

Company Registration Number: 03685038 (England & Wales)

Charity Registration Number: 1078029

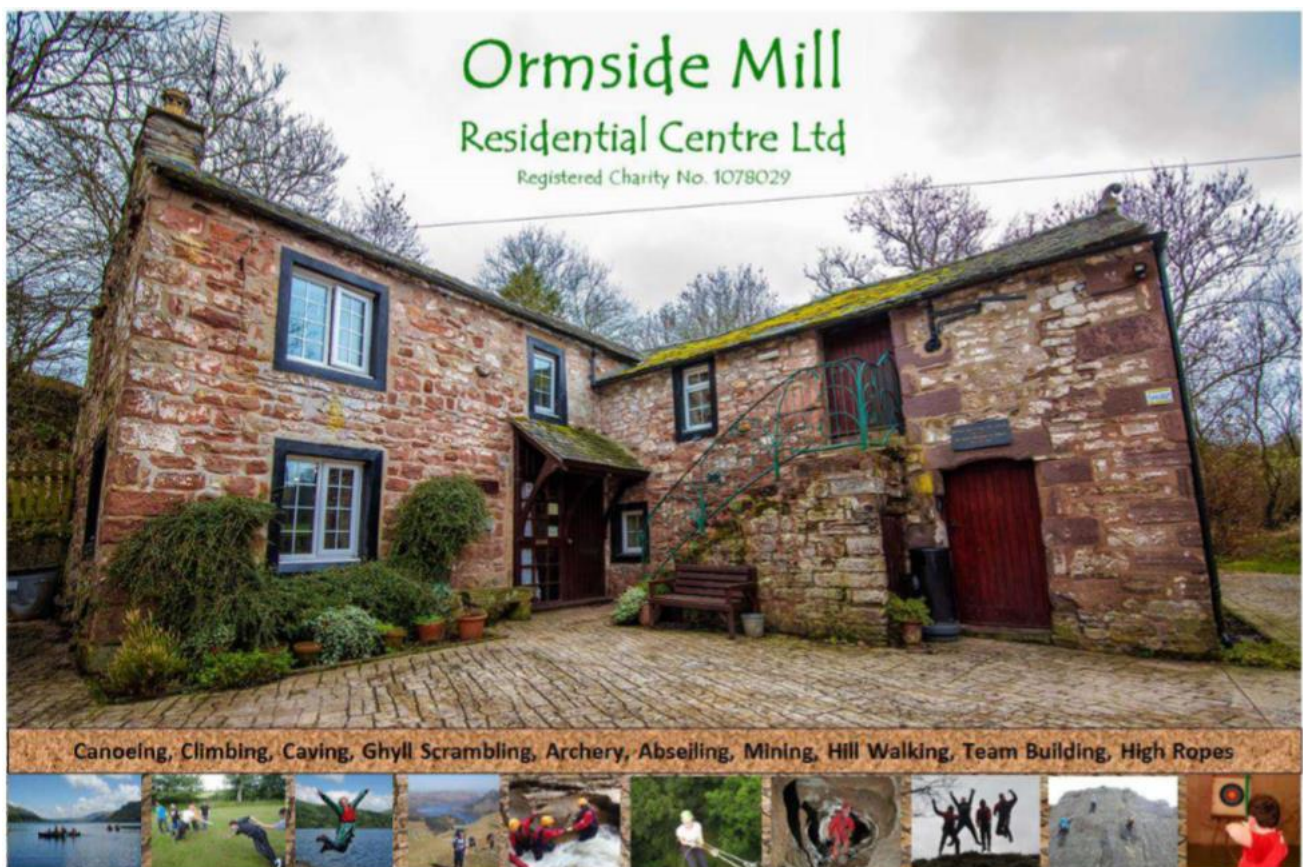
# Ormside Mill Residential Centre Limited

Company Limited by Guarantee

## Trustees' Report and Financial Statements

For the Year Ended

31 March 2022



# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

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# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## CHARITY INFORMATION

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<b>Charity Number</b>	1078029
<b>Company Number</b>	03685038
<b>Secretary</b>	A French
<b>Trustees</b>	S K Gillies (Chair from 1 December 2021) N J Eckersley (Vice-Chair until 1 December 2021) J Steer (Treasurer) A French K L Wilson C L Cartledge H J Robinson E O'Reilly
<b>Principal Address</b>	Ormside Mill Residential Centre Mill Lane Appleby-in-Westmoreland Cumbria CA16 6EJ
<b>Registered office</b>	C/O Lancashire Boys and Girls Clubs South Place 1 Meeting House Lane Lancaster LA1 1TQ
<b>Independent examiner</b>	G Howse BSC, FMAAT CWR Chartered Accountants 20 Mannin Way Lancaster Business Park Caton Road Lancaster LA1 3SW



# **ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)**

**YEAR ENDED 31 MARCH 2022**

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The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited Financial Statements of the Charity for the year ended 31 March 2022.

The Financial Statements comply with The Charities Act 2011, The Companies Act 2006, The Memorandum and 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 (FRS102).

