

ESKDALE MILL & HERITAGE TRUST

England & Wales · Charity number 1113837

Details

Status Registered

Legal form Charitable company

Company number [05743618](#)

Registered 2006-04-20

Register [View on the Charity Commission register](#)

Contact

Address Eskdale Mill
Boot
Holmrook
Cumbria
CA19 1TG

Phone 01946723335

Email secretary@eskdalemill.co.uk

Website www.eskdalemill.co.uk

Activities

Objects: A) THE PRESERVATION AND DEVELOPMENT, FOR THE PUBLIC BENEFIT, OF THE 16TH CENTURY ESKDALE WATER CORN MILL AT BOOT BEING OF PARTICULAR HISTORICAL AND ARCHITECTURAL INTEREST.B) TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE HISTORY, HERITAGE, GEOGRAPHY AND GEOLOGY OF ESKDALE SO AS TO INCREASE THEIR UNDERSTANDING OF THE BUILT AND NATURAL ENVIRONMENT.

Activities: The Trust owns the listed grade 2* Eskdale Mill at Boot in Eskdale, the last working water corn mill in the Lake District National Park. The Mill is open to the public at least 5 days a week from April to end of October, and at other times by contact with the Mill Manager, Ms Kate Hughes

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE CUMBRIA.
- Cumbria

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|---------|-------------|--------|-----------|
| 2024-12-31 | £56,942 | £57,407 | - | - |
| 2023-12-31 | £59,571 | £57,945 | - | - |
| 2022-12-31 | £75,605 | £55,427 | - | - |
| 2021-12-31 | £92,963 | £80,385 | - | - |
| 2020-12-31 | £85,717 | £61,884 | - | - |

Trustees

| Name | Role | Appointed |
|-----------------------|------|------------|
| Ian Donald MacPherson | | 2024-10-08 |
| Stephen Robert Hemm | | 2020-06-03 |
| Steven John Round | | 2024-05-29 |

ESKDALE MILL & HERITAGE TRUST

England & Wales - Charity number 1113837

Accounts

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees Mr P Grove, Trustee
 Mr S Hemm, Trustee
 Mr R Johnson, Trustee
 Mr D White, Trustee (resigned 21 March 2024)
 Mr S J Round, Trustee
 Mr I Macpherson (appointed 8 October 2024)

**Company registered
number** 05743618

**Charity registered
number** 1113837

Registered office Eskdale Mill
 Boot
 Holmrook
 CA19 1TG

Accountants Armstrong Watson LLP
 Carleton House
 136 Gray Street
 Workington
 Cumbria
 CA14 2LU

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the financial statements of the Company for the year 1 January 2024 to 31 December 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Principal objectives

The principal objects of Eskdale Mill & Heritage Trust ("the Trust") are the preservation and development, for the public benefit, of the 16th century Eskdale Water Corn Mill at Boot. The Mill being of historic and architectural interest and to advance the education of the public in the history, heritage, geography and geology of Eskdale, so as to increase the understanding of the built and natural environment.

In accordance with section 17 (5) Charities Act 2011, in exercising their powers and duties, the trustees have regard to the Charity Commission's guidance on the public benefit objective.

b. Operations

4790 visitors visited the Mill in 2024, only 76% of the budget target. Where possible the Mill opened for five days per week, usually Sunday to Thursday. Traditionally Friday and Saturday are quieter days in Eskdale. In total, the Mill was open for 158 days.

Admission prices were increased from £5 (£5.50 with GA donation) to £7 with the introduction of an 'Annual Pass' for all paying adults. Children, 16 years and under, were given free admission for the first time.

Reviews from the public continued to be extremely positive with 117 reviews of Tripadvisor with a 4.5 /5 rating resulting in receipt of the 'Traveller's Choice Award'. More significant are the 180 reviews on Google still with a 4.8/5 rating. Google is now the "go to" review platform with the Mill being the number 1 attraction in Boot!

Links have been established with Wilderness Travel who run tours around the Lake District for visitors from the USA. We have become one of their destinations on a number of their itineraries.

During the year 11 core volunteers and local community groups have provided over 1591 volunteer hours in support of the Mill.

The Trustees acknowledge the value of this hard work which is integral to the successful operation of the Mill. The Mill could not have performed as well as it did without this volunteer input. The volunteers provided wide-ranging support including gardening/landscaping, building conservation work, practical maintenance (indoors and outdoors), management and maintenance of the hydro system, and of course, visitor support from the initial welcome to running reception and by giving talks and demonstrations. The outstanding reviews received from visitors are testament to the excellent service they delivered. As a thank-you and in acknowledgement of their much-valued input, an enjoyable walk was organised in Eskdale to celebrate the culmination of the year finishing with refreshments and the Millwrighting talk at the AGM.

National Mills Weekend in May always provides an opportunity to draw in extra interest at the mill. Family friendly meadow activities provided help to survey and record plants and wildlife and the naturalisation of the meadow

ESKDALE MILL AND HERITAGE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

following the Tentergarth development. Whitehaven Academy outdoor education groups continue to offer practical help with a range of conservation tasks in the meadow each term.

Promotional and sales stalls were again taken at the Gosforth and Eskdale Shows, which generated a good degree of interest.

The Lakeland 100 Fell Race once again used the Mill as a checkpoint in July and generated a welcome donation to the Trust funds.

At the end of the year, the Mill had 558 followers on Facebook, 721 on X and 153 on Instagram representing an increase of roughly 20% over 2023 figures.

c. Strategies for achieving objectives

The strategy for achieving the objectives was to maximise the number of visitors from the public. They would learn about the history, heritage, and the built and natural environment during their visit to the mill facilitated by informed guides and by following the award-winning interpretation displays in each of the rooms. The aim was to cover the operating costs and produce income to be set aside as a reserve. In addition to the admission income, plans were made to increase the income through the shop and via gift aid.

The areas of expenditure were reviewed to see where savings may be possible.

d. Activities undertaken to achieve objectives

In order to improve income from admissions a new pricing scheme was agreed. Admissions were increased to £7 per adult (from £5 or £5.50 depending on whether Gift Aid was given). The Trustees were concerned that the continuing cost-of-living pressures may have a negative impact on visitor numbers, so it was decided to admit children for free to encourage family visits. The Gift Aid arrangement was also altered to take advantage of the option of giving 12 months free return for visitors. This simplified the cost structure as everyone would pay the same amount, and it was expected that it would encourage more visitors to Gift Aid their visit as there was no extra cost involved. Membership fees were always a multiple of the admission fee, so they were increased pro rata to the new admission cost. It was agreed that members should also be offered a 10% discount on shop sales to compensate for all visitors being offered free return entry.

The marketing programme was enhanced to extend our reach to a wider demographic by engaging a social media marketing company to regularly post content on the main platforms: Facebook, X and Instagram.

It was agreed that the shop should be reorganised in order to boost sales. The two large A frame interpretive panels were dismantled and the panels hung on the walls. This provided a much better space to display a range of shop items, such as Cumbrian stoneground flours, branded items and greeting cards. It was planned to include refreshment sales in the shop, namely ice-cream and hot and cold drinks. Ice cream sales commenced in July with other refreshments sales postponed until April 2025.

The operation of the shop was stream-lined by introduction of a point-of-sale till to allow sales to be recorded quickly and speed up customer processing. The Customer Relationship Management software in the till would provide a detailed analysis of sales. The recording of customer details for Gift Aid via the till meant the elimination of the hand-written gift aid slips and the manual transfer of the information into a spreadsheet for submission to HMRC. This meant that gift aid claims could be made, and monies received during the year. Xero financial management software was purchased so that the management accounts could be more easily produced in a timely manner during the year. These items all added cost to the bank charges cost centre, so it was important to mitigate these increases. This was planned by moving the Trust's bank account to the Coop Bank (where there are no bank charges for charities) and by negotiating much better rates for bank card

ESKDALE MILL AND HERITAGE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

transactions and card reader rental by moving to a new provider.

The website was refreshed to make it more easily accessible and coherent, following advice provided through Cumbria CVS.

One of the drivers for the increase in admission fee was the availability of the reclaimed Tentergarth area for people to visit. The project was completed for the start of the visitor season with the installation of pathways, the wildlife pond, heritage fruit tree planting and interpretation boards to extend the education of the public.

The funding for the Tentergarth Project was coming to an end in March so it was recognised that further funding would be required during the year to continue to provide travel expenses for volunteers working at the mill. In addition, other funding was sought to help cover ongoing costs.

The income from the Feed-in-Tariff from hydro electricity generation was maximised through a continuing preventative maintenance programme and also by reacting to and resolving developing problems.

Work to preserve the fabric of the building was planned as it was noted that the main support beam in the bakehouse was rotten at each end and needed replacement.

The 5-yearly statutory inspection of the electrical installation and any remedial repairs was required during the year.

Approaches were made to other local businesses to explore how we may be able to work together for our common benefit in attracting more visitors to our sites.

Achievements and performance

a. Main achievements of the Company

The number of visitors was well below the target (only 76%). The shortfall was constant throughout the year. As a result, this meant that other expenditure had to be limited. There was no money to set aside as a reserve.

The changes to the admission costs, the Gift Aid arrangement and the shop improvements were successful in that they resulted in the following increases in income per person compared to 2023 of 19%, 31% and 70% for admission, Gift Aid and shop sales respectively.

Ice-cream sales were successfully introduced during the year (contributing £358 to shop profit). The freezer was provided by the supplier who also restocked when required.

The provision of hot and cold drinks and snacks was deferred until the following year as overall income was below plan and expenditure was needed to purchase the equipment.

The introduction of the point-of-sale till and software transformed the reception and shop operations and provided easy analysis of performance throughout the year. It was particularly important as the Gift Aid recording management functionality allowed the gift aid to be collected during the same calendar year, something that has not previously been possible. In total almost £4700 was received during the year.

The extra payments for the till and software and the management accounts software were offset by the elimination of charges for the bank account and by negotiation of favourable term for the card reader and transactions.

