

Charity registration number 1079008 (England and Wales)

Company registration number 03416760

THE APSLEY PAPER TRAIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



THE APSLEY PAPER TRAIL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S N P Ody H B Clarke J D Watson - Chair Mrs H Robinson Dr S Mann J Colton P Burford B Kennedy
Charity number (England and Wales)	1079008
Company number	03416760
Registered office	Apsley Mills Cottage London Road Hemel Hempstead Hertfordshire England HP3 9RL
Auditor	Xeinadin Audit Limited 26 High Street Rickmansworth Hertfordshire WD3 1ER

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THE APSLEY PAPER TRAIL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Apsley Paper Trail (APT) exists to educate the public in the art and science of paper based communication including its history, present and future, and to conserve and maintain buildings, equipment and documents connected with paper production and usage in the United Kingdom, particularly in the valley of the River Gade, referred to by APT as 'Paper Valley.' The operating charity name for Apsley Paper Trail is Frogmore Paper Mill where we welcome visits and exhibit the archives.

Public benefit

APT has undisputed significance nationally and indeed world-wide, however, there continues to be a notable value to the following communities: Gade Valley residents and schools, The British paper industry and allied trades, paper based craft practitioners, descendants of former Gade Valley paper mill workers - Social and industrial historians.

Apsley Paper Trail's charitable activities provide the following benefits:

- We are custodians of a heritage site of world significance, preserving and conserving paper industry history by keeping the world's oldest mechanised paper mill operating, and giving the public access to industrial processes and historical exhibitions. We inform and entertain visitors with the story of paper.
- We maintain and catalogue the archive for John Dickinson Stationary Ltd, formerly the major employer in the area; the British Paper Company; and other local paper and print related collections,
- We house The Paper Trail Heritage Fire Brigade, conserving historic paper-mill fire appliances and equipment.

We provide rehearsal and storage space for the Hemel Hempstead Band (formerly the John Dickinson factory band).

Achievements and performance

Significant activities and achievements against objectives

Following the loss of its visitor centre due to an arson attack in January 2022, APT secured approval and funding for first stage works to repurpose a previously underused part of the mill to become the new visitor centre. This strategic decision will mean the new visitor entrance will be visible to passing traffic and footfall to raise awareness and interest in the mill, and access will be improved with the new entrance facing the public car park.

Whilst works continue and we are still closed for public access including paper mill tours, the team have remained focused on community outreach and hosting events on our grounds surrounding the mill.

In 2024, our small but mighty team are proud to have engaged with over 6,500 children and adults through the delivery of:

- 19 outreach workshops, talks and events in surrounding Hertfordshire schools, with local youth groups, and crafting and heritage enthusiasts,
- 44 events at our Frogmore Paper Mill 'outdoor classroom', including:
 - story boats along the River Gade,
 - food festivals,
 - 'Wild Frogmore' - an opportunity for us to proudly showcase and celebrate our unique placement on an island full of wildlife.

APT's own Heritage Fire Brigade also attended two rallies promoting the APT charity by exhibiting its 5 classic fire engines and appliances.

Our modern paper machines, affectionately named PM4 and PM5, benefitted from a full order book, producing novelty papers for clients both home and abroad and including the ethically renowned company, Lush.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

A key objective for APT is to achieve museum status, and we have made great strides in working towards achieving the Arts Council Museum accreditation which will continue in 2025.

Fundraising practices

The primary income stream for APT continued to be rent from its two historic investment properties on the Apsley Mill site which accommodate 21 businesses employing 93 staff and achieved 100% occupancy throughout 2024.

The proceeds of our paper making remained the second largest income stream for the charity, although there is risk to a reduction in this income next year as our long-term artisan paper expert is retiring from APT. The board are reviewing the papermaking potential to safeguard this income stream.

Grants, donations and fundraising activities have been a fundamental support income for APT with £67,599 received across the year, and ad hoc income has been achieved through independent rental by film companies to Industrial areas within the Mill.

APT plans to invest in strategic fundraising support in 2025 to generate the necessary funds to enable the extensive restoration works.

Volunteering

We are so very proud of our exceptional volunteer programme which currently engages more than 60 volunteers from all walks of life.