### **Reference and Administrative Details**

Ormside Mill Residential Centre Limited was formed in 1998 and is registered with the Charities Commission Number 1078029. Reference and administrative details are shown in the schedule of charity information on page 2 of the annual report.

The Trustees who served the Charity during the year were as follows:

S K Gillies (Chair)	(Appointed 1 December 2021)
N J Eckersley	
J Steer (Treasurer)	
A French (Secretary)	
A Johnston	(Resigned 1 December 2021)
K L Wilson	
C L Cartledge	(Appointed 1 December 2021)
H J Robinson	(Appointed 1 December 2021)
E O'Reilly	(Appointed 1 December 2021)

### **Appointment of Trustees**

The appointment of trustees is governed by provisions contained within the company's Articles of Association. These are as follows: -

- I. The Greater Manchester Youth Federation (GMYF), known as the "A" member, may from time to time appoint three persons to be directors, known as "A" directors.
- II. The Lancashire Association of Boys and Girls Clubs (LABGC), known as the "B" member, may from time to time appoint three persons to be directors, known as "B" directors.
- III. Each "A" director may at any time be removed from office by the "A" member and each "B" director may at any time be removed from office by the "B" member.
- IV. In addition, independent trustees not directly linked to either GMYF or LABGC may be elected to the board

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

The Charity is incorporated as a company limited by guarantee and is governed by the company's Memorandum and Articles of Association.

The charitable company is managed by its board of directors, consisting of not less than six members, which meets at least three times a year.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

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### Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit in its objectives and activities below, which are considered to be for public benefit.

### Specific Restrictions on the Charitable Company

- (i) Clause 4 of the Memorandum of Association of the company stipulates that the income and property of the company shall be applied solely towards the promotion of its objects and no portion is to be paid by way of dividend, bonus or otherwise to the members of the company. Additionally, no trustee appointed to any office of the company is to be paid a salary or receive any remuneration or other benefits from the company.
- (ii) Clause 6 of the Memorandum of Association states that upon the winding up or dissolution of the company any assets remaining, after the satisfaction of all liabilities, shall not be paid to or distributed among the members of the company, but shall be transferred to other charitable bodies having similar objects and which similarly prohibit the distribution of income or property among its members to an extent at least as great as is imposed on this company by Clause 4 of its Memorandum of Association.



### Investment Powers

The charitable company is permitted by its Memorandum of Association to invest any funds not immediately required for its purposes in such manner as may from time to time be determined, subject to such conditions as may for the time being be imposed or required by law.

### Objectives and Activities

The charitable company's principal objects as set out in the Memorandum of Association, which constitutes our core purpose, are: -

*"To help and educate young people through their leisure time activities as to develop their physical and mental capacities that they may grow to full maturity as individuals and members of society and their conditions of life may improve, in particular by the provision of a recreational and residential centre".*

The charity was formed in 1998 and it has pursued its objects by acquiring land and property known as Ormside Mill at Ormside, Nr. Appleby-in-Westmorland. Extensive renovation and improvement work has been carried out in order to bring the property into use as a recreational and residential centre.

There were no changes in the period in the policies adopted by the company in order to further its objects.

### Connected Charities

The charity is connected with the Lancashire Association of Boys and Girls Clubs and the Greater Manchester Youth Federation (incorporating Boys and Girls Clubs of Greater Manchester, formerly known as Greater Manchester Trust for Recreation).

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

### The Mill



A former 18<sup>th</sup> century water mill, Ormside Mill was opened in 1999 as an **activity and residential centre for young people**. A joint venture between the **Lancashire (LABGC)** and **Greater Manchester Youth Federation (GMYF)**, the centre was established as a **registered charity** to serve the needs of their member clubs and young people, especially those considered to be **disadvantaged**.

**A small charity doing big work with young people**, the mill has been described as a 'little gem' and a 'special homely place'. The 19-bed self-catering centre enjoys an isolated rural location in the beautiful upper Eden Valley of Cumbria.

Ormside Mill is governed by a **volunteer board of directors**. Directly managed by LABGC, the team consists of a part time centre manager, housekeeper, groundsman and a team of self-employed freelance instructors who ensure a **cost effective** operation, which is underpinned by a **personal and friendly service**.

### Achievements and performance in the year: Bookings

Following an extremely difficult year in 2020-2021 due to the Covid pandemic, lockdowns, and ensuing restrictions and confusion, the year started off again in lockdown with just a groundsman to keep the site and buildings in good order.

Once the window of opportunity opened, bookings started to flow in mainly from private groups which provided much needed income for the Mills' operation.



Clubs were still in the process of re-opening their doors, getting their provision back on track, and trying to sustain operation with lower numbers of young people, social distancing and personal hygiene measures, and a reduced workforce due to Covid. Many club volunteers were unable to return to the youth club, due to health issues, fear of infection, living with a vulnerable person, or had found alternative work. This left clubs short staffed and struggling to sustain operation, so the last thing on their mind was a residential weekend. Nevertheless, some youth groups still managed to attend through the summer and autumn.