The Tentergarth Project was completed on time and budget, and all the monies were released by the funders on receipt of our reports. This area has provided a valuable extension to the visitor experience in terms of learning,

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

Achievements and performance (continued)

enjoyment and value for money. The pond is particularly impressive, and the habitat will continue to develop and attract even more wildlife. It is planned that the area will be used to host music and other performance events in the future.

Part of the funding for the Tentergarth had provided travel expenses for volunteers coming to the mill. The funding ended at the end of March and as it had not been possible to obtain replacement funding the decision was taken to reduce the mileage rate paid to volunteers to one third of the previous amount.

Eventually, from 1st May, £4000 funding, spread over 2 years, was secured for volunteer expenses (but not travel). During the year the funding received was £4000, over two years, for volunteers (from South Copeland GDF Community Partnership), £500 from Lake District Estates for machinery repair and a bequest of £1500 from Joy Hutchins for the restoration of the bakehouse. In addition, we will be able to benefit from mill repair work carried out through the Millwright Apprenticeship Scheme being run through Heron Mill and funded by the National Heritage Lottery Fund.

Dialogue continued with the Ravenglass and Eskdale Railway about joint working on events, but nothing came to fruition. The Trust also began exploring partnership opportunities with the Beacon Museum in Whitehaven and Florence Mine. These discussions are continuing.

We also made an approach to the National Trust to explore whether they may be able to help safeguard the future of the mill in view of the limited resources available to the Trust. The local Estate Manager had left so any discussions were deferred until 2024, after the appointment of a new Manager.

Hydro electricity generation was at a record level for the year at 8700kWh which in turn produced a record income for the Feed-in-Tariff of almost £6800. There was preventative maintenance carried out to replace the deteriorating flexible coupling and reactive maintenance to identify and then correct a fault causing intermittent tripping of the control system. Other repairs that were required were unjamming the control sluice, stopping the launder catching the wheel and getting a fractured chain link repaired. Unfortunately, there was a complete chain failure in November, causing a loss of 2 months generation. The cause of the repeated chain failures is the main priority for resolution and the chain has been sent to the supplier for analysis. Huge thanks are again due to Andy Feaver, our consultant engineer who travelled to the mill to carry out the flexible coupling change and has worked tirelessly with Renold (the chain supplier) to push for analysis of the chain failures and search for a solution.

The main periods of lost generation were 2 weeks due to the tripping fault, a month for the fractured chain link and two months for the broken chain.

There has been another complaint from a neighbour about noise from the hydrowheel. The Council Environmental Health Officer has commissioned a noise survey to be carried out once the wheel becomes operational again.

b. Plans for the future

It's clear that at current levels the 'trading' income of the Charity (admissions and shop sales) is not enough to cover expenses. The Trust will continue to drive down costs by scrutinising expenditure and cutting out any unnecessary expenditure.

The Trust will also continue to build relationships and closer cooperation with local businesses such as the Ravenglass & Eskdale Railway, the Beacon, Florence Mine and Muncaster Castle for mutual benefit and to encourage an increased footfall to all the organisations. Marketing reach will be extended to attract more visitors to the mill e.g. using social media.

The items for sale in the shop will be extended to include more items produced by local artists and drinks and

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

Achievements and performance (continued)

snacks will be put on sale.

Specific events will be organised (musical and performance) to attract paying visitors to the site, making use of the Tentergarth space.

There will be an ongoing requirement for repair and refurbishment of the buildings and machinery so external funding will be sought to cover any large capital costs. At present the bakehouse needs some work and within 2 years the lower waterwheel shaft will need replacing.

Financial review

a. Financial review

The Trust continues to be a going concern, making a small loss of £465 in the year.

During the year the trust received total income of £56,942 (2023 £59,571) this was made up of Operating income and non-operating income streams. Operating income streams: Admission charges of £27,580 (2023 £24,286), in addition, shop income was £6,309 (2023 £4,344) and donations and memberships totalled £1,156 (2023 £1,900). Sale of electricity generated by the hydro system created income of £6,779 (2023 £5,166). Gift aid income was £5,013 (2023 £3,324).

Non-operating income was from the Tentergarth funding £3,210 (2023 £13,017).

It should be noted that the Trust has significant reserves with a cash balance of £69,572 at the year end.

The Trust has done reasonably well to meet the day-to-day running costs of the Mill, whilst enhancing the operation and despite the poor visitor numbers, but it has not yet been able to generate excess funds to put aside for future capital costs and pay for employees/contractors to keep the Mill open an extra day or help in other ways.

Structure, governance and management

a. Governance and Management

The Trustees held seven management meetings to monitor and review the operation of the Trust and the Mill. These meetings were held online to maximise attendance of Trustees and Advisors.

An Annual General Meeting was held on the 13th December 2024 at the King George IV Inn in Eskdale. This meeting provided an opportunity for members to ask questions of the Trustees and attendees were treated to a fascinating talk, by Stuart Hobbs from Heron Mill, about millwrighting.

There has been pressure on the organisation throughout the year as we have been operating with a limited number of Trustees several of whom have changed throughout the year.

David White and Liz Bates both resigned as Trustees in March. Liz had only been appointed for a short time. We welcomed Steven Round, firstly as an Advisor and then as a Trustee in May. Steven brought wide knowledge and experience ranging from quantity surveying, to insurance, to technical IT and video/audio systems. He also has a background in Safeguarding requirements. He has kindly taken on the role of Chair of the Trust. Ian MacPherson joined as a Trustee in October. Ian brings with him a valuable experience of project and operations management and leadership at a senior level in a large organisation.

In July we were very pleased to welcome Peter Frost-Pennington as a patron of the Trust.

ESKDALE MILL AND HERITAGE TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management (continued)

The Trustees are, as ever, grateful to our hard-working volunteers for their contribution and dedication to the mill. We would especially like to acknowledge the hard work and dedication of our Mill Manager, Kate Hughes, who is central to the life and running of the Mill. As the public face of the mill, she plays a huge part in attracting our visitors, liaising with our volunteers and trades people, undertaking essential maintenance, delivering projects, managing funding applications and building a valuable network of relations with our local businesses and attractions. Our Secretary and acting Treasurer, Steve Hemm is paramount in keeping the Mill and Trustees on track and working towards our aims and missions. A mention is also due to our newest Trustee, Ian MacPherson who along with one of our Advisors, Molly Campion, is currently working on building and extending our connections with other businesses and attractions in the wider area. We have already seen encouraging results from their hard work, and we are very grateful for this. There are continuous challenges, in the tourism sector within Cumbria and as a Trust we constantly work to meet and adapt our methodology and models to embrace these changes.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr S Hemm

Date: 15/09/25

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

Independent Examiner's Report to the Trustees of Eskdale Mill and Heritage Trust ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and Basis of Report

As the Trustees of the Company (and 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 the Company's accounts 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:

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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated: 17.09.25

Steven Kirkbride FCA BFP ATT MAAT

Armstrong Watson LLP, Workington

ESKDALE MILL AND HERITAGE TRUST
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | <i>Total funds 2023 £</i> |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 6,169 | 6,108 | 12,277 | 5,224 |
| Charitable activities | 4 | 33,889 | 3,210 | 37,099 | 48,793 |
| Investments | 5 | 787 | - | 787 | 388 |
| Other income | 6 | 6,779 | - | 6,779 | 5,166 |
| Total income | | 47,624 | 9,318 | 56,942 | 59,571 |
| Expenditure on: | | | | | |
| Charitable activities | | 47,607 | 9,800 | 57,407 | 57,946 |
| Total expenditure | | 47,607 | 9,800 | 57,407 | 57,946 |
| Net income/(expenditure) | | 17 | (482) | (465) | 1,625 |
| Transfers between funds | 14 | 176 | (176) | - | - |
| Net movement in funds | | 193 | (658) | (465) | 1,625 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 172,825 | 6,217 | 179,042 | 177,417 |
| Net movement in funds | | 193 | (658) | (465) | 1,625 |
| Total funds carried forward | | 173,018 | 5,559 | 178,577 | 179,042 |

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

The notes on pages 12 to 26 form part of these financial statements.

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05743618

BALANCE SHEET
AS AT 31 DECEMBER 2024

| | Note | 2024 £ | 2023 £ |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Heritage assets | 11 | 108,153 | 108,153 |
| | | <u>108,153</u> | <u>108,153</u> |
| Current assets | | | |
| Debtors | 12 | 2,940 | 10,213 |
| Cash at bank and in hand | | 69,572 | 63,111 |
| | | <u>72,512</u> | <u>73,324</u> |
| Creditors: amounts falling due within one year | 13 | (2,088) | (2,435) |
| Net current assets | | <u>70,424</u> | <u>70,889</u> |
| Total assets less current liabilities | | <u>178,577</u> | <u>179,042</u> |
| Net assets excluding pension asset | | <u>178,577</u> | <u>179,042</u> |
| Total net assets | | <u><u>178,577</u></u> | <u><u>179,042</u></u> |
| Charity funds | | | |
| Restricted funds | 14 | 5,559 | 6,217 |
| Unrestricted funds | 14 | 173,018 | 172,825 |
| Total funds | | <u><u>178,577</u></u> | <u><u>179,042</u></u> |

ESKDALE MILL AND HERITAGE TRUST
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REGISTERED NUMBER: 05743618

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr S Hemm

Date: 15/09/25

The notes on pages 12 to 26 form part of these financial statements.