Volunteers play a key role in the delivery of the Charity's objectives. Volunteers are interviewed, then we match their skills and knowledge to available opportunities. Volunteers donate their time and skills in a wide range of tasks including: maintaining and crewing the APT story boat, maintaining & demonstrating the heritage fire equipment, the creation of unique archive and artefact collections, tour-guiding, demonstrating hand-made paper making, delivering keynotes, painting & decorating, gardening, and office & administration work, maintenance of the estate grounds and practical restoration works at the mill. Volunteers are managed and supported by an employed volunteer coordinator.

The Charity is indebted to all who have worked so hard throughout the year, thank you all.

Financial review

As with most UK charities in the current climate, APT remains mindful of reducing its overheads to support financial resilience, whilst maintaining our commitment to delivering charitable objectives. Our greatest annual budgeted expense is rent to Dacorum Borough Council (DBC). APT aims in the longer term to secure ownership of Frogmore Paper Mill, and in the short term, we continue negotiating the possibility to considerably reduce the rental charge. APT has also been seeking professional guidance on schemes, providers and approaches to our planned works on the mill which can reduce our energy bills and carbon footprint.

We note that the audit report has been qualified in respect of the valuations of the properties included within freehold property and investment property. While we are aware of the requirement to revalue the properties with sufficient regularity to ensure they are not misstated, at this time we do not consider it to be a suitable use of the charities funds to do so.

Financial summary

In 2024 the charity carefully managed its resources in order to continue to support its objectives and maintain financial viability. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities they should undertake. Our principal revenue streams were as follows:

- Donations and legacies £26,313 (2023: £33,496)
- Investment income £437,619 (2023: £427,634)
- Charitable activities £314,499 (2023: £245,581)
- Depreciation and amortisation totalled £27,863 (2023: £27,366)

We finished the period with a cash balance of £481,358 (2023: £1,046,558). Unrestricted funds at the year end totalled £3,152,985, while restricted funds totalled £250,531.

We maintained our reserves policy of £50,000 liquid funds.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Reserves policy

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

The key objective for 2025 is to complete works to safely open a temporary visitor centre to include museum exhibits, regular crafting workshops, visitor amenities, a café and shop. We also endeavour to offer hard hat tours on a guided visitor route through Frogmore Paper Mill to satisfy the intrigue of the mill's restoration journey.

We will also focus attention on:

- Growing and diversifying our impact, audiences and engagement numbers,
- Cultivating funder relationships and apply for aligned grants to enable the next phases of restoration works on the mill,
- Strategically growing our network of our local community philanthropists and business supporters,
- Further developing our relationships across the paper manufacturing industry,
- Identifying new target audiences and increasing sales of our artisan paper offering,
- Pursuing ownership of Frogmore Paper Mill site from Dacorum Borough Council,
- Further develop our archives for exhibit as we re-open the mill.

Structure, governance and management

The Apsley Paper Trail is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association dated 8th August 1997 amended by Special Resolution dated 14th January 2000. The Charity operates across two sites in Apsley, Hertfordshire; Frogmore Paper Mill and Apsley Mills Cottage (offices rentals).

It is not possible to overstate the effort and support given to the Charity by its staff, trustees and volunteers. The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S N P Ody
H B Clarke
J D Watson - Chair
Mrs H Robinson
Dr S Mann
J Colton
P Burford
B Kennedy

Recruitment and appointment of trustees

Trustees are appointed by the Board with new Trustees recruited based on professional skills and how these compliment other board members. Trustees are volunteers and receive no benefits from the Charity.

Elena Lewendon stepped down as Chief Executive at the end of 2024. The Trustees remain responsible for strategic direction of the Charity with the Chair and co-Chair offering day to day support to the team. Operational decisions are delegated to senior staff. The board of Trustees meet at least quarterly.

Statement of trustees' responsibilities

The trustees, who are also the directors of The Apsley Paper Trail for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



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J D Watson - Chair
Trustee

Date:

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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE APSLEY PAPER TRAIL

Qualified opinion

We have audited the financial statements of The Apsley Paper Trail (the 'trust') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

We were unable to obtain sufficient evidence in the prior year audit to satisfy ourselves concerning the properties valuation at 31 December 2022 which is included in the opening balances of the comparative results. Consequently we were unable to determine whether any adjustment to these results were necessary.