With the anticipation that we would re-open late spring we continued to pursue the reinstatement of our AALA licence, which expired February 2021 to allow us to deliver Adventurous Activity when groups start to return.

Member Clubs		Other Youth Groups		Schools		Private		TOTALS	
Nights	Activity Days	Nights	Activity Days	Nights	Activity Days	Nights	Activity Days	Nights	Activity Days
22	22	24	22	12	10	65	4	123	58

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

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No sooner had we re-opened in late May we were hit with 6 cancellations in June/July due to Covid, and as with the previous year we had to contend with many more cancellations and postponed dates throughout the year. Fortunately the back end of July and throughout August saw back to back bookings, leading to a quieter September and then back to back bookings again in October with several previously postponed bookings being fulfilled.



### Staff

Following the appointment of a part time activity manager and a small team of committed freelancers, our AALA licence was awarded in May 2021 just in time for re-opening our doors to groups and delivering adventurous activities. This was a short term arrangement to see us through the summer and autumn until the pandemic started to ease and we could get back to some form of normality. Graham, Mal, Marion and Mark supported us through a turbulent summer and autumn with many challenges to overcome. The part time activity manager was supported with 2 of our 3 strong freelance team.

A centre manager *with housekeeping responsibility*, Helen Ingham, was appointed in June 2021 just in time for the busy summer that followed. Helen managed the centre through the summer period, but decided to leave in October to pursue a more substantial role closer to home.

A centre manager *with activity management responsibility*, Innes Macdonald, was appointed in October 2021. Innes joined us with extensive knowledge, experience and skills in the outdoor education industry and started to recruit a new team of freelance staff.

During the quieter period Innes also managed the housekeeping until a replacement was recruited in March 2022.

Following the appointment of Innes as centre manager, Graham, Mal & Marion decided to leave us in Dec 2021 to pursue other work. We are most grateful for their support over this time.

John Bywater continued to keep the buildings and grounds in good order each week and was always on hand to pop down and help groups resolve issues if they arose.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

### Premises and ground

The roof of the Mill was a problem hanging over us and several attempts to secure leaks in the previous year had not provided a solution. Plans were set in motion to strip and replace the problem area. The Mill subsequently closed in February 2021 for 4 weeks to allow the work to be carried out. We were very fortunate to receive a grant from Garfield Weston in April to cover the cost of this.

The classroom roof underwent a few repairs, again to no avail. A survey of the roof has identified it was fitted incorrectly during initial installation 10 yrs ago. This is an ongoing issue and the answer may lie in a full reroofing of that section.

Early on in the year, the chimney was cleaned only to identify problems with the chimney flue and log burner, the chimney was subsequently repaired and a new wood burning stove fitted.

The Fire Alarm required several repairs over the year, therefore to ensure everyone's safety we took the decision to replace the full fire alarm system.

We were fortunate to receive a grant from the Clothworkers Foundation to cover the cost of the fire alarm, log burner and chimney.

The utility floor has been levelled to provide a much smoother surface and bed linen storage has been added to the first bedroom.

It is inevitable that such an old country stone building, built circa 1760 will require ongoing upkeep and repairs and subsequently we will need to continue to generate revenue where we can and raise funds to carry out such repairs.

Ormside Mill trustees are sincerely grateful to the trustees of The Clothworkers Foundation and Garfield Weston without whose generosity we would not have been able to carry out the essential work we have and hope they will continue to support our work.

<b>The Clothworker Foundation</b>	<b>£4,000</b>
<b>Garfield Weston (received April 2022)</b>	<b>£25,000</b>

The lack of funding available to the voluntary sector continues to pose financial and resource challenges, which affects many of our clubs who struggle to find enough funds to book residential visits to Ormside Mill, therefore the increase in income from external groups allows us to continue to operate and develop a comfortable financial position from which to provide further subsidised bookings for member groups and disadvantaged young people.



# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

### What's on offer at the Mill?

The Mill offers 19 beds (1 Double) across 7 bedrooms + 2 pop up beds.

A large lounge, dining area and a well-equipped large catering kitchen enable ample space for large self-catering groups to enjoy a break in the Eden Valley.

A full range of Adventurous Activities is on available to all visiting groups or you can simply self-programme.



With a fleet of 6 Canadian Canoes that can be rafted together if needed, we can cater for a group of 18 canoeing in various locations and conditions across Cumbria. Bespoke expeditions are also available. Canoeing can be a half-day activity on a local river or a full day journey with islands stops and cliff jumping in the lake district.

The sit-on-top kayaks are enjoyed by every group who access this activity. These are much easier than the standard kayak, less likely to capsize, removing the fear of kayaking, and much more fun!

Being able to use the kayaks just 10 minutes from the centre is a great plus. These are also a great offer for day visits for groups.



# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

Ghyll Scrambling proves to be a very popular activity at Ormside Mill. With several venues on offer depending on the age and ability of the group.

