

VALE MILL TRUST

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2024

Charity number 1011002

VALE MILL TRUST

TRUSTEES ANNUAL REPORT

For the year ended 31 December 2024

The trustees are pleased to present their annual report together with financial statements of the charity for the year ended 31 December 2024.

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 water mill and keep it open for the public benefit. To promote social inclusion via the provision of community resources and facilities. Advance arts, culture and heritage through the development and maintenance of the Path Head Watermill and its surrounding site. To advance education of the public in geography, history, ecology, architecture, conservation and traditional skills and craftsmanship. Provision of facilities and support to advance health, and help prevent and relieve sickness. Provide and promote facilities for recreation or other leisure time occupation of individuals by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances and for the public at large in the interests of social welfare and improving the condition of life for individuals. To assist in the support and care of persons suffering from mental or physical illness of any description or in need of rehabilitation.

2. Achievements and performance

The 2024 year has seen many improvements, including to the mill structure and grounds. These have been achieved by the hard work of our dedicated volunteers, employees, and where necessary, third-party experts. Their time and commitment is considerable and greatly appreciated. The trustees would like to thank all those involved in contributing to the success of the charity.

The site overall has significantly improved through regular maintenance and projects led by our onsite co-ordinator making best use of our volunteer time and resources.

The renovation of the Mechanical elements of the Mill have been completed. Improvements have been made to the wheel and drive train, and a scheduled maintenance and inspection programme has been implemented.

The Heritage Lottery funded project 'Wheels Keep Turning' concluded with the submission of the final report. The project stands the Trust in a stronger position through a thorough review of governance and an agreed two-year strategic development plan. The project outcomes underpin the overall objects of effective governance and sustainability of the organisation.

A special general meeting was held to vote on a proposal to change the structure of the trust from a Charitable Trust to a Charitable Incorporated Organisation (CIO). The CIO will enable the trust to directly hold the property of the mill and provide limited liability for the trustees. The resolution was passed unanimously by the members. The Trustees have worked, with the guidance of our solicitors, to action the change in the structure of the charity.

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The effective use of social media continues to grow our audience. We have seen a significant increase in visitor numbers and our Visitor Surveys show a strong correlation with our charitable goals. Analysis of the data highlighted strengths and several areas for development.

Events at the Mill continued to attract visitors and special interest groups. The range of events was expanded to include the brick swap and a classic car show.

The tearoom, which opens each weekend between Easter and the end of November, continues to be very popular, enhancing the offering to existing and new visitors to the heritage site, and provides a valuable source of revenue 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 £29,129. 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 2024, shows a net deficit across all funds of £9,553 (2023: surplus £5,059).

The statement of assets and liabilities at 31 December 2024 shows total funds carried forward of £16,553 of which £6,160 are restricted funds, the unrestricted reserves are £10,393.

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 12 months of fixed running costs plus estimated close down costs; the unrestricted fund for the year is £10,393. 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 during the year and undertake new projects to improve the provision for beneficiaries in our locality.

The trustees are working with our solicitors to finalise the new CIO structure. It is planned to complete the transfer of the mill freehold along with the other assets and liabilities to the new trust by the end of 2025.

Since the year end a covered seating area has been built, in keeping with the heritage of the mill, which will enable the tea room to continue to operate outside during inclement weather. Ground works have been carried out to the area around the covered seating area to improve accessibility and safety.

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Volunteers have developed the allotment resulting in an excellent range of fruit and vegetables being grown. A successful program of events continues to be delivered enabling visitors to enjoy the tranquil location and excellent facilities of the mill.

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For the year ended 31 December 2024

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	Resigned 22.07.2025
	Neil (Mac) McDiarmid	Treasurer
	David Yellowley	

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

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For the year ended 31 December 2024

7. Structure, governance and management

Governing documents

Vale Mill Trust is a charitable organisation, governed by its constitution, adopted on 24th 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 twelve months running costs and any possible redundancy 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.

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TRUSTEES ANNUAL REPORT

For the year ended 31 December 2024

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.

Approved by the trustees on Oct 21, 2025 and signed on their behalf by:

Mac McDiarmid

Mac McDiarmid Trust 31, 2025 15:05:37 GMT+01

Neil (Mac) McDiarmid
Treasurer

VALE MILL TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 December 2024

I report on the financial statements of Vale Mill Trust for the year ended 31 December 2024, which are set out on pages 8 to 14.