The properties were revalued in 2023 and the value of the properties is appropriately stated at 31 December 2023 and 31 December 2024.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE APSLEY PAPER TRAIL

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to the properties valuation described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether sufficient accounting records had been kept.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the trust for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE APSLEY PAPER TRAIL

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statement include UK financial reporting standards, Charities Regulations, Company Law and Tax.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have material effect on the financial statements include anti-bribery, health and safety legislation and regulations affecting public relations companies.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of:

- Inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations.
- Enquiries with the same concerning any actual or potential litigation or claims.
- Inspection of relevant legal correspondence and review of board minutes.
- Testing the appropriateness of journal entries.
- Performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud, with particular focus on areas affecting the recognition of revenue.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kieron Pearce FCCA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited, Statutory Auditor

Chartered Accountants

26 High Street

Rickmansworth

Hertfordshire

WD3 1ER

Date: 15/8/25

Xeinadin Audit Limited is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	2	26,313	-	26,313	33,496	-	33,496
Charitable activities	3	314,499	-	314,499	245,581	-	245,581
Investments	4	437,619	-	437,619	427,634	-	427,634
Total income		778,431	-	778,431	706,711	-	706,711
Expenditure on:							
Raising funds	5	270,740	2,198	272,938	281,877	2,198	284,075
Charitable activities	6	628,997	6,594	635,591	704,619	6,595	711,214
Total expenditure		899,737	8,792	908,529	986,496	8,793	995,289
Net gains/(losses) on investments	11	-	-	-	(50,000)	-	(50,000)
Net expenditure and movement in funds		(121,306)	(8,792)	(130,098)	(329,785)	(8,793)	(338,578)
Reconciliation of funds:							
Fund balances at 1 January 2024		3,268,653	259,323	3,527,976	3,598,438	268,116	3,866,554
Fund balances at 31 December 2024		3,147,347	250,531	3,397,878	3,268,653	259,323	3,527,976

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	13		1,815		2,420
Tangible assets	14		1,181,703		736,631
Heritage assets	15		532,044		532,044
Investment property	16		2,700,000		2,700,000
			<u>4,415,562</u>		<u>3,971,095</u>
Current assets					
Stocks	17	47,229		27,431	
Debtors	18	154,922		175,626	
Cash at bank and in hand		481,358		1,046,558	
			<u>683,509</u>		<u>1,249,615</u>
Creditors: amounts falling due within one year	20		<u>(398,432)</u>		<u>(338,701)</u>
Net current assets			<u>285,077</u>		<u>910,914</u>
Total assets less current liabilities			4,700,639		4,882,009
Creditors: amounts falling due after more than one year	21		<u>(1,302,761)</u>		<u>(1,354,033)</u>
Net assets			<u>3,397,878</u>		<u>3,527,976</u>
The funds of the trust					
Restricted income funds	25		250,531		259,323
Unrestricted funds	26		3,147,347		3,268,653
			<u>3,397,878</u>		<u>3,527,976</u>

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BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2024

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the trustees on



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J D Watson - Chair
Trustee

Company registration number 03416760 (England and Wales)

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	31		(487,204)		589,397
Investing activities					
Purchase of tangible fixed assets		(472,330)		(385,145)	
Investment income received		437,619		427,634	
Net cash (used in)/generated from investing activities			(34,711)		42,489
Financing activities					
Repayment of bank loans		(43,290)		(39,792)	
Net cash generated from financing activities			(43,290)		(39,792)
Net (decrease)/increase in cash and cash equivalents			(565,205)		592,094
Cash and cash equivalents at beginning of year			1,046,558		454,464
Cash and cash equivalents at end of year			481,353		1,046,558
Relating to:					
Cash at bank and in hand			481,358		1,046,558
Bank overdrafts included in creditors payable within one year			(5)		-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Apsley Paper Trail is a private company limited by guarantee incorporated in England and Wales. The registered office is Apsley Mills Cottage, London Road, Hemel Hempstead, Hertfordshire, HP3 9RL, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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 trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Paper trading income is measured at fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes for the paper that is sold. The income is recognised at the date the paper is transferred to the customer.