We have used Stenkrith Park, Church Beck and Stoney Croft Ghyll throughout the year.

The addition of salopettes help protect wetsuits and prolong their lifespan.



Hiking up mountains is the purest adventure activity we offer. Throughout the year, young people summited Blencathra, Murton Pike, High Cup Nick, Scafell Pike, Helvellyn, Nine Standards Rigg & Wild Boar Fell.

Caving has proven to be the height of adventure and the Yorkshire Dales provides some great opportunities to explore the depths of the earth. No matter what time of year or weather conditions caves usually stay a constant 8% centigrade. Walking through narrow passages, crawling and squeezing through tight spots, wading through cave water or entering vast caverns, every corner provides some awesome sights.



Abseiling is a great activity to fill half a day activity and easily combined with other activities to make a full day.

We offer three locations for abseiling, and have introduced a new venue in Borrowdale Valley, which is a great addition to a canoe trip or mountain hike.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

Climbing is an attractive challenge for young people and Windmore End presents that challenge and is an excellent crag for climbing.

At just 20 minutes from the centre, it is ideally located. In addition, we have a venue in Borrowdale Valley, which we access alongside other activities.



Archery is enjoyed by all groups who visit the centre and can be carried out on the paddock, or in adverse weather can be delivered in the barn.

Investing in an Archery Shelter in the Paddock will enable outdoor Archery in bad weather and a more portable archery set could allow us to take on activities such as canoeing.

The development of our problem solving and team building guide provides a vast range of team games and challenges that can be provided with or without an instructor. The availability of the team games store cupboard allows groups leaders to run their own on-site programme of team building activities.



The tree climbs and "high all aboard" are an excellent offer of onsite activities. Groups who have a short visit are able to challenge themselves on the 4 different routes. This activity enables young people to overcome fears and put their trust in one another.

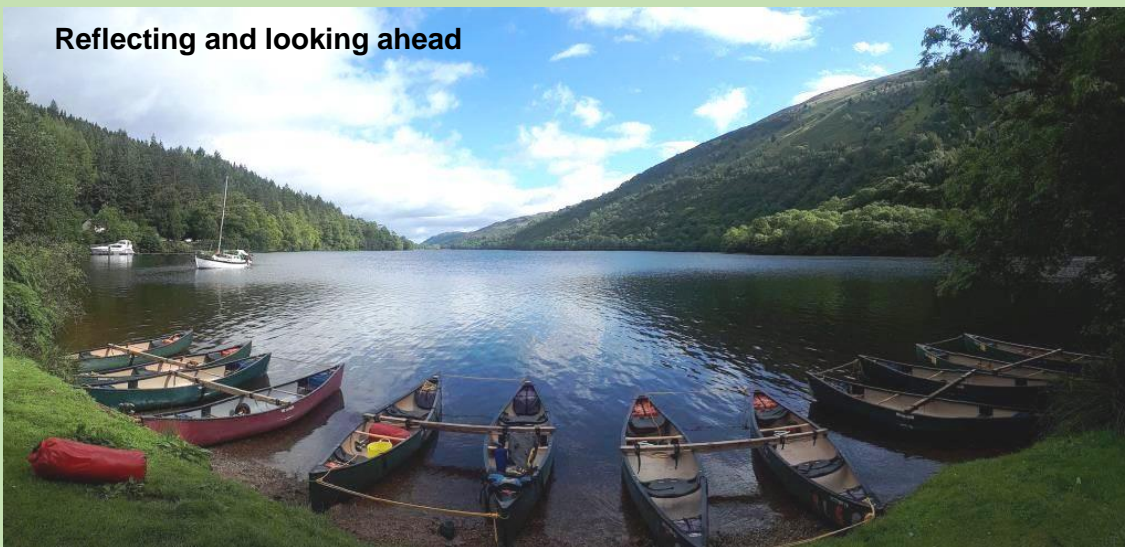
Visits from private groups generate much needed revenue to help provide subsidised visits to our member clubs. And visits from external 'non-affiliated' groups continue to provide revenue to support the sustainability of Ormside Mill. Schools and Colleges, youth clubs, sports clubs and community projects from across the North West, North East and further afield planned to visit in 2020/21, many of which were forced to postpone their visit due to restrictions or covid infection and many of these had to re-arrange a 2<sup>nd</sup> and 3<sup>rd</sup> time before eventually realising their booking.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

### Reflecting and looking ahead



2021-22 was another very challenging year for everyone and Ormside Mill was no exception, with lots of uncertainty.

Fortunately, we have not had any floods since the winter of 2019-20, and at the start of this year the coronavirus pandemic finally looked to be easing. Bookings started to come in and we have seen far less cancellations than previous years. The spring / summer period has proved very busy with a packed bookings diary with many external private groups helping to generate much needed income for the Mill.

Youth Groups are still trying to get back on their feet following the pandemic and it will still take time for them to fully recover.