ESKDALE MILL AND HERITAGE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Eskdale Mill and Heritage Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Eskdale Mill, Boot, Holmrook, Cumbria, CA19 1TG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Eskdale Mill and Heritage Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 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.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

ESKDALE MILL AND HERITAGE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and legacies

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---------------------|------------------------------------|----------------------------------|-----------------------------|
| Donations and gifts | 1,156 | - | 1,156 |
| Legacies | - | 1,500 | 1,500 |
| Grants | - | 4,608 | 4,608 |
| Gift aid reclaimed | 5,013 | - | 5,013 |
| | 6,169 | 6,108 | 12,277 |
| | 6,169 | 6,108 | 12,277 |

| | <i>Unrestricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|---------------------|--|---------------------------------------|
| Donations and gifts | 1,900 | 1,900 |
| Gift aid reclaimed | 3,324 | 3,324 |
| | 5,224 | 5,224 |
| | 5,224 | 5,224 |

4. Income from charitable activities

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Admissions | 27,580 | - | 27,580 |
| Shop sales | 6,309 | - | 6,309 |
| Tentergarth income | - | 3,210 | 3,210 |
| Hydro-refurb income | - | - | - |
| SPAB Mill Repair Fund income | - | - | - |
| | 33,889 | 3,210 | 37,099 |
| | 33,889 | 3,210 | 37,099 |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

4. Income from charitable activities (continued)

| | <i>Unrestricted funds 2023 £</i> | <i>Restricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|------------------------------|--|--|---------------------------------------|
| Admissions | 24,286 | - | 24,286 |
| Shop sales | 4,344 | - | 4,344 |
| Tentergarth income | - | 13,017 | 13,017 |
| Hydro-refurb income | - | 6,624 | 6,624 |
| SPAB Mill Repair Fund income | - | 522 | 522 |
| | <u>28,630</u> | <u>20,163</u> | <u>48,793</u> |

5. Investment income

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---------------------|--|---------------------------------------|
| Interest receivable | 787 | 787 |
| | <u>787</u> | <u>787</u> |

| | <i>Unrestricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|---------------------|--|---------------------------------------|
| Interest receivable | 388 | 388 |
| | <u>388</u> | <u>388</u> |

6. Other incoming resources

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|--------------------------|--|---------------------------------------|
| Hydro-electricity income | 6,779 | 6,779 |
| | <u>6,779</u> | <u>6,779</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

6. Other incoming resources (continued)

| | <i>Unrestricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|--------------------------|--|---------------------------------------|
| Hydro-electricity income | 5,166 | 5,166 |

7. Analysis of expenditure by activities

| | Activities undertaken directly 2024 £ | Total funds 2024 £ |
|--------------------------|--|---------------------------------------|
| Unrestricted expenditure | 47,607 | 47,607 |
| Restricted expenditure | 9,800 | 9,800 |
| | 57,407 | 57,407 |

| | <i>Activities undertaken directly 2023 £</i> | <i>Total funds 2023 £</i> |
|--------------------------|--|---------------------------------------|
| Unrestricted expenditure | 40,191 | 40,191 |
| Restricted expenditure | 17,755 | 17,755 |
| | 57,946 | 57,946 |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Unrestricted 2024 £ | Restricted 2024 £ | Total funds 2024 £ |
|-------------------------------------|------------------------------------|----------------------------------|---------------------------------------|
| Staff costs | 19,252 | - | 19,252 |
| Heat and light | 3,252 | - | 3,252 |
| Rates | 2,484 | - | 2,484 |
| Insurance | 4,789 | - | 4,789 |
| General expenses | 3,362 | - | 3,362 |
| Advertising | 1,693 | - | 1,693 |
| Repairs and maintenance | 5,993 | - | 5,993 |
| Waterwheel costs | 926 | - | 926 |
| Legal fees | 1,542 | - | 1,542 |
| Bank charges | 591 | - | 591 |
| Tentergarth project expenditure | - | 9,251 | 9,251 |
| Stock | 2,727 | - | 2,727 |
| Telephone | 996 | - | 996 |
| AIM Grant Expenditure | - | 108 | 108 |
| South Copeland GDF Comm Expenditure | - | 441 | 441 |
| | <u>47,607</u> | <u>9,800</u> | <u>57,407</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

| | <i>Unrestricted</i> | <i>Restricted</i> | <i>Total</i> |
|-----------------------------------|---------------------|-------------------|---------------|
| | <i>2023</i> | <i>2023</i> | <i>funds</i> |
| | <i>£</i> | <i>£</i> | <i>2023</i> |
| | | | <i>£</i> |
| Staff costs | 17,063 | - | 17,063 |
| Heat and light | 1,182 | - | 1,182 |
| Rates | 1,741 | - | 1,741 |
| Insurance | 4,812 | - | 4,812 |
| General expenses | 2,018 | - | 2,018 |
| Advertising | 2,211 | - | 2,211 |
| Repairs and maintenance | 4,657 | - | 4,657 |
| Waterwheel costs | 99 | - | 99 |
| Legal fees | 1,752 | - | 1,752 |
| Bank charges | 1,124 | - | 1,124 |
| SPAB Mill Repair Fund expenditure | - | 502 | 502 |
| Tentergarth project expenditure | - | 9,406 | 9,406 |
| Hydro refurb expenditure | - | 7,847 | 7,847 |
| Stock | 2,501 | - | 2,501 |
| Telephone | 1,031 | - | 1,031 |
| | <u>40,191</u> | <u>17,755</u> | <u>57,946</u> |

8. Staff costs

| | 2024 | 2023 |
|--------------------|----------------------|---------------|
| | £ | £ |
| Wages and salaries | 19,252 | 17,063 |
| | <u>19,252</u> | <u>17,063</u> |

The average number of persons employed by the Company during the year was as follows:

| | 2024 | 2023 |
|-----------------------------|-----------------|-------------|
| | No. | No. |
| Average number of employees | <u>1</u> | <u>1</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

8. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

10. Tangible fixed assets

| | Office equipment £ |
|--------------------------|--------------------------|
| Cost or valuation | |
| At 1 January 2024 | 703 |
| At 31 December 2024 | <u>703</u> |
| Depreciation | |
| At 1 January 2024 | 703 |
| At 31 December 2024 | <u>703</u> |
| Net book value | |
| At 31 December 2024 | <u>-</u> |
| At 31 December 2023 | <u>-</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

11. Heritage assets

Assets recognised at cost

| | Heritage asset 2024 £ | Total 2024 £ |
|----------------------------------|--|-----------------------------|
| Carrying value at 1 January 2024 | 108,153 | 108,153 |
| | 108,153 | 108,153 |
| | 108,153 | 108,153 |

12. Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|-------------------|-------------------|
| Due within one year | | |
| Trade debtors | 210 | 210 |
| Other debtors | 2,730 | 5,726 |
| Prepayments and accrued income | - | 4,277 |
| | 2,940 | 10,213 |
| | 2,940 | 10,213 |

13. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------------|-------------------|-------------------|
| Other taxation and social security | 540 | 510 |
| Other creditors | - | 173 |
| Accruals and deferred income | 1,548 | 1,752 |
| | 2,088 | 2,435 |
| | 2,088 | 2,435 |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

14. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2024 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2024 £ |
|---------------------------------|--------------------------------------|---------------|------------------|--------------------------|---|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Designated Funds - all funds | 108,153 | - | - | - | 108,153 |
| General funds | | | | | |
| General Funds - all funds | 64,672 | 47,624 | (47,607) | 176 | 64,865 |
| Total Unrestricted funds | 172,825 | 47,624 | (47,607) | 176 | 173,018 |
| Restricted funds | | | | | |
| Tentergarth project | 6,197 | 3,210 | (9,251) | (156) | - |
| SPAB Mill Repair Fund | 20 | - | - | (20) | - |
| AIM Grant | - | 108 | (108) | - | - |
| Bequest - J Hutchins | - | 1,500 | - | - | 1,500 |
| South Copeland GDF Comm | - | 4,000 | (441) | - | 3,559 |
| Lake District Estates | - | 500 | - | - | 500 |
| | 6,217 | 9,318 | (9,800) | (176) | 5,559 |
| Total of funds | 179,042 | 56,942 | (57,407) | - | 178,577 |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

14. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2023 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Balance at 31 December 2023 £</i> |
|---------------------------------|--|---------------------|--------------------------|-----------------------------------|--|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Designated Funds - all funds | 108,153 | - | - | - | 108,153 |
| General funds | | | | | |
| General Funds - all funds | 59,306 | 39,408 | (40,190) | 6,148 | 64,672 |
| Total Unrestricted funds | 167,459 | 39,408 | (40,190) | 6,148 | 172,825 |
| Restricted funds | | | | | |
| National Lottery Heritage Fund | 7,371 | - | - | (7,371) | - |
| Tentergarth project | 2,586 | 13,017 | (9,406) | - | 6,197 |
| Hydro-refurb | - | 6,624 | (7,847) | 1,223 | - |
| SPAB Mill Repair Fund | - | 522 | (502) | - | 20 |
| | 9,957 | 20,163 | (17,755) | (6,148) | 6,217 |
| Total of funds | 177,416 | 59,571 | (57,945) | - | 179,042 |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

14. Statement of funds (continued)

The National Lottery Heritage Fund project is for the Trust to provide conservation and improved presentation of the mill buildings and machinery, and establishment of the mill's day to day management, in order to attract more visitors and ensure its long-term sustainability.

The Tentergarth project is the restoration of the historic meadow behind the miller's cottage. The meadow was overgrown with thick brambles, these have now been mainly cleared to allow native flowers and grasses to grow. A path will allow visitors to tour the meadow.

The hydro refurbishment was a replacement of the chain and sprockets with higher specification components which should give an extended life of 5 and 10 years respectively.

The SPAB fund was mainly used to repair the jog scry (a vibrating sleeve) which had broken. There were some other minor repairs to other equipment.

The AIM grant was for staff and volunteer training which actually took place at the end of 2023.

The bequest from Joy Hutchins was for anything relating to the preservation of the mill or the building or with artefacts that help visitors understand its history.

The South Copeland GDF Community Partnership was for volunteer training and activities – welfare, ppe, refreshments, tools, equipment, materials but not travel.

Lake District Estates was for mill/hydro maintenance August 24 to July 25.

15. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2024 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 December 2024 £ |
|------------------|--------------------------------------|---------------|------------------|--------------------------|---|
| Designated funds | 108,153 | - | - | - | 108,153 |
| General funds | 64,672 | 47,624 | (47,607) | 176 | 64,865 |
| Restricted funds | 6,217 | 9,318 | (9,800) | (176) | 5,559 |
| | <u>179,042</u> | <u>56,942</u> | <u>(57,407)</u> | <u>-</u> | <u>178,577</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

15. Summary of funds (continued)

Summary of funds - prior year

| | <i>Balance at 1 January 2023 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Balance at 31 December 2023 £</i> |
|------------------|--|---------------------|--------------------------|-----------------------------------|--|
| Designated funds | 108,153 | - | - | - | 108,153 |
| General funds | 59,306 | 39,408 | (40,190) | 6,148 | 64,672 |
| Restricted funds | 9,957 | 20,163 | (17,755) | (6,148) | 6,217 |
| | <u>177,416</u> | <u>59,571</u> | <u>(57,945)</u> | <u>-</u> | <u>179,042</u> |

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|-------------------------------|--|--|---------------------------------------|
| Heritage assets | 108,153 | - | 108,153 |
| Current assets | 66,953 | 5,559 | 72,512 |
| Creditors due within one year | (2,088) | - | (2,088) |
| Total | <u>173,018</u> | <u>5,559</u> | <u>178,577</u> |

Analysis of net assets between funds - prior period

| | <i>Unrestricted funds 2023 £</i> | <i>Restricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|-------------------------------|--|--|---------------------------------------|
| Heritage assets | 108,153 | - | 108,153 |
| Current assets | 67,107 | 6,217 | 73,324 |
| Creditors due within one year | (2,435) | - | (2,435) |
| Total | <u>172,825</u> | <u>6,217</u> | <u>179,042</u> |

ESKDALE MILL AND HERITAGE TRUST
(A Company Limited by Guarantee)

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

17. Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 December 2024.

ESKDALE MILL & HERITAGE TRUST

England & Wales - Charity number 1113837

Accounts

Charity registration number 1113837

Company registration number 5743618 (England and Wales)

ESKDALE MILL & HERITAGE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

ESKDALE MILL & HERITAGE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|--|
| Trustees | Mr P Grove Mr S Hemm Mr R Johnson Mr D White Mr SJ Round | (Appointed 19 April 2023) (Appointed 29 May 2024) |
| Charity number | 1113837 | |
| Company number | 5743618 | |
| Principal address | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Registered office | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Independent examiner | Armstrong Watson LLP Carleton House 136 Gray Street Workington Cumbria CA14 2LU | |

ESKDALE MILL & HERITAGE TRUST

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ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

Principal Objects

The principal objects of Eskdale Mill & Heritage Trust ("the Trust") are the preservation and development, for the public benefit, of the 16th century Eskdale Water Corn Mill at Boot. The Mill being of historic and architectural interest and to advance the education of the public in the history, heritage, geography and geology of Eskdale, so as to increase the understanding of the built and natural environment.

In accordance with section 17 (5) Charities Act 2011, in exercising their powers and duties, the trustees have regard to the Charity Commission's guidance on the public benefit objective.

Governance and Management

The Trustees held monthly management meetings to monitor and review the operation of the Trust and the Mill. These meetings included Zoom meetings, in person meetings and hybrid meetings which blended in person and Zoom to ensure as good attendance as possible of Trustees and Advisors.

An Annual General Meeting was held on the 2nd September 2023 at St. Bega's Eskdale Village Hall. This meeting provided an opportunity for members to ask questions of the Trustees and attendees were treated to a fascinating talk, by Dave Simpson (R&ER archivist), on Mary Fair's photographs of Eskdale and Boot and an update on the Esk Trail by Adam Phillips (LDNPA Area Ranger).

There has been pressure on the organisation throughout the year as we have been operating with limited numbers of Trustees: below that envisaged in the business plan. Stuart Ross continued as Chairman until October when he stepped down. Steve Hemm continued as Secretary and Peter Grove as Treasurer. Richard Johnson also continued as a Trustee. However both Peter and Richard tendered their resignations towards the end of the year but both agreed to defer their departure to assist with continuing management. David White was appointed as a Trustee in April, bringing a wealth of valuable professional experience to the Trust. He chaired Trustee Meetings following Stuart's departure. Further recruitment of Trustees was unsuccessful. This is of concern as it impacts on the proper running of the Trust and the Mill and means that there is not sufficient resource to develop longer term plans including development of projects for funding applications. (David subsequently resigned as a Trustee in 2024).

We welcomed Paul Pharaoh back as an Advisor to the Trust.

Given the break-even performance the previous year the Trustees focused on managing expenditure, not least in mitigating the huge increases in electricity costs by changing supplier and benefitting from Government cost reduction schemes. The broadband and telephone contract cost was significantly reduced by moving away from BT and good progress was made in transferring the bank account from HSBC to the Co-op Bank where there are no bank charges. This programme will be continued into the following year.

The marketing plan was refocused on wider scale leafleting in the area (this had been axed due to Covid) and some of the higher cost advertising was stopped.

The funding for the Tentergarth development continued throughout the year and we were also successful in securing funding from the Society for the Protection of Ancient Buildings (SPAB) for repairs to mill equipment, from the South Copeland GDF Community Partnership for a new chain and sprockets for the hydrowheel and from the Association of Independent Museums (AIM) for staff training.

It was decided to maintain the admission costs due to concerns over the cost-of-living, not having an enhanced visitor offering (Tentergarth meadow not being ready for public access) and forecast visitor targets still being achievable in order to cover costs.

The Trustees would like to extend their thanks to Kate Hughes and Steve Hemm who, between them, keep the mill open and functioning. Steve, behind the scenes, is fundamental in keeping the Mill and the Trust running. Juggling a wide variety of roles at the Mill has its challenges and Steve has done a sterling job. Hopefully we can recruit new trustees who will be able to lift some of this workload from his shoulders. Kates' role as Mill Manager should never be overlooked or underrated and as the public face of the mill, plays a huge part in attracting our visitors, liaising with our volunteers and trades people, undertaking essential maintenance, delivering projects, managing funding applications and building relations with our local businesses and attractions. Thank you Kate.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Tentergarth Project

The Tentergarth Project continued to be funded by The Copeland Community Fund, The Cumbria Community Foundation, Friends of the Lake District, and the Lake District Foundation. The development of the ground progressed well apart from the pond construction which was severely delayed due to the weather and which was found not to retain water.

Two workshops were held in June and July hosted by conservation ecologist, Wild Lakeland for volunteers and members of the public.

Twenty participants attended a community art workshop in May using the wooded grounds for inspiration. This was led by local Re-Drift art project and the 'Full of Noises' community arts group based in Barrow-in-Furness. In June, September and December 4 groups of pupils in Years 9 and 10 from Whitehaven Academy conservation groups attended sessions with us whereby practical skills were passed on with 51 pupils in total. During National Mills Weekend on 14th May, 22 people including children carried out meadow plant surveys. In October, 9 staff members from Volker Rail helped us continue with our project activities and helped protect the new fruit trees, extend the new pond and complete hay-raking for the season.

Daily Operation

5,620 visitors visited the Mill in 2023. This was 10% below the target that had been set for the year to break even. Where possible the Mill opened for five days per week, usually Sunday to Thursday. Traditionally Friday and Saturday are quieter days in Eskdale.

Reviews from the public continued to be extremely positive with 112 reviews of Tripadvisor with a 4.5 /5 rating resulting in receipt of the 'Traveller's Choice Award' . More significant are the 150 reviews on Google with a 4.8/5 rating. Google is now the "go to" review platform with the Mill being the number 1 attraction in Boot!

During the year 10 core volunteers have provided over 1830 volunteer hours in support of the Mill.

The Trustees acknowledge the value of this hard work which is integral to the successful operation of the Mill. The Mill could not have performed as well as it did without this volunteer input. The volunteers provided wide-ranging support including gardening/landscaping, building conservation work, practical maintenance (indoors and outdoors), management and maintenance of the hydro system, and of course, visitor support from the initial welcome to running reception and by giving talks and demonstrations. The outstanding reviews received from visitors are testament to the excellent service they delivered. Sadly, despite our best efforts the number of volunteers remains low. The volunteers were treated to an enjoyable trip to Brantwood at the end of the season.

Promotional and sales stalls were taken at the Gosforth and Eskdale Shows, which generated a good degree of interest.

The Lakeland 100 Fell Race once again used the Mill as a checkpoint in July and generated a welcome donation to the Trust funds.

At the end of the year, the Mill had 733 followers on Twitter, 477 followers on Facebook, and 119 Instagram followers.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Hydro Generation

The Hydro wheel achieved 4,200 hours of operation in 2023 and generated over £4,700 of revenue for the Trust. Disappointingly this performance was below that of the previous year. This was due to a number of problems, the most severe being another chain failure at the start of the year resulting in 5 months downtime until the new chain and sprockets could be supplied and installed. Thanks are due to Alex Sharphouse for helping with this work and particularly to Andy Feaver who oversaw the work and continued his tireless work as Consultant Engineer for the Mill throughout the year. The new sprockets and chain should have a much longer life which will also be enhanced by correcting a long-standing misalignment.

Grant funding covered £6,620 of this work, leaving a shortfall of £1,220 for EMHT to cover.

Ironically, shortly after the restart the wheel had to be shut down for a month due to the very dry weather. In July a clunk was noticed coming from the wheel which was traced to some of the buckets catching the launder discharge channel. Oak wedges were used to lift channel clear of the buckets. A month's generation was also lost in August due to the control system tripping intermittently.

The Council Environmental Health Officer was in contact about noise from the installation following the restart in May. A report, which was accepted, was submitted to him outlining all the actions taken by the Trust to minimise the noise. Nevertheless Andy has been in contact with two universities about a potential project to address the noise issue.

Plans for 2024 will include an overhaul of the generator and replacement of the flexible drive coupling.

Plans for the Future

Work will continue to deliver the Tentergarth Project to its completion in March. The Trust will continue to drive down costs by completing the transition to the Coop Bank and to source further savings through cheaper service provision e.g. bank card processing. Management will be improved through implementation of accounting software and point of sale technology. Consideration will be given to the admission fees for the new season in light of the 2023 performance and the improved visitor offer including Tentergarth. The Trust will seek to build closer cooperation with the Ravenglass & Eskdale Railway for mutual benefit and to encourage an increased footfall from those travelling by train into the valley.