Grant income is recognised on the accruals basis.

Other income is recognised on the accruals basis once the amount can be measured reliably.

Rental income is recognised on the accruals basis based on which period the rent relates to.

Interest income is recognised on the accruals basis.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

For all other costs, these are apportioned based on the number of hours attributable to each area. These costs are split as follows:

Percentage of costs allocated (%)		
Activity	2024	2023
Investment management	25	25
Visitor centre	40	40
Grants	0	0
Paper trading	25	25
Education and training	10	10

There has been no change in cost allocation.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	10% on cost
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	2% on cost
Plant and equipment	10% on cost
Fixtures and fittings	20% on cost
Computers	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.9 Heritage assets

Heritage assets are recognised and held at historic cost.

1.10 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.13 Financial instruments

The trust 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 trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	26,313	33,496

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Income from donations and legacies (Continued)

3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Visitor centre admissions etc		
Income	10,459	13,359
Paper making		
Income	299,887	205,197
Grants		
Income	4,153	27,025
	<u>314,499</u>	<u>245,581</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	409,958	389,112
Interest receivable	27,661	38,522
	<u>437,619</u>	<u>427,634</u>

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fundraising and publicity						
Other fundraising costs	126,083	-	126,083	131,932	-	131,932
Staff costs	79,430	-	79,430	74,766	-	74,766
Depreciation and impairment	4,768	2,198	6,966	4,644	2,198	6,842
	<u>210,281</u>	<u>2,198</u>	<u>212,479</u>	<u>211,342</u>	<u>2,198</u>	<u>213,540</u>
Trading costs						
Operating charity shops	11,145	-	11,145	37,327	-	37,327
Other trading activities	19,220	-	19,220	22,077	-	22,077
Support costs	18,441	-	18,441	-	-	-
	<u>48,806</u>	<u>-</u>	<u>48,806</u>	<u>59,404</u>	<u>-</u>	<u>59,404</u>
Investment management	11,653	-	11,653	11,131	-	11,131
Total costs	<u>270,740</u>	<u>2,198</u>	<u>272,938</u>	<u>281,877</u>	<u>2,198</u>	<u>284,075</u>

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Expenditure on charitable activities

	Finance	Visitor Education & centre	training	Other	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	-	127,087	31,772	79,430	238,289
Depreciation and impairment	-	11,145	2,786	6,966	20,897
Rent, rates and water	-	23,785	5,946	14,866	44,597
Insurance	-	30,751	7,688	19,220	57,659
Light and heat	-	20,427	5,107	12,767	38,301
Telephone	-	1,160	290	725	2,175
Postage and stationery	-	904	226	565	1,695
Sundries	-	5,160	4,458	3,225	12,843
Repairs and maintenance	-	17,832	67	11,145	29,044
Advertisement	-	270	1,290	169	1,729
Other direct costs	-	14,361	163	21,503	36,027
	-	252,882	59,793	170,581	483,256
Share of support and governance costs (see note 7)					
Support	97,013	29,505	7,376	18,441	152,335
	97,013	282,387	67,169	189,022	635,591
Analysis by fund					
Unrestricted funds	97,013	278,870	66,290	186,824	628,997
Restricted funds	-	3,517	879	2,198	6,594
	97,013	282,387	67,169	189,022	635,591

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Expenditure on charitable activities

(Continued)

Previous year:	Finance	Visitor Education & centre	training	Other	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
Direct costs					
Staff costs	-	119,626	29,907	74,766	224,299
Depreciation and impairment	-	10,947	2,738	6,842	20,527
Rent, rates and water	-	19,147	4,787	11,967	35,901
Insurance	-	35,324	8,831	22,077	66,232
Light and heat	-	19,963	4,991	12,477	37,431
Telephone	-	989	247	618	1,854
Postage and stationery	-	935	234	584	1,753
Sundries	-	4,306	14,931	2,686	21,923
Repairs and maintenance	-	59,723	39	37,328	97,090
Advertisement	-	154	1,074	97	1,325
Other direct costs	-	13,013	251	31,680	44,944
	-	284,127	68,030	201,122	553,279
Share of support and governance costs (see note 7)					
Support	92,810	21,708	21,708	21,709	157,935
	92,810	305,835	89,738	222,831	711,214
Analysis by fund					
Unrestricted funds	92,810	302,318	88,858	220,633	704,619
Restricted funds	-	3,517	880	2,198	6,595
	92,810	305,835	89,738	222,831	711,214

