023

  
Michelle Wright (Oct 31, 2023 11:57 GMT)

# VALE MILL TRUST

## RECEIPTS AND PAYMENTS ACCOUNT

For the year ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Receipts</b>					
Grants and contracts	5	4,679	33,804	<b>38,483</b>	17,582
Other trading activities	6	13,696	-	<b>13,696</b>	4,750
<b>Total income</b>		<b>18,375</b>	<b>33,804</b>	<b>52,179</b>	<b>22,332</b>
<b>Payments</b>					
Charitable activities					
Operation of the charity	7	17,565	21,830	<b>39,395</b>	15,104
<b>Total expenditure</b>		<b>17,565</b>	<b>21,830</b>	<b>39,395</b>	<b>15,104</b>
<b>Net movement of funds</b>		<b>810</b>	<b>11,974</b>	<b>12,784</b>	<b>7,228</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		8,262	-	<b>8,262</b>	1,034
<b>Total funds carried forward</b>		<b>9,072</b>	<b>11,974</b>	<b>21,046</b>	<b>8,262</b>

The Receipts and Payments Statement includes all gains and losses recognised in the year. All receipts and payments derive from continuing activities

The notes on pages 9 to 15 form an integral part of these accounts.



**STATEMENT OF ASSETS AND LIABILITIES**

As at 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Cash funds</b>					
Current account		8,872	11,974	20,846	8,262
Petty cash	4	200	-	200	-
<b>Total cash funds</b>		<b>9,072</b>	<b>11,974</b>	<b>21,046</b>	<b>8,262</b>
<b>Liabilities</b>					
Accountancy and independent examination	8	200	-	200	-
<b>Total assets</b>		<b>200</b>	<b>-</b>	<b>200</b>	<b>-</b>

The notes on pages 9 to 15 form an integral part of these accounts.

These financial statements were approved by the Board on: 31/12/2023

and are signed on its behalf by:

Neil McDiarmid  
Treasurer

Mac McDiarmid  
Mac McDiarmid (Oct 31, 2023 11:53 GMT)

# **VALE MILL TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2022

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### **1 Accounting Policies**

The accounts have been prepared on the receipts and payments basis. An audit is not required by the charity's constitution and has not been requested by the trustees.

### **2 Basis of accounting**

#### **2.1 Preparation of the accounts on a going concern basis**

The charity reported total unrestricted funds at the year end of £9,072 and has already secured a significant amount of funding for the current year.

The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. The Trustees are of the view that the immediate future of the charity, for the next 12 months is secure and that on this basis the charity is a going concern.

### **3 Receipts**

#### **3.1 Recognition of receipts**

Receipts are recognised when the charity has received the receipt.

#### **3.2 Grants and donations**

Income from government and other grants are recognised when the charity has received the funds.

#### **3.3 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

### **4 Payments and liabilities**

#### **4.1 Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

#### **4.2 Charitable activities**

Payments on charitable activities includes the costs of developing and maintaining the water mill by training and supporting people in the area as well as other activities undertaken to further the purposes of the charity and their associated support costs.

## **VALE MILL TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2022

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#### **4.3 Governance and support costs**

Support costs have been allocated between governance cost and other support.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **4.4 Liabilities**

The charity has liabilities which are measured at settlement amounts less any trade discounts.

#### **4.5 Provision for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

# VALE MILL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Analysis of receipts

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>5 Charitable activities</b>				
<u>Income from grants and contracts</u>				
Joicey Trust	-	-	-	3,300
William Leech	-	-	-	2,000
Sir James Knott	-	-	-	5,000
National Lottery Heritage Fund	-	20,375	<b>20,375</b>	-
National Lottery Community Fund	-	2,950	<b>2,950</b>	-
Digital Maturity Fund	-	6,955	<b>6,955</b>	-
Community Infrastructure Levy	-	3,524	<b>3,524</b>	-
HMRC JRS	-	-	-	2,456
Gateshead Council Art D	-	-	-	235
CCG	4,679	-	<b>4,679</b>	4,592
	<u>4,679</u>	<u>33,804</u>	<u><b>38,483</b></u>	<u>17,582</u>
<b>6 Other trading activities</b>				
Tearoom	12,821	-	<b>12,821</b>	4,252
Membership	165	-	<b>165</b>	185
Other income	710	-	<b>710</b>	312
	<u>13,696</u>	<u>-</u>	<u><b>13,696</b></u>	<u>4,750</u>

Receipts were £52,179 (2021: £22,332) of which £18,375 was unrestricted or designated (2021: £15,332) and £33,804 was restricted (2021: £7,000)