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
Michelle Wright
MW Accounting, Bookkeeping & Training
Woodgate House
5c Wood Street
Gateshead
NE11 9NP
Date: Oct 21, 2025

VALE MILL TRUST

RECEIPTS AND PAYMENTS ACCOUNT

For the year ended 31 December 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Receipts					
Grants and contracts	5	4,826	-	4,826	21,130
Other trading activities	6	24,303	-	24,303	20,351
Total income		29,129	-	29,129	41,481
Payments					
Charitable activities					
Operation of the charity	7	27,963	10,720	38,682	36,421
Total expenditure		27,963	10,720	38,682	36,421
Net movement of funds		1,167	(10,720)	(9,553)	5,059
Reconciliation of funds					
Total funds brought forward		9,226	16,880	26,106	21,046
Total funds carried forward		10,393	6,160	16,553	26,105

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 10 to 14 form an integral part of these accounts.

STATEMENT OF ASSETS AND LIABILITIES

As at 31 December 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Cash funds					
Current account		10,328	6,160	16,488	26,041
Petty cash	4	64	-	64	64
Total cash funds		10,393	6,160	16,553	26,105
Liabilities					
Accountancy and independent examination	8	300	-	300	200
Total assets		300	-	300	200

The notes on pages 10 to 14 form an integral part of these accounts.

These financial statements were approved by the Board on:

Oct 21, 2025

and are signed on its behalf by:

Neil (Mac) McDiarmid
Treasurer

Mac McDiarmid

Mac McDiarmid (Oct 21, 2025) (1011002-01)

VALE MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 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 and grounds 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 2024

Analysis of receipts

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
5 Charitable activities				
<u>Income from grants and contracts</u>				
National Lottery Heritage Fund	-	-	-	16,300
CCG	4,826	-	4,826	4,830
	<u>4,826</u>	<u>-</u>	<u>4,826</u>	<u>21,130</u>
6 Other trading activities				
Tearoom	24,090	-	24,090	19,200
Membership	96	-	96	621
Other income	117	-	117	530
	<u>24,303</u>	<u>-</u>	<u>24,303</u>	<u>20,351</u>

Receipts were £29,129 (2023: £41,481) of which £29,129 was unrestricted or designated (2023: £25,181) and £0 was restricted (2023: £16,300)

Analysis of payments on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
7 Charitable payments				
<u>Direct costs</u>				
Materials	-	-	-	41
Equipment	423	-	423	4,796
Tearoom costs	10,313	-	10,313	6,529
Garden costs	-	-	-	1,155
Activities	80	1,016	1,096	927
Volunteer costs	-	-	-	400
<u>Support costs</u>				
Staffing costs	-	6,544	6,544	10,894
Rent and rates	198	-	198	756
Printing & stationery	34	-	34	564
Postage & carriage	-	-	-	9
Office consumables	1,914	360	2,274	1,413
Office equipment costs	-	-	-	116
Repairs and renewals	12,414	-	12,414	4,635
Professional fees	1,423	-	1,423	227
Insurance	963	-	963	852
<u>Governance costs</u>				
Trustee training	-	-	-	500
Governance	-	2,800	2,800	2,406
Independent examiner's fees for reporting on the accounts	200	-	200	200
	<u>27,963</u>	<u>10,720</u>	<u>38,682</u>	<u>36,421</u>

Payments on charitable activities were £38,682 (2023: £36,421) of which £27,963 was unrestricted or designated (2023: £25,027) and £10,720 was restricted (2023: £11,394)

VALE MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

8 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	300	200
	<u>300</u>	<u>200</u>

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

	2024 £	2023 £
Salaries and wages	6,544	8,859
Social security costs	-	746
Pension costs (defined contribution pension plan)	-	348
	<u>6,544</u>	<u>9,953</u>

No employee received remuneration above £60,000 (2023: 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 (2023: £nil).

10 Staff numbers

The average monthly head count was 1 staff (2023: 1 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2024 Number	2023 Number
The parts of the charity in which the employee's work		
Charitable activities	0.4	0.4
	<u>0.4</u>	<u>0.4</u>

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 2024

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 2023

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	9,226	29,129	(27,963)	-	10,393
Totals	9,226	29,129	(27,963)	-	10,393

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 £
Restricted funds					
National Lottery Heritage Fund	16,880	-	(10,720)	-	6,160
Totals	16,880	-	(10,720)	-	6,160

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

15 Capital commitments

As at 31 December 2024, the charity had no capital commitments (2023: £nil)

16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Cash at bank and in hand	10,393	6,160	16,553	26,105
	10,393	6,160	16,553	26,105