On-going maintenance and repairs are a given for such an old building;

- The roof in the classroom still needs attention, as does the path around the back of the Mill.
- The barn still needs pointing, as do several areas of the Mill.
- The Kitchen, although highly functional, could do with an overhaul as it is becoming tired and worn.
- Flooding from time to time is inevitable, nevertheless we are continually looking at damage limitation and how we can improve our flood defences, to reduce damage, clean up time and energy and safeguard our equipment and resources.

The continued rising cost of living is going to present many challenges over the autumn and winter months. Not only for ourselves, but for youth groups and of course the wider population. This will of course have an impact on our energy and fuels costs and it will present another reason for groups not to attend Ormside, which would reduce the expected income from bookings.

Kit gets worn out, PPE needs replacing and activity opportunities on site need developing. All this and more requires funding that we don't currently have, so we continue in our efforts to raise funds from private groups when youth groups are not booked in and from external charitable trusts and foundations.

We will continue to seek funding to provide heavily subsidised residentials and activities for disadvantaged young people in our member clubs, especially where those clubs do not have the funds to visit Ormside Mill or the capability of seeking funds for themselves. However, we are mindful that the needs of our clubs lie not just in funding, but also in staff capacity, training and the ever-growing issue of access to transport. To this end, we will retain our ability to be able to offer transport to groups and support staffing costs where we can.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)

YEAR ENDED 31 MARCH 2022

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The importance of providing residential and learning experiences, especially to disadvantaged young people, remains a high priority for the Ormside Mill board of directors and the need to increase revenue will pave a way to allow this.

### Thanks

We are pleased to acknowledge the efforts of the Ormside Mill staff team which has resulted in the continued delivery of a high quality service and programme despite a difficult year.



We remain most grateful for the many individuals and organisations who supported the work of the Mill throughout the year, either through financial support, donations of resources or 'in kind' contributions. A special mention is appropriate for The Clothworkers Foundation and Garfield Weston who have supported us this last year.

### Financial Review

The detailed Financial Statements are set out on pages 15 onwards.

	Year End: 31 March	2022	2021	2020
<i>Aggregate expenditure for the year was</i>		<b>£112,967</b>	£64,663	£101,273
<i>compared with total income of</i>		<b>£83,831</b>	£80,778	£83,332
<i>resulted in a (deficit)/surplus of</i>		<b>(£29,136)</b>	£16,115	(£17,941)
<i>whilst net working capital decreased to</i>		<b>£42,062</b>	£55,470	£19,219

### Reserves Policy

The Trustees have considered the need to establish appropriate reserves to resource the operations of the charity. The charity is reliant on the support of funding bodies and other charities to maintain its activities and services to young people and grants received are typically for a limited period or for a restricted purpose.

In light of the rural and isolated location of the premises, the Trustees recognise that unpredictable circumstances may from time to time arise resulting in possible loss of income and increased costs. Reserves are needed to bridge gaps and shortfalls in funding, to meet the cost of emergency repairs and to sustain operations over periods when activities may be curtailed or restricted.

The free reserves at 31st March 2022 were £42,062 (2021: £55,470) after the deduction of fixed assets and addition of long-term funding on the property. Whilst this is a fall on the previous year, this was due to the timing of expenditure on roof repairs which were made before the year end, but grant funding claimed post year end. The Trustees anticipate that free reserves will increase once more in the year ended 31 March 2023.



# **ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES ANNUAL REPORT (INCLUDING DIRECTORS REPORT AS REQUIRED BY COMPANY LAW)**

**YEAR ENDED 31 MARCH 2022**

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### **Responsibilities of the Trustees**

The Trustees (who are also the directors of Ormside Mill Residential Centre Ltd for the purposes of company law) are responsible for preparing the Trustees Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these Financial Statements the Trustees are required to:


- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK 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 charitable company 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 and which enable them to ensure that the Financial Statements comply with the Companies Act 2006. The Trustees 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.

### **Independent Examiner**

A proposal to reappoint G Howse BSc, FMAAT as independent examiner for the ensuing year will be put before the Annual General Meeting.

Signed on behalf of the Trustees



**S K Gillies**

Chair

30 November 2022

# **ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ORMSIDE MILL RESIDENTIAL CENTRE LIMITED**

**YEAR ENDED 31 MARCH 2022**

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I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022 which are set out on pages 15 to 27.

### **Responsibilities and basis of report**

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your company's 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.

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

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 that in any material respect:

1. accounting records were not kept in respect of the company 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.



**G Howse Bsc FMAAT**  
CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

5 December 2022

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	3	8,775	4,000	12,775	59,219
Charitable activities	4	40,349	-	40,349	6,375
Trading activities	5	27,422	-	27,422	6,359
Other	6	3,285	-	3,285	8,825
<b>Total income</b>		<b>79,831</b>	<b>4,000</b>	<b>83,831</b>	<b>80,778</b>
<b>Expenditure on:</b>					
Raising funds	5	34,835	-	34,835	26,289
Charitable activities	7	74,132	4,000	78,132	38,374
<b>Total expenditure</b>		<b>108,967</b>	<b>4,000</b>	<b>112,967</b>	<b>64,663</b>
<b>Net income/(expenditure)</b>		<b>(29,136)</b>	<b>-</b>	<b>(29,136)</b>	<b>16,115</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(29,136)</b>	<b>-</b>	<b>(29,136)</b>	<b>16,115</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		163,734	-	163,734	147,619
<b>Total funds carried forward</b>	<b>12</b>	<b>134,598</b>	<b>-</b>	<b>134,598</b>	<b>163,734</b>

The Statement of Financial Activities includes all gains and losses in the year.