The Trust welcomes Steven Round as a new trustee. Steven brings a wealth of valuable experience and a fresh perspective to the trust.

Financial Review

During the year the trust received total income of £59,571 (2022 £75,605) - this was made up of operating income and non-operating income streams. Operating income streams: Admission charges of £24,286 (2022 £26,864), in addition, shop income was £4,344 (2022 £4,235) and donations and memberships totalled £1,900 (2022 £3,031). Sale of electricity generated by the hydro system created income of £5,166 (2022 £7,430). Gift aid income was £3,324 (2022 £5,545) this is included in the 'Grants' note 3.

Non-operating income was made up as follows: Funding for the hydro refurbishment, mill machinery repair and the Tentergarth project £20,163 (2022 £5,473).

The financial statements for the year to 31 December 2023 showed a gain of £1,626 (2022 £20,178), Unrestricted funds generated a net income of £5,366 (2022 £10,396). It should also be noted that the trust has significant reserves with a cash balance of £63,111 at 31/12/23.

The Trust has done reasonably well to meet the day-to-day running costs of the Mill, but has not yet been able to generate excess funds to put aside for future capital costs and pay for employees/contractors to keep the Mill open an extra day, help with bookkeeping, etc.

The generation of reserves in 2024 will be one of the key aims of the Trustees. This will be addressed in part through revising admissions arrangements and by finding savings from the various service charges.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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



.....
Mr S Hemm

Trustee

Date: 23/09/24

ESKDALE MILL & HERITAGE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ESKDALE MILL & HERITAGE TRUST

I report to the Trustees on my examination of the financial statements of Eskdale Mill & Heritage Trust (the Trust) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Trust 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 the Trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Steven Kirkbride BFP ACA
Armstrong Watson LLP
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Dated: 24.09.24

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

| Current financial year | Notes | Unrestricted funds | Designated funds | Restricted funds | Total | Total |
|--|-------|--------------------|------------------|------------------|----------------|----------------|
| | | 2023 £ | 2023 £ | 2023 £ | 2023 £ | 2022 £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 5,224 | - | - | 5,224 | 31,493 |
| Charitable activities | 4 | 28,630 | - | 20,163 | 48,793 | 36,572 |
| Investments | 5 | 388 | - | - | 388 | 110 |
| Other income | 6 | 5,166 | - | - | 5,166 | 7,430 |
| Total income | | <u>39,408</u> | <u>-</u> | <u>20,163</u> | <u>59,571</u> | <u>75,605</u> |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | 40,190 | - | 17,755 | 57,945 | 55,427 |
| Total expenditure | | <u>40,190</u> | <u>-</u> | <u>17,755</u> | <u>57,945</u> | <u>55,427</u> |
| Net income/(expenditure) | | (782) | - | 2,408 | 1,626 | 20,178 |
| Transfers between funds | | 6,148 | - | (6,148) | - | - |
| Net movement in funds | 8 | <u>5,366</u> | <u>-</u> | <u>(3,740)</u> | <u>1,626</u> | <u>20,178</u> |
| Reconciliation of funds: | | | | | | |
| Fund balances at 1 January 2023 | | <u>59,307</u> | <u>108,153</u> | <u>9,957</u> | <u>177,417</u> | <u>157,239</u> |
| Fund balances at 31 December 2023 | | <u>64,673</u> | <u>108,153</u> | <u>6,217</u> | <u>179,043</u> | <u>177,417</u> |

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

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

| Prior financial year | | Unrestricted funds | Designated funds | Restricted funds | Total |
|---|-------|-----------------------|---------------------|---------------------|----------------|
| | Notes | 2022 £ | 2022 £ | 2022 £ | 2022 £ |
| Income and endowments from: | | | | | |
| Donations and legacies | 3 | 10,176 | - | 21,317 | 31,493 |
| Charitable activities | 4 | 31,099 | - | 5,473 | 36,572 |
| Investments | 5 | 110 | - | - | 110 |
| Other income | 6 | 7,430 | - | - | 7,430 |
| Total income | | <u>48,815</u> | <u>-</u> | <u>26,790</u> | <u>75,605</u> |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 38,419 | 175 | 16,833 | 55,427 |
| Total expenditure | | <u>38,419</u> | <u>175</u> | <u>16,833</u> | <u>55,427</u> |
| Net income/(expenditure) and movement in funds | | <u>10,396</u> | <u>(175)</u> | <u>9,957</u> | <u>20,178</u> |
| Reconciliation of funds: | | | | | |
| Fund balances at 1 January 2022 | | 48,911 | 108,328 | - | 157,239 |
| Fund balances at 31 December 2022 | | <u>59,307</u> | <u>108,153</u> | <u>9,957</u> | <u>177,417</u> |

ESKDALE MILL & HERITAGE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | Notes | 2023 | | 2022 | |
|---|-------|----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Heritage assets | 12 | | 108,153 | | 108,153 |
| Current assets | | | | | |
| Debtors | 13 | 10,214 | | 16,852 | |
| Cash at bank and in hand | | 63,111 | | 57,432 | |
| | | <u>73,325</u> | | <u>74,284</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(2,435)</u> | | <u>(5,020)</u> | |
| Net current assets | | | <u>70,890</u> | | <u>69,264</u> |
| Total assets less current liabilities | | | <u>179,043</u> | | <u>177,417</u> |
| The funds of the Trust | | | | | |
| Restricted income funds | 15 | | 6,217 | | 9,957 |
| Unrestricted funds - general | | | 64,673 | | 59,307 |
| Designated funds | 16 | | 108,153 | | 108,153 |
| | | | <u>179,043</u> | | <u>177,417</u> |

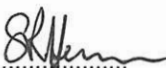
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

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 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.

The financial statements were approved by the Trustees on 23/09/24.


.....
Mr S Hemm
Trustee

Company registration number 5743618 (England and Wales)

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Eskdale Mill & Heritage Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Eskdale Mill, Boot, Holmrook, Cumbria, CA19 1TG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Companies Act 2006 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) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

1.5 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:

| | |
|-----------|-------------------------|
| Computers | 25% straight line basis |
|-----------|-------------------------|

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.

1.6 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.

1.7 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

1.8 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.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|----------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 1,900 | - | 1,900 | 3,031 | - | 3,031 |
| Grants and gift aid reclaimed | 3,324 | - | 3,324 | 7,145 | 21,317 | 28,462 |
| | <u>5,224</u> | <u>-</u> | <u>5,224</u> | <u>10,176</u> | <u>21,317</u> | <u>31,493</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

| | 2023 £ | 2022 £ |
|------------------------------|---------------|---------------|
| Admissions | 24,286 | 26,864 |
| Shop sales | 4,344 | 4,235 |
| Tentergarth income | 13,017 | 5,473 |
| Hydro refurb income | 7,146 | - |
| | <u>48,793</u> | <u>36,572</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 28,630 | 31,099 |
| Restricted funds | 20,163 | 5,473 |
| | <u>48,793</u> | <u>36,572</u> |

5 Income from investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | <u>388</u> | <u>110</u> |

6 Other income

| | Unrestricted funds general 2023 £ | Unrestricted funds general 2022 £ |
|--------------------------|---|---|
| Hydro-electricity income | <u>5,166</u> | <u>7,430</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

| | Unrestricted | Restricted | Total Unrestricted | Restricted | Designated | Total |
|-----------------------------------|---------------|---------------|--------------------|---------------|---------------|---------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | £ | £ | £ | £ | £ | £ |
| Staff costs | 17,063 | - | 17,063 | 12,346 | 3,773 | 16,119 |
| Depreciation and impairment | - | - | - | - | - | 175 |
| Heat & Light | 1,183 | - | 1,183 | 580 | - | 580 |
| Rates | 1,741 | - | 1,741 | 1,835 | - | 1,835 |
| Insurance | 4,812 | - | 4,812 | 4,803 | - | 4,803 |
| General expenses | 2,016 | - | 2,016 | 2,413 | 10,173 | 12,586 |
| Advertising | 2,211 | - | 2,211 | 2,899 | - | 2,899 |
| Repairs & Maintenance | 4,657 | - | 4,657 | 6,195 | - | 6,195 |
| Waterwheel costs | 99 | - | 99 | 336 | - | 336 |
| Legal fees | 1,752 | - | 1,752 | 2,838 | - | 2,838 |
| Bank charges | 1,124 | - | 1,124 | 1,045 | - | 1,045 |
| Telephone | 1,031 | - | 1,031 | 1,015 | - | 1,015 |
| SPAB Mill Repair Fund expenditure | - | 502 | 502 | - | - | - |
| Tentergarth project expenditure | - | 9,406 | 9,406 | - | 2,887 | 2,887 |
| Hydro refurb expenditure | - | 7,847 | 7,847 | - | - | - |
| Stock | 2,501 | - | 2,501 | 2,114 | - | 2,114 |
| | <u>40,190</u> | <u>17,755</u> | <u>57,945</u> | <u>38,419</u> | <u>16,833</u> | <u>55,427</u> |
| | <u>40,190</u> | <u>17,755</u> | <u>57,945</u> | <u>38,419</u> | <u>16,833</u> | <u>55,427</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities

(Continued)

| | Unrestricted | Restricted | Total Unrestricted | Restricted | Designated | Total |
|------------------------------|---------------|---------------|--------------------|---------------|---------------|---------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | £ | £ | £ | £ | £ | £ |
| Analysis by fund | | | | | | |
| Unrestricted funds - general | 40,190 | - | 40,190 | 38,419 | - | 38,419 |
| Designated funds | - | - | - | - | 175 | 175 |
| Restricted funds | - | 17,755 | 17,755 | - | 16,833 | 16,833 |
| | <u>40,190</u> | <u>17,755</u> | <u>57,945</u> | <u>38,419</u> | <u>16,833</u> | <u>55,427</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

| | | | |
|----------|---|-------------------|-------------------|
| 8 | Net movement in funds | 2023 | 2022 |
| | | £ | £ |
| | The net movement in funds is stated after charging/(crediting): | | |
| | Depreciation of owned tangible fixed assets | - | 175 |
| | | <u> </u> | <u> </u> |

9 Employees

The average monthly number of employees during the year was:

| | | |
|--|-------------------|-------------------|
| | 2023 | 2022 |
| | Number | Number |
| | 1 | 1 |
| | <u> </u> | <u> </u> |

Employment costs

| | | |
|--------------------|-------------------|-------------------|
| | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | 17,063 | 16,119 |
| | <u> </u> | <u> </u> |

The Trust operates a defined contribution pension scheme.