7 Support costs allocated to activities

	Total 2024 £	Total 2023 £
Governance	170,776	157,935

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

7 Support costs allocated to activities

(Continued)

	2024 £	2023 £
Governance costs comprise:		
Audit fees	4,950	4,575
Accountancy	2,620	3,044
Legal and professional	36,364	7,781
Consultancy fees	29,829	49,725
Bank charges and interest	97,013	92,810
	<u>170,776</u>	<u>157,935</u>

8 Net movement in funds

2024
£

2023
£

The net movement in funds is stated after charging/(crediting):

Fees payable to the charity's auditor:

- for the audit of the charity's financial statements	4,950	4,575
- for other financial services	2,620	3,044
Depreciation of owned tangible fixed assets	27,258	26,761
Amortisation of intangible assets	605	605
	<u>605</u>	<u>605</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

Trustees' expenses

Trustees' expenses paid for the year ended 31 December 2024 totalled £882 (2023: £3,017).

Expense claims are made only in relation to reimbursement of specific items paid on behalf of the charity.

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Management	2	2
Finance	1	1
Support staff	7	7
	<u>10</u>	<u>10</u>
Total	<u>10</u>	<u>10</u>

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

10 Employees

(Continued)

Employment costs	2024 £	2023 £
Wages and salaries	291,480	274,185
Social security costs	18,960	17,428
Other pension costs	7,279	7,452
	<u>317,719</u>	<u>299,065</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>159,240</u>	<u>150,418</u>

11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	<u>-</u>	<u>(50,000)</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

13 Intangible fixed assets

	Patents & licences £
Cost	
At 1 January 2024 and 31 December 2024	6,050
Amortisation and impairment	
At 1 January 2024	3,630
Amortisation charged for the year	605
At 31 December 2024	4,235
Carrying amount	
At 31 December 2024	1,815
At 31 December 2023	2,420

14 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 January 2024	761,545	252,964	200	5,565	1,020,274
Additions	472,330	-	-	-	472,330
At 31 December 2024	1,233,875	252,964	200	5,565	1,492,604
Depreciation and impairment					
At 1 January 2024	126,848	151,070	160	5,565	283,643
Depreciation charged in the year	8,793	18,465	-	-	27,258
At 31 December 2024	135,641	169,535	160	5,565	310,901
Carrying amount					
At 31 December 2024	1,098,234	83,429	40	-	1,181,703
At 31 December 2023	634,697	101,894	40	-	736,631

15 Heritage assets

	£
At 1 January 2024 and at 31 December 2024	532,044

The charity maintains a listing of the heritage assets held, further details of the heritage assets can be found in the public benefit section of the Report of the Trustees.

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

16 Investment property

2024
£

Fair value

At 1 January 2024 and 31 December 2024

2,700,000

Investment property comprises the freehold properties known as JDEC Centre and Apsley Mills Cottage, which are let entirely for rental income.

The fair value of the investment property has been arrived at on the basis of a valuation carried out by an independent third party, who are not connected with the trust. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The Trustees believe the value at 31st December 2024 was the same and therefore the investment property has been valued at £2,700,000.

The historic cost of the JDEC Centre comprises a gift of the freehold to the Charity on 14 September 2000 plus £375,504 of subsequent capital expenditure on the buildings.

17 Stocks

2024
£

2023
£

Finished goods and goods for resale

47,229

27,431

18 Debtors

2024
£

2023
£

Amounts falling due within one year:

Trade debtors

43,381

30,333

Other debtors

1,844

75,748

Prepayments and accrued income

109,697

69,545

154,922

175,626

19 Loans and overdrafts

2024
£

2023
£

Bank overdrafts

5

-

Bank loans

1,354,733

1,398,023

1,354,738

1,398,023

Payable within one year

51,977

43,990

Payable after one year

1,302,761

1,354,033

Security is held by a secured charge over the properties held by the charity.