# VALE MILL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Analysis of payments on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>7 Charitable payments</b>				
<u>Direct costs</u>				
Materials	-	360	<b>360</b>	3,012
Equipment	494	6,150	<b>6,644</b>	849
Tearoom costs	160	-	<b>160</b>	4,133
Garden costs	262	3,080	<b>3,342</b>	106
Activities	400	2,800	<b>3,200</b>	564
Volunteer costs	253	-	<b>253</b>	-
<u>Support costs</u>				
Staffing costs	1,500	8,454	<b>9,954</b>	3,082
Rent and rates	279	-	<b>279</b>	313
Printing & stationery	137	-	<b>137</b>	76
Postage & carriage	10	-	<b>10</b>	-
Office consumables	1,054	-	<b>1,054</b>	1,915
Office equipment costs	-	379	<b>379</b>	-
Repairs and renewals	11,499	510	<b>12,009</b>	-
Professional fees	562	97	<b>660</b>	135
Insurance	956	-	<b>956</b>	919
	<b>17,565</b>	<b>21,830</b>	<b>39,395</b>	<b>15,104</b>

Payments on charitable activities were £39,395 (2021: £15,104) of which £17,565 was unrestricted or designated (2021: £8,104) and £21,830 was restricted (2021: £10,300)

### 8 Fees for examination of the accounts

	2022 £	2021 £
Independent examiner's fees for reporting on the accounts	<b>200</b>	-
	<b>200</b>	-

### 9 Analysis of staff costs and the cost of key management personnel

	2022 £	2021 £
Salaries and wages	<b>10,186</b>	2,721
Social security costs	<b>716</b>	-
Pension costs (defined contribution pension plan)	<b>48</b>	-
	<b>10,949</b>	<b>2,721</b>

No employee received remuneration above £60,000 (2021: nil)

The key management personnel of the charity, comprise the trustees. The total employee benefits of the key management personnel of the charity were £nil (2021: £nil).

**VALE MILL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2022

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**10 Staff numbers**

The average monthly head count was 1 staff (2021: 1 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	<b>2022</b>	2021
	<b>Number</b>	Number
The parts of the charity in which the employee's work		
Charitable activities	<b>0.6</b>	1.0
	<b>0.6</b>	1.0

**11 Transactions with trustees**

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity.

**Trustees' expenses**

No trustee expenses have been incurred in the year.

**Transaction(s) with related parties**

There have been no related party transactions in the reporting period.

**12 Corporation Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

## VALE MILL TRUST

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

#### 13 Events after the end of the reporting period

No events requiring adjustment to the accounts have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

#### 14 Analysis of charitable funds

##### Analysis of movements in unrestricted funds

For the year ended 31 December 2022

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Unrestricted funds</b>					
General unrestricted fund	8,262	18,375	( 17,565 )	-	<b>9,072</b>
<b>Totals</b>	<b>8,262</b>	<b>18,375</b>	<b>( 17,565 )</b>	<b>-</b>	<b>9,072</b>

##### Purpose of unrestricted funds

General unrestricted fund      The 'free reserves' of the charity

##### Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Restricted funds</b>					
National Lottery Heritage Fund	-	20,375	( 8,551 )	-	<b>11,824</b>
	-	2,950	( 2,800 )	-	<b>150</b>
National Lottery Community Fund					
Digital Maturity Fund	-	6,955	( 6,955 )	-	-
Community Infrastructure Levy	-	3,524	( 3,524 )	-	-
<b>Totals</b>	<b>-</b>	<b>33,804</b>	<b>( 21,830 )</b>	<b>-</b>	<b>11,974</b>

##### Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

National Lottery Heritage Fund	To fund a volunteer co-ordinator post and review of governance
	To provide free family events onsite
National Lottery Community Fund	
Digital Maturity Fund	To update the digital infrastructure of the organisation
Community Infrastructure Levy	To purchase tools and equipment

#### 15 Capital commitments

As at 31 December 2022, the charity had no capital commitments (2021: £nil)

## VALE MILL TRUST

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

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#### 16 Analysis of net assets between funds

	Unrestricted Funds £	Total 2022 £
Cash at bank and in hand	21,046	21,046
	<u>21,046</u>	<u>21,046</u>

	Unrestricted Funds £	Total 2021 £
Cash at bank and in hand	8,262	8,262
	<u>8,262</u>	<u>8,262</u>



# Vale Mill YE 2022 full v1

Final Audit Report

2023-10-31

Created:	2023-10-31
By:	Michelle Wright (michelle-wright@hotmail.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAHRkIY_d6IJW4WHsRH5jbZjvBQLc6zaQM

## "Vale Mill YE 2022 full v1" History



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Signer Neil McDiarmid (macmcdiarmid39@gmail.com) entered name at signing as Mac McDiarmid

2023-10-31 - 11:53:13 AM GMT



Document e-signed by Mac McDiarmid (macmcdiarmid39@gmail.com)

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