All of the above relate to continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 17 to 27 form part of these financial statements.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET**

**AS AT 31 MARCH 2022**

	Notes	2022	2021
		£	£
<b>Fixed Assets</b>			
Tangible assets	11	307,536	323,264
		307,536	323,264
<b>Current Assets</b>			
Debtors	12	5,150	2,730
Cash at bank and in hand		89,372	68,060
		94,522	70,790
<b>Current Liabilities:</b> amounts falling due within one year	13	(52,460)	(15,320)
<b>Net Current Assets</b>		42,062	55,470
<b>Total assets less current liabilities</b>		349,598	378,734
<b>Current Liabilities:</b> amounts falling due in greater than one year	14	(215,000)	(215,000)
<b>Total net assets</b>		134,598	163,734
<b>Funds:</b>			
Restricted income funds	15	-	-
Unrestricted income funds	15	134,598	163,734
		134,598	163,734

The financial statements have been prepared in accordance with the provisions for small companies', subject to the small company's regime, and in accordance with FRS102 SORP. For the year ended 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Trustees have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and the trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

These accounts were approved by the Board and authorised for issue on 30 November 2022 and are signed on their behalf by:



**S K Gillies**  
**Chair**

**Company Registration Number: 03685038**

The notes on pages 17 to 27 form part of these financial statements.

# **ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **1. Accounting Policies**

##### **Legal form**

The charity constitutes a limited company, limited by guarantee as defined by the Companies Act 2006, incorporated in England and Wales. The address of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report and charity administrative details pages in these financial statements.

##### **Basis of accounting**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the accounting policies set out in the note to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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).

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the function currency of the charity.

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

##### **Going concern**

Over the last two years there have been measures taken within society to combat the COVID-19 pandemic. Government-imposed restrictions resulted in the Charity being unable to conduct its normal charitable activities and the return to "normal" has been slow. The Trustees have sought to generate income to sustain the Charity through this period of uncertainty and leave it in a solid financial position looking to the future. The Trustees' consider the Charity to have sufficient working capital to see it through the coming months and at the time of approving the financial statements, have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

Donations and grants are included in the statement of financial activities when the Charity is entitled and the amount can be measured with reasonable accuracy. Income from charitable activities and income from trading activities is recognised upon the relevant charitable service being provided and therefore the charity becomes entitled to such funds. Income received relating to future bookings is deferred until that date.

Where grant funding is received for the purchase of capital equipment, the income is recognised when the purchase of those items occurs, in accordance with the terms of the grants.

Government grant income received relates to support received during the COVID-19 pandemic including income under the Coronavirus Job Retention Scheme and support from local councils through short term grant funding. Income is recognised on receipt or entitlement.

# ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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### 1. Accounting Policies (continued)

#### Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs are incurred to directly support the objectives of the charity and are allocated to charitable activities expenditure and raising funds expenditure according to the estimated spread of such costs in any period.

#### Fixed assets

All fixed assets are recorded initially at cost. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Freehold land	-	not depreciated
Freehold property and improvements	-	2% straight line
Equipment, fixtures and fittings	-	15-25% straight line
Motor vehicles	-	25% straight line

#### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans repayable in more than one year are disclosed as such on the basis that such loans were provided for the purpose of acquiring freehold property which is non-current. There is no planned repayment of such loan balances.

#### Cash and cash equivalents

Cash held by the charity comprises of cash held on call at banks and cash in hand.

#### Accumulated funds

Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general activities of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument. Financial assets and liabilities are offset when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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**1. Accounting Policies (continued)**

*Basic financial assets*

Basic financial assets are initially measured at transaction price including transaction costs, and are subsequently carried at amortised cost using the effective interest rate method. Financial assets classified as receivable within one year are not amortised. Financial assets are derecognised when contractual rights are settled.

*Impairment of financial assets*

Financial assets are assessed for impairment at each reporting date. Financial assets are impaired where there is evidence that the estimated future cash flows have been affected. If impaired, the impairment loss is recognised in the statement of comprehensive income.

*Financial liabilities*

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**2. Judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

In the opinion of the Trustees there have been no significant judgements made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material misstatement of the carrying amount of assets and liabilities within the next financial year.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**3 Income from donations and legacies**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
<b>Donations received</b>				
Garfield Weston	-	-	-	15,000
Russell Haldane	-	-	-	10,000
Bain Charitable Trust	-	-	-	5,000
Sport England	-	-	-	7,616
Eden Council Covid Support	8,775	-	<b>8,775</b>	20,636
CJRS Support	-	-	-	967
The Clothworkers	-	4,000	<b>4,000</b>	-
	<u>8,775</u>	<u>4,000</u>	<u><b>12,775</b></u>	<u>59,219</u>

Income from donations and legacies included £22,616 from restricted funds and £36,603 from unrestricted funds in the prior period.