No employee earned £60,000 per annum or more (2022 – no employees falling in the band £60,000 to £70,000).

The average number of full time equivalent employees was 1 (2022 - 1).

Trustees received no expenses during the year, other than the reimbursement of items bought on behalf of the Trust.

No Trustee director received any remuneration in respect of their services as a Trustee of the charity.

10 Taxation

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

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Tangible fixed assets

| | Computers £ |
|------------------------------------|----------------|
| Cost | |
| At 1 January 2023 | 703 |
| At 31 December 2023 | 703 |
| Depreciation and impairment | |
| At 1 January 2023 | 703 |
| At 31 December 2023 | 703 |

12 Heritage assets

| | £ |
|---|---------|
| At 1 January 2023 and at 31 December 2023 | 108,153 |

13 Debtors

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Trade debtors | 211 | 210 |
| Other debtors | 5,726 | 6,698 |
| Prepayments and accrued income | 4,277 | 9,944 |
| | <u>10,214</u> | <u>16,852</u> |

14 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|--------------|--------------|
| | Notes | |
| Bank overdrafts | - | 83 |
| Other taxation and social security | 510 | 241 |
| Other creditors | 173 | 2,700 |
| Accruals and deferred income | 1,752 | 1,996 |
| | <u>2,435</u> | <u>5,020</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 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 2023 | Incoming resources | Resources expended | Transfers | At 31 December 2023 |
|--------------------------------|------------------------------|-------------------------------|-------------------------------|------------------|------------------------------------|
| | £ | £ | £ | £ | £ |
| National Lottery Heritage Fund | 7,371 | - | - | (7,371) | - |
| Tentergarth project | 2,586 | 13,017 | (9,406) | - | 6,197 |
| Hydro-refurb | - | 6,624 | (7,847) | 1,223 | - |
| SPAB Mill Repair Fund | - | 522 | (502) | - | 20 |
| | <u>9,957</u> | <u>20,163</u> | <u>(17,755)</u> | <u>(6,148)</u> | <u>6,217</u> |
| Previous year: | At 1 January 2022 | Incoming resources | Resources expended | Transfers | At 31 December 2022 |
| | £ | £ | £ | £ | £ |
| National Lottery Heritage Fund | - | 21,317 | (13,946) | - | 7,371 |
| Tentergarth project | - | 5,473 | (2,887) | - | 2,586 |
| | <u>-</u> | <u>26,790</u> | <u>16,833</u> | <u>-</u> | <u>9,957</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Restricted funds

(Continued)

The National Lottery Heritage Fund project is for the Trust to provide conservation and improved presentation of the mill buildings and machinery, and establishment of the mill's day to day management, in order to attract more visitors and ensure its long-term sustainability.

The Tentergarth project is the restoration of the historic meadow behind the miller's cottage. The meadow was overgrown with thick brambles, these have now been mainly cleared to allow native flowers and grasses to grow. A path will allow visitors to tour the meadow.

The hydro refurbishment was a replacement of the chain and sprockets with higher specification components which should give an extended life of 5 and 10 years respectively.

The SPAB fund was mainly used to repair the jog scry (a vibrating sieve) which had broken. There were some other minor repairs to other equipment.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Designated funds

These are unrestricted funds which are material to the Trust's activities.

| | At 1 January 2023 | Resources expended | At 31 December 2023 |
|---------------------------|------------------------------|-------------------------------|------------------------------------|
| | £ | £ | £ |
| Heritage building reserve | 108,153 | - | 108,153 |
| | <u>108,153</u> | <u>-</u> | <u>108,153</u> |
| Previous year: | At 1 January 2022 | Resources expended | At 31 December 2022 |
| | £ | £ | £ |
| Heritage building reserve | 108,328 | (175) | 108,153 |
| | <u>108,328</u> | <u>(175)</u> | <u>108,153</u> |

17 Analysis of net assets between funds

| | Unrestricted funds | Designated funds | Restricted funds | Total |
|------------------------------|-----------------------|---------------------|---------------------|----------------|
| | 2023 £ | 2023 £ | 2023 £ | 2023 £ |
| At 31 December 2023: | | | | |
| Heritage assets | 108,153 | - | - | 108,153 |
| Current assets/(liabilities) | (43,480) | 108,153 | 6,217 | 70,890 |
| | <u>64,673</u> | <u>108,153</u> | <u>6,217</u> | <u>179,043</u> |
| | <u>64,673</u> | <u>108,153</u> | <u>6,217</u> | <u>179,043</u> |
| | Unrestricted funds | Designated funds | Restricted funds | Total |
| | 2022 £ | 2022 £ | 2022 £ | 2022 £ |
| At 31 December 2022: | | | | |
| Heritage assets | - | 108,153 | - | 108,153 |
| Current assets/(liabilities) | 59,307 | - | 9,957 | 69,264 |
| | <u>59,307</u> | <u>108,153</u> | <u>9,957</u> | <u>177,417</u> |
| | <u>59,307</u> | <u>108,153</u> | <u>9,957</u> | <u>177,417</u> |

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

ESKDALE MILL & HERITAGE TRUST

England & Wales - Charity number 1113837

Accounts

Charity registration number 1113837

Company registration number 5743618 (England and Wales)

ESKDALE MILL & HERITAGE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ESKDALE MILL & HERITAGE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|---|--|
| Trustees | Mr P Grove Mr S Hemm Mr R Johnson Mr SW Ross Mr D White Mr P Dean Ms R Lord Mr P Pharaoh | (Appointed 19 April 2023) (Resigned 23 July 2022) (Resigned 31 December 2022) (Resigned 16 June 2022) |
| Charity number | 1113837 | |
| Company number | 5743618 | |
| Principal address | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Registered office | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Independent examiner | Gibbons Carleton House 136 Gray Street Workington Cumbria CA14 2LU | |

ESKDALE MILL & HERITAGE TRUST

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ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

Principal Objects

The principal objects of the Eskdale Mill & Heritage Trust (the "Trust") are the preservation and development, for the public benefit, of the 16th century Eskdale Water Corn Mill at Boot. The Mill being of historic and architectural interest. It is also the objective to advance the education of the public in the history, heritage, geography and geology of Eskdale, so as to increase the understanding of the built environment.

In accordance with section 17 (5) Charities Act 2011, in exercising their powers and duties, the trustees have to regard the Charity Commission's guidance on the public benefit objective.

Governance and Management

2022 was a significant year for the Trust as it was the first full year the Trust has been able to trade at the Mill since reopening following the major redevelopment project funded by the National Lottery Heritage Fund. The Trustees held monthly management meetings to monitor and review the operation of the Trust and the Mill. These meetings included Zoom meetings, in person meetings and hybrid meetings which blended in person and Zoom to ensure as good attendance of possible of Trustees and Advisors.

An Annual General Meeting was held on the 23rd July 2022 at the Ravenglass & Eskdale Railway's Dalegarth station. This meeting provided an opportunity for members to ask questions of the Trustees and attendees enjoyed a talk by Alan Cleaver and Lesley Park. Following the resignations of Paul Pharaoh and Paul Dean, Stuart Ross assumed the role of Chairman and Steve Hemm that of Secretary. Peter Grove and Richard Johnson continue their duties as Treasurers for the Trust. Rosemary Lord stepped down as a Trustee in 2022. Efforts continue to recruit new Trustees and Advisors to ensure the continued development of the Trust. However, although we welcomed two new Advisors (one of which has become a Trustee) in 2022, recruitment of Trustees and Advisors has proven to be difficult, meaning that numbers of both are significantly lower than the current business plan of the Trust envisages. This is of concern as it impacts on the proper running of the Trust and the Mill.

Requirements of grant funders on the Tentergarth Project have led to reviews being undertaken of key policy documents used by the Trust.

Kate Hughes in her role as Mill Manager continues to be the linchpin of the trust. Welcoming visitors to the Mill, undertaking essential maintenance, delivering projects and striving to develop the volunteer workforce mean Kate is exceptionally busy. For this reason, we have increased her winter working hours. Kate's efforts are having a positive impact on the Mill.

Tentergarth Project

The Tentergarth Project was formerly launched on the 8th May 2022. This project aims to restore the meadow adjacent to the Mill. A formal planning application for its development was submitted to the Lake District National Park Planning Authority. Permission was granted in November to develop this area as a wildflower meadow, heritage orchard and pond. The project is funded by the Trust and four different funders. These funders are The Copeland Community Fund, The Cumbria Community Foundation, Friends of the Lake District, and the Lake District Foundation.

Prior to planning being granted, surveying work was undertaken to identify what was already growing in the Meadow with training given to volunteers to undertake the task. The volunteers were busy in the meadow in 2022, cutting back bramble and bracken, and maintaining low impact pathways, which enabled wild flowers to grow.

Community and volunteer engagement is a key part of the is project. 18 people from the West Cumbria Home Education Group and the West Cumbria Learning Centre assisted with hay raking once the meadow grass had been cut. On the National Mills Weekend on 8 May 2022, the Mill had visits by enthusiasts and a family-friendly flower survey was conducted in the meadow by 29 participants. 57 people attended a wildflower spreading event in October. In support of their school syllabus, pupils from two local schools visited the Mill in spring 2022. To mark the start of spring, 36 members of the local community helped to plant 105 hedge trees generously donated by The Woodland Trust.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Daily Operation

6,126 visitors visited the Mill in 2022. This was 12% ahead of the target that had been set for the year to break even. This strong trading is reflected at other attractions in the local area but challenged what other areas of the UK were finding. Where possible the Mill opened for five days per week, usually Sunday to Thursday. Traditionally Friday and Saturday are quieter days in Eskdale.