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

19 Loans and overdrafts

(Continued)

The average interest rate on loans due for repayment in over 5 years is 6.95%. The loans are due for repayment in 2030. Two of the loans are payable by instalments with one being due in full at the redemption date.

20 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	19	51,977	43,990
Other taxation and social security		5,534	5,735
Deferred income	22	50,078	50,078
Trade creditors		213,791	140,913
Other creditors		44,820	39,564
Accruals		32,232	58,421
		<u>398,432</u>	<u>338,701</u>

21 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	19	<u>1,302,761</u>	<u>1,354,033</u>

22 Deferred income

	2024 £	2023 £
Other deferred income	<u>50,078</u>	<u>50,078</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>50,078</u>	<u>50,078</u>

There were no movements in the year.

23 Contingent liabilities

A grant contract dated 3 April 2007 for a term of 25 years from the Trustees of the National Heritage Memorial Fund, has been secured by a legal charge dated 16 October 2007 on the Frogmore Paper Mill lease.

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

24 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	7,279	7,452

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

25 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Resources expended	At 31 December 2024
	£	£	£
General restricted fund	259,323	(8,792)	250,531
Previous year:	At 1 January 2023	Resources expended	At 31 December 2023
	£	£	£
General restricted fund	268,116	(8,793)	259,323

26 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
General funds	3,268,653	778,431	(899,737)	-	3,147,347
Previous year:	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	3,598,438	706,711	(986,496)	(50,000)	3,268,653

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

27 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Intangible fixed assets	1,815	-	1,815
Tangible assets	931,172	250,531	1,181,703
Heritage assets	532,044	-	532,044
Investment properties	2,700,000	-	2,700,000
Current assets/(liabilities)	285,077	-	285,077
Long term liabilities	(1,302,761)	-	(1,302,761)
	<u>3,147,347</u>	<u>250,531</u>	<u>3,397,878</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Intangible fixed assets	2,420	-	2,420
Tangible assets	477,308	259,323	736,631
Heritage assets	532,044	-	532,044
Investment properties	2,700,000	-	2,700,000
Current assets/(liabilities)	910,914	-	910,914
Long term liabilities	(1,354,033)	-	(1,354,033)
	<u>3,268,653</u>	<u>259,323</u>	<u>3,527,976</u>

28 Operating lease commitments

Lessee

The Apsley Paper Trail has just over 130 years left on its leasehold (Frogmore Paper Mill), which has an annual rental of £55,618 and reviewable every 5 years with the next review due in 2027.

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	55,618	55,618
Between two and five years	166,854	166,854
	<u>222,472</u>	<u>222,472</u>

29 Related party transactions

THE APSLEY PAPER TRAIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

29 Related party transactions

(Continued)

The only related party transactions during the year were donations from the trustees to the charity and the salary paid to the key management personnel.

30 Ultimate controlling party

The trustees believe there is no ultimate controlling party.

31 Cash (absorbed by)/generated from operations	2024 £	2023 £
Deficit for the year	(130,098)	(338,578)
Adjustments for:		
Investment income recognised in statement of financial activities	(437,619)	(427,634)
Fair value gains and losses on investments	-	50,000
Depreciation and impairment of tangible fixed assets	27,863	27,369
Movements in working capital:		
(Increase) in stocks	(19,798)	(848)
Decrease in debtors	20,704	1,286,154
Increase/(decrease) in creditors	51,744	(7,066)
Cash (absorbed by)/generated from operations	(487,204)	589,397

32 Analysis of changes in net (debt)/funds

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	1,046,558	(565,200)	481,358
Bank overdrafts	-	(5)	(5)
	<u>1,046,558</u>	<u>(565,205)</u>	<u>481,353</u>
Loans falling due within one year	(43,990)	(7,982)	(51,972)
Loans falling due after more than one year	(1,354,033)	51,272	(1,302,761)
	<u>(351,465)</u>	<u>(521,915)</u>	<u>(873,380)</u>