**4 Income from charitable activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
Accommodation charges	29,220	-	<b>29,220</b>	6,375
Activity fees and other charges	11,129	-	<b>11,129</b>	-
	<u>40,349</u>	<u>-</u>	<u><b>40,349</b></u>	<u>6,375</u>

Income from charitable activities was entirely unrestricted in the comparative period. The income derives wholly from the operation of Ormside Mill as a centre for providing young people with the opportunity to benefit from learning experiences.

**5 Income from trading activities and associated costs of raising funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
Income from trading activities	27,422	-	<b>27,422</b>	6,359
<b>Total income from trading activities</b>	<u>27,422</u>	<u>-</u>	<u><b>27,422</b></u>	<u>6,359</u>

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**5 Income from trading activities and associated costs of raising funds (continued)**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
<b>Expenditure on trading activities (Note 8)</b>				
Staff costs	3,017	-	<b>3,017</b>	791
Freelance staff costs	1,003	-	<b>1,003</b>	-
Activity and servicing costs	8,429	-	<b>8,429</b>	820
Premises costs	8,822	-	<b>8,822</b>	11,279
Administration costs	5,406	-	<b>5,406</b>	4,044
Travel and motor costs	2,810	-	<b>2,810</b>	2,509
Depreciation	5,348	-	<b>5,348</b>	6,846
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure on trading activities</b>	<b>34,835</b>	<b>-</b>	<b>34,835</b>	<b>26,289</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (loss)/profit</b>	<b>(7,413)</b>	<b>-</b>	<b>(7,413)</b>	<b>(19,930)</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All income from trading activity was unrestricted in the prior period.

Of the total expenditure on trading activities, £15,981 was from restricted funds and £10,308 was from unrestricted funds in the prior period.

**6 Other income**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
Other income	3,285	-	<b>3,285</b>	75
Insurance claim receipts	-	-	-	8,750
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>3,285</b>	<b>-</b>	<b>3,285</b>	<b>8,825</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All other income in the prior period was unrestricted.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**7 Expenditure on charitable activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
<b><i>Operation of a residential centre:</i></b>				
Staff costs	5,857	-	<b>5,857</b>	1,536
Freelance staff costs	1,948	-	<b>1,948</b>	-
Activity and servicing costs	8,429	-	<b>8,429</b>	820
Premises costs	33,337	4,000	<b>37,337</b>	11,279
Administration costs	10,494	-	<b>10,494</b>	7,851
Travel and motor costs	2,810	-	<b>2,810</b>	2,509
Depreciation	10,380	-	<b>10,380</b>	13,290
Other governance costs	877	-	<b>877</b>	1,089
<b>Note 8</b>	<b>74,132</b>	<b>4,000</b>	<b>78,132</b>	<b>38,374</b>

Of the total expenditure on charitable activities £6,635 was against restricted funds, while £31,739 was against unrestricted funds.

**8 Allocation of expenditure including support costs**

	<b>Raising Funds £</b>	<b>Charitable Activities £</b>	<b>2022 Total £</b>	<b>2021 Total £</b>
Staff costs	3,017	5,857	<b>8,874</b>	2,327
Freelance staff costs	1,003	1,948	<b>2,951</b>	-
Activity and servicing costs	8,429	8,429	<b>16,858</b>	1,640
Premises costs	8,822	37,337	<b>46,159</b>	22,558
Administration costs	5,406	10,494	<b>15,900</b>	11,895
Travel and motor costs	2,810	2,810	<b>5,620</b>	5,018
Depreciation	5,348	10,380	<b>15,728</b>	20,136
Other governance costs	-	877	<b>877</b>	1,089
	<b>34,835</b>	<b>78,132</b>	<b>112,967</b>	<b>64,663</b>

Support costs are allocated at the Trustees best estimate of where costs are incurred by the Charity.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**9 Net income/(expenditure)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is after charging:		
Independent examiner's remuneration	<b>877</b>	1,176

**10 Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>8,295</b>	2,327
Social security	<b>311</b>	-
Pension	<b>268</b>	-
	<b>8,874</b>	2,327

No employee earned £60,000 or more in the current or prior period. Key management personnel are considered to be the Trustees of the charity. No remuneration was paid to any Trustees in the current or prior period.

The average number of employees during the year was 1 (2021: 1).