Reviews from the public continue to be extremely positive with 106 reviews of Tripadvisor with a 4.5 /5 rating. More significant are the 117 reviews on Google with a 4.8/5 rating. Google is now the "go to" review platform.

During the year twelve volunteers provided over 1,415 volunteer hours in support of the Mill.

The Trustees acknowledge the value of this hard work which is integral to the successful operation of the Mill. The Mill could not have performed as well as it did without this volunteer input. The volunteers provided wide-ranging support including gardening/landscaping, conservation work, practical maintenance (indoors and outdoors), management and maintenance of the hydro system, and of course, visitor support from the initial welcome to running reception and by giving talks and demonstrations. The outstanding reviews received from visitors are testament to the excellent service they delivered.

The volunteers enjoyed an end-of-year workshop and celebratory meal in December in recognition of their efforts throughout the year.

Conservation work (including reroofing) was undertaken on the Bakehouse building. Conservation advice and training was also provided by Lancashire Museums Conservation Officer. As well as the historic Mill buildings, the Trust has a small object collection which includes a variety of different artefacts including two paintings of the Mill by W. Stone.

The Mill continues to be supported by Heron Corn Mill and their millwright, Stuart Hobbs, who provides annual machinery inspections, reports, and advice. Stuart has carried out training and maintenance work with Kate and the volunteers to help maintain the heritage of the Mill and its smooth-running.

Promotional and sales stalls were taken at the Gosforth and Eskdale Shows, which generated a good degree of interest.

The Lakeland 100 Fell Race once again used the Mill as a checkpoint in July and generated a welcome donation to the Trust funds.

On the 30th October 2022, historian and author Alan Cleaver led a guided walk along the Corpse Road which heads across to Wasdale from just behind the Mill. 8 brave souls joined Alan in very wet weather conditions – very atmospheric!

At the end of the year, the Mill had 703 followers on Twitter, 416 followers on Facebook, and 88 Instagram followers.

Hydro Generation

The Hydro wheel achieved 6,080 hours of operation in 2022 and generated over £5,000 of revenue for the Trust. Daily abstraction records were maintained to comply with the Environment Agency abstraction permits. Weather at points in the year meant the wheel was at full generation for prolonged periods. This did present some problems too. Whilst most of the country was baked by record temperatures, the summer brought heavy rainfall to Eskdale leading to boulders moving in Whillan Beck and fallen trees.

Concern was raised once again about ambient noise from the wheel by neighbours in the village and monitoring of this was carried out by the Trust and the Council Environmental Health Officer.

Grants totalling £6,641 were secured from the Low Carbon Lake District Grant scheme and the Mid Copeland Geological Disposal Facility Community Partnership for the renewal of the chain and sprockets using higher-grade materials. This followed the catastrophic failure of the chain in February 2022, which caused almost 3 months' downtime. A temporary replacement chain was fitted with assistance from Trust Advisor Andy Feaver in order to prolong operations until the new chain and sprockets could be procured and installed.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Review

During the year the trust received total income of £75,605 (2021 £92,963), which was made up of Operating income and Non-operating income streams. Operating income streams were made up as follows: admission charges of £26,864 (2021 £21,616); shop income of £4,235 (2021 £zero); donations and memberships of £3,031 (2021 £1,763); gift aid income of £5,545 (2021 £2,413, included in the 'Grants receivable' note 3); and the sale of electricity generated by the hydro system of £7,430 (2021 £1,475).

Non-operating income streams were made up as follows: Interest received of £110 (2021 £zero); National Lottery Heritage Funds grants of £21,317 (2021 £44,406); Covid grants of £1,600 (2021 £23,703, included in the 'Grants receivable' note 3); and the Tentergarth project £5,473 (2021 £zero).

Unrestricted expenditure in the year was £38,419 (2021 £18,230) with restricted expenditure of £16,833 (2021 £61,979). Considering unrestricted expenditure the main items were: Salaries £12,346 (2021 £zero); Repairs and maintenance of £6,195 (2021 £466); Insurance £4,803 (2021 £4,136). These clearly show the end of the NLHF project and EMHT operational income having to cover additional expenditures.

The financial statements for the year to 31 December 2022 showed a gain of £20,178 (2021 £12,578). Unrestricted funds generated a net income of £10,396 (2021 £22,144). The trustees would like to bring to the attention of the members that significant items of income and expenditure in 2022 would not be repeated in 2023, for example the Covid grant and NLHF funding which was used for bakehouse roof repairs, final project assessment and project management cost, etc. This means there was a net benefit of around £5,200 in 2022 which will not be available next year. However, the trustees have completed an operational budget for 2023 taking this into account and feel that the trust will break even or incur a small deficit in 2023. This will be reviewed during 2023 to ensure any deficit is minimised. It should also be noted that the trust has significant reserves with a cash balance of £57,432 at 31 December 2022. The Trustees accept that the current levels of reserves fall short the target of 24 months unrestricted expenditure. They will endeavour to build up the unrestricted reserves, despite the current economic conditions to safeguard the Mill manager's position and future viability of the organisation.

Plans for the Future

Trustees and the Mill Manager are currently working on a vision for the future of the Mill. This is looking at day to day and strategic matters. This will lead to the production of a new business plan to replace that which dates from 2018.

As part of this strategic work the Trustees will examine the governance and constitution of the Trust and whether there are more beneficial alternatives.

Work will continue to deliver the Tentergarth Project (now in its second and final year) including the digging of a pond in the meadow.


Stuart Ross unfortunately will be stepping down from the Trust in July 2023 which will mean a new Chairman.

The Trust welcomes David White as a new trustee. David brings a wealth of professional experience and a fresh eye to the trust.

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

.....
Mr P Grove
Trustee

Dated:


26/07/23

ESKDALE MILL & HERITAGE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ESKDALE MILL & HERITAGE TRUST

I report to the Trustees on my examination of the financial statements of Eskdale Mill & Heritage Trust (the Trust) for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).


Having satisfied myself that the financial statements of the Trust 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 the Trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Tony Hindmoor BFP FCA
Gibbosn Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Dated: 1 August 2023

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

| | Notes | Unrestricted funds general 2022 £ | Unrestricted funds designated 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|-------|--|---|-------------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | | |
| Donations and legacies | 3 | 10,176 | - | 21,317 | 31,493 | 69,872 |
| Charitable activities | 4 | 31,099 | - | 5,473 | 36,572 | 21,616 |
| Investments | | 110 | - | - | 110 | - |
| Other income | 5 | 7,430 | - | - | 7,430 | 1,475 |
| Total income | | 48,815 | - | 26,790 | 75,605 | 92,963 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 6 | 38,419 | 175 | 16,833 | 55,427 | 80,385 |
| Net income for the year/ Net movement in funds | | 10,396 | (175) | 9,957 | 20,178 | 12,578 |
| Fund balances at 1 January 2022 | | 48,911 | 108,328 | - | 157,239 | 144,661 |
| Fund balances at 31 December 2022 | | 59,307 | 108,153 | 9,957 | 177,417 | 157,239 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

| | Notes | Unrestricted funds general 2021 £ | Unrestricted funds designated 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|-------|---|--|----------------------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | |
| Donations and legacies | 3 | 25,466 | - | 44,406 | 69,872 |
| Charitable activities | 4 | 21,616 | - | - | 21,616 |
| Other income | 5 | 1,475 | - | - | 1,475 |
| Total income | | 48,557 | - | 44,406 | 92,963 |
| <u>Expenditure on:</u> | | | | | |
| Charitable activities | 6 | 18,230 | 176 | 61,979 | 80,385 |
| Gross transfers between funds | | (8,183) | - | 8,183 | - |
| Net income for the year/ Net movement in funds | | 22,144 | (176) | (9,390) | 12,578 |
| Fund balances at 1 January 2021 | | 26,767 | 108,504 | 9,390 | 144,661 |
| Fund balances at 31 December 2021 | | 48,911 | 108,328 | - | 157,239 |

ESKDALE MILL & HERITAGE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | Notes | 2022 | | 2021 | |
|---|-------|---------------|----------------|---------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | | - | | 175 |
| Heritage assets | 10 | | 108,153 | | 108,153 |
| | | | <u>108,153</u> | | <u>108,328</u> |
| Current assets | | | | | |
| Debtors | 11 | 16,852 | | 10,033 | |
| Cash at bank and in hand | | 57,432 | | 48,040 | |
| | | <u>74,284</u> | | <u>58,073</u> | |
| Creditors: amounts falling due within one year | 12 | (5,020) | | (9,162) | |
| Net current assets | | | 69,264 | | 48,911 |
| Total assets less current liabilities | | | <u>177,417</u> | | <u>157,239</u> |
| Income funds | | | | | |
| Restricted funds | 13 | | 9,957 | | - |
| Unrestricted funds | | | 167,460 | | 157,239 |
| | | | <u>177,417</u> | | <u>157,239</u> |


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 2022.

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 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.

The financial statements were approved by the Trustees on 26/7/23.


.....
Mr P Grove
Trustee

Company registration number 5743618

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Eskdale Mill & Heritage Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Eskdale Mill, Boot, Holmrook, Cumbria, CA19 1TG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Companies Act 2006 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) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. 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 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.5 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:

| | |
|-----------|-------------------------|
| Computers | 25% straight line basis |
|-----------|-------------------------|

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.

1.6 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible 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).

1.7 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.

1.8 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.9 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.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

| | Unrestricted funds general 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds general 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---------------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Donations and gifts | 3,031 | - | 3,031 | 1,763 | - | 1,763 |
| Grants receivable | 7,145 | 21,317 | 28,462 | 23,703 | 44,406 | 68,109 |
| | <u>10,176</u> | <u>21,317</u> | <u>31,493</u> | <u>25,466</u> | <u>44,406</u> | <u>69,872</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

| | 2022 | 2021 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Admissions | 26,864 | 21,616 |
| Shop sales | 4,235 | - |
| Tentergarth income | 5,473 | - |
| | <u>36,572</u> | <u>21,616</u> |
| Analysis by fund | | |
| Unrestricted funds - general | 31,099 | 21,616 |
| Restricted funds | 5,473 | - |
| | <u>36,572</u> | <u>21,616</u> |

5 Other income

| | Unrestricted funds general 2022 £ | Unrestricted funds general 2021 £ |
|--------------------------|--|--|
| Hydro-electricity income | <u>7,430</u> | <u>1,475</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

| | Unrestricted | | Restricted | | Designated | | Total Unrestricted | | Restricted | | Designated | | Total | |
|---------------------------------|---------------|------------|---------------|------------|------------|------------|--------------------|---------------|------------|------------|------------|------------|---------------|---------------|
| | 2022 | 2022 | 2022 | 2022 | 2022 | 2022 | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | 12,346 | - | 3,773 | - | - | - | - | 14,308 | - | - | - | - | 14,308 | - |
| Depreciation and impairment | - | 175 | - | 175 | - | - | - | - | - | - | 176 | - | - | 176 |
| Heat & Light | 580 | - | - | - | - | - | 5,364 | - | - | - | - | - | - | 5,364 |
| Rates | 1,835 | - | - | - | - | - | 2,139 | - | - | - | - | - | - | 2,139 |
| Insurance | 4,803 | - | - | - | - | - | 4,136 | - | - | - | - | - | - | 4,136 |
| General expenses | 2,413 | - | 10,173 | - | - | - | 1,161 | - | - | - | - | - | - | 4,136 |
| Advertising | 2,899 | - | - | - | - | - | 2,899 | - | - | - | - | - | - | 48,832 |
| Repairs & Maintenance | 6,195 | - | - | - | - | - | 6,195 | - | - | - | - | - | - | - |
| Waterwheel costs | 336 | - | - | - | - | - | 466 | - | - | - | - | - | - | 466 |
| Legal fees | 2,838 | - | - | - | - | - | 254 | - | - | - | - | - | - | 254 |
| Bank charges | 1,045 | - | - | - | - | - | 2,712 | - | - | - | - | - | - | 2,712 |
| Telephone | 1,015 | - | - | - | - | - | 404 | - | - | - | - | - | - | 404 |
| Tentergarth project expenditure | - | - | 2,887 | - | - | - | 528 | - | - | - | - | - | - | 528 |
| Stock | 2,114 | - | - | - | - | - | 1,066 | - | - | - | - | - | - | 1,066 |
| | <u>38,419</u> | <u>175</u> | <u>16,833</u> | <u>175</u> | <u>175</u> | <u>175</u> | <u>18,230</u> | <u>61,979</u> | <u>176</u> | <u>176</u> | <u>176</u> | <u>176</u> | <u>80,385</u> | <u>80,385</u> |
| | <u>38,419</u> | <u>175</u> | <u>16,833</u> | <u>175</u> | <u>175</u> | <u>175</u> | <u>18,230</u> | <u>61,979</u> | <u>176</u> | <u>176</u> | <u>176</u> | <u>176</u> | <u>80,385</u> | <u>80,385</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

| 6 Charitable activities | (Continued) | | | | | | | | | | |
|---------------------------------|---------------|---------------|------------|------------|---------------|---------------|--------------------|---------------|-----------------------|------------|---------------|
| | Unrestricted | | Restricted | | Designated | | Total Unrestricted | | Restricted Designated | | Total |
| | 2022 | 2022 | 2022 | 2022 | 2021 | 2021 | 2022 | 2021 | 2021 | 2021 | 2021 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Analysis by fund | | | | | | | | | | | |
| Unrestricted funds - general | 38,419 | - | - | - | 18,230 | - | 38,419 | 18,230 | - | - | 18,230 |
| Unrestricted funds - designated | - | - | 175 | 175 | - | - | 175 | - | 176 | - | 176 |
| Restricted funds | - | 16,833 | - | - | - | 61,979 | 16,833 | - | - | 61,979 | 61,979 |
| | <u>38,419</u> | <u>16,833</u> | <u>175</u> | <u>175</u> | <u>18,230</u> | <u>61,979</u> | <u>55,427</u> | <u>18,230</u> | <u>176</u> | <u>176</u> | <u>80,385</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|-------------------------|----------------|----------------|
| | 1 | 1 |
| | <u>1</u> | <u>1</u> |
| Employment costs | 2022 | 2021 |
| | £ | £ |
| Wages and salaries | 16,119 | 14,308 |
| | <u>16,119</u> | <u>14,308</u> |

The Trust operates a defined contribution pension scheme.

No employee earned £60,000 per annum or more (2021 – no employees falling in the band £60,000 to £70,000).

The average number of full time equivalent employees was 1 (2021 - 1).

Trustees received no expenses during the year, other than the reimbursement of items bought on behalf of the Trust.

No Trustee director received any remuneration in respect of their services as a Trustee of the charity.

8 Taxation

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

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

| | | | |
|-----------|---|----------------------|----------------------|
| 9 | Tangible fixed assets | | |
| | | | Computers |
| | | | £ |
| | Cost | | |
| | At 1 January 2022 | | 703 |
| | At 31 December 2022 | | <u>703</u> |
| | Depreciation and impairment | | |
| | At 1 January 2022 | | 528 |
| | Depreciation charged in the year | | 175 |
| | At 31 December 2022 | | <u>703</u> |
| | Carrying amount | | |
| | At 31 December 2021 | | <u>175</u> |
| | | | <u><u>175</u></u> |
| | | | |
| 10 | Heritage assets | | £ |
| | At 1 January 2022 and at 31 December 2022 | | <u>108,153</u> |
| | | | |
| 11 | Debtors | | |
| | Amounts falling due within one year: | 2022 | 2021 |
| | | £ | £ |
| | Trade debtors | 210 | 210 |
| | Other debtors | 6,698 | 9,823 |
| | Prepayments and accrued income | 9,944 | - |
| | | <u>16,852</u> | <u>10,033</u> |
| | | <u><u>16,852</u></u> | <u><u>10,033</u></u> |
| | | | |
| 12 | Creditors: amounts falling due within one year | | |
| | | 2022 | 2021 |
| | | £ | £ |
| | Bank overdrafts | 83 | - |
| | Other taxation and social security | 241 | 241 |
| | Other creditors | 2,700 | - |
| | Accruals and deferred income | 1,996 | 8,921 |
| | | <u>5,020</u> | <u>9,162</u> |
| | | <u><u>5,020</u></u> | <u><u>9,162</u></u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 January 2021 | | Movement in funds | | Transfers | | Balance at 1 January 2022 | | Movement in funds | | Balance at 31 December 2022 | |
|--------------------------------|------------------------------|---|-----------------------|-----------------------|--------------|----------|------------------------------|----------|-----------------------|-----------------------|-----------------------------------|---|
| | £ | £ | Incoming resources | Resources expended | £ | £ | £ | £ | Incoming resources | Resources expended | £ | £ |
| National Lottery Heritage Fund | 9,390 | | 44,406 | (61,979) | 8,183 | - | - | - | 21,317 | (13,946) | 7,371 | |
| Tentergarth project | - | | - | - | - | - | - | - | 5,473 | (2,887) | 2,586 | |
| | <u>9,390</u> | | <u>44,406</u> | <u>(61,979)</u> | <u>8,183</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>26,790</u> | <u>(16,833)</u> | <u>9,957</u> | |

The National Lottery Heritage Fund project is for the Trust to provide conservation and improved presentation of the mill buildings and machinery, and establishment of the mill's day to day management, in order to attract more visitors and ensure its long-term sustainability.

The Tentergarth project is the restoration of the historic meadow behind the miller's cottage. The meadow was overgrown with thick brambles, these have now been mainly cleared to allow native flowers and grasses to grow. A path will allow visitors to tour the meadow.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The Designated Fund represents the Heritage Asset at its historical cost price.

The Fixed Asset Fund represents the net book value of assets on hand at the year end, 31 December 2022.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

| 15 Analysis of net assets between funds | Unrestricted funds | | Designated funds | | Restricted funds | | Total Unrestricted funds | | Designated funds | | Restricted funds | | Total | |
|---|--------------------|---|------------------|---|------------------|---|--------------------------|---|------------------|---|------------------|---|----------|----------------|
| | 2022 | £ | 2022 | £ | 2022 | £ | 2022 | £ | 2021 | £ | 2021 | £ | 2021 | £ |
| Fund balances at 31 December 2022 are represented by: | | | | | | | | | | | | | | |
| Tangible assets | - | | - | | - | | - | | - | | 175 | | - | 175 |
| Heritage assets | - | | 108,153 | | - | | 108,153 | | - | | 108,153 | | - | 108,153 |
| Current assets/(liabilities) | 59,307 | | - | | 9,957 | | 48,911 | | - | | - | | - | 48,911 |
| | <u>59,307</u> | | <u>108,153</u> | | <u>9,957</u> | | <u>177,417</u> | | <u>48,911</u> | | <u>108,328</u> | | <u>-</u> | <u>157,239</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

16 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

ESKDALE MILL & HERITAGE TRUST

England & Wales - Charity number 1113837

Accounts

Charity registration number 1113837

Company registration number 5743618 (England and Wales)

ESKDALE MILL & HERITAGE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ESKDALE MILL & HERITAGE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|---------------------------------|
| Trustees | Mr P Dean Mr P Grove Mr S Hemm Mr R Johnson Ms R Lord Mr PG Pharaoh Mr SW Ross | (Appointed 25 February 2021) |
| Charity number | 1113837 | |
| Company number | 5743618 | |
| Principal address | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Registered office | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Independent examiner | Gibbons Carleton House 136 Gray Street Workington Cumbria CA