**11 Tangible fixed assets**

	<b>Freehold Land &amp; Buildings £</b>	<b>Freehold Property Impr'ments £</b>	<b>Equipment Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2021	152,273	308,593	68,111	22,794	<b>551,771</b>
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2022	152,273	308,593	68,111	22,794	<b>551,771</b>
<b>Depreciation</b>					
At 1 April 2021	33,988	116,614	58,611	19,294	<b>228,507</b>
Charge for the year	1,544	6,168	5,016	3,000	<b>15,728</b>
Eliminated on disposals	-	-	-	-	-
At 31 March 2022	35,532	122,782	63,627	22,294	<b>244,235</b>
<b>Net book value</b>					
At 31 March 2022	<b>116,741</b>	<b>185,811</b>	<b>4,484</b>	<b>500</b>	<b>307,536</b>
At 31 March 2021	118,285	191,979	9,500	3,500	323,264

Included within freehold land and buildings is £75,000 (2021: £75,000) of non-depreciable land

All assets are used for direct charitable purposes.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**12 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Debtors	<b>2,995</b>	200
Prepayments	<b>2,155</b>	2,530
	<b>5,150</b>	2,730

**13 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income	<b>34,101</b>	12,140
Trade creditors	<b>16,464</b>	2,060
Accruals	<b>1,895</b>	1,120
	<b>52,460</b>	15,320

**14 Creditors: amounts falling due in greater than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Loan - Lancashire Association of Boys & Girls Clubs (LABGC)	<b>107,500</b>	107,500
Loan - Greater Manchester Youth Federation (GMYF)	<b>107,500</b>	107,500
	<b>215,000</b>	215,000

The Trustees have determined that the above balances should be presented as due in more than one year on the basis that these funds were provided for the purchase of freehold property included within fixed assets. There is no planned repayment of such loan balances.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**15 Analysis of charitable funds: Current year**

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
<b>Restricted funds:</b>					
The Clothworkers	-	4,000	(4,000)	-	-
<b>Unrestricted funds:</b>					
General funds	163,734	79,831	(108,967)	-	<b>134,598</b>
	<u>163,734</u>	<u>83,831</u>	<u>(112,967)</u>	<u>-</u>	<u><b>134,598</b></u>

The Clothworkers restricted fund was received to support various building and repair work around the Mill and has been fully spent in the year.

**16 Analysis of charitable funds: Prior year**

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
<b>Restricted funds:</b>					
Russell Haldane	-	10,000	(10,000)	-	-
Sport England	-	7,616	(7,616)	-	-
Bain Charitable Trust	-	5,000	(5,000)	-	-
<b>Unrestricted funds:</b>					
General funds	147,619	58,162	(42,047)	-	<b>163,734</b>
	<u>147,619</u>	<u>80,778</u>	<u>(64,663)</u>	<u>-</u>	<u><b>163,734</b></u>

All three restricted funds were received to support various building and repair work around the Mill and have been fully spent in the year.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**17 Analysis of net assets by funds: Current year**

	Unrestricted Funds £	Restricted Funds £	Total £
<b>Fund balances at 31 March 2022:</b>			
Fixed assets	307,536	-	<b>307,536</b>
Current assets	94,522	-	<b>94,522</b>
Current liabilities	(52,460)	-	<b>(52,460)</b>
Long term liabilities	(215,000)	-	<b>(215,000)</b>
	<u>134,598</u>	<u>-</u>	<u><b>134,598</b></u>

**18 Analysis of net assets by funds: Prior year**

	Unrestricted Funds £	Restricted Funds £	Total £
<b>Fund balances at 31 March 2021:</b>			
Fixed assets	323,264	-	<b>323,264</b>
Current assets	70,790	-	<b>70,790</b>
Current liabilities	(15,320)	-	<b>(15,320)</b>
Long term liabilities	(215,000)	-	<b>(215,000)</b>
	<u>163,734</u>	<u>-</u>	<u><b>163,734</b></u>

**19 Related Party Transactions**

The charity has purchased Charity Trustees Indemnity Insurance at a cost of £400 (2021: £400).

One Trustee was reimbursed a total of £2,892 (2021: £3,878) for travel expenses and other costs incurred on behalf of the charity. A balance of £202 (2021: £963) is owing to the Trustee at the year end.

The charity is under the control of trustees of both Lancashire Association of Boys and Girls Clubs (LABGC) and Greater Manchester Youth Federation (GMYF). The charity paid management fees of £12,500 (2021: £11,000) to LABGC during the period, and made other purchases of £3,668 (2021: £nil). Total income received from LABGC was £1,096 (2021: £200) and income received from GMYF was £945 (2021: £nil).

At the balance sheet date, a long-term loan of £107,500 (2021: £107,500) was due to LABGC and a further £107,500 (2021: £107,500) was due to GMYF. Hammarbank Trust also holds a charge over the Ormside property as security for a loan of £50,000 made to LABGC to facilitate the loan to Ormside Mill to purchase the property.

The charity has no other disclosable related party transactions in the current or prior period.

**ORMSIDE MILL RESIDENTIAL CENTRE LIMITED (COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**20 Controlling party**

The company is controlled by its members in general meetings in accordance with the Memorandum and Articles of Association. No member is entitled to more than one vote.

**21 Company limited by guarantee**

Every member guarantees, in the event of the charitable company being wound up, while he, she or it remains a member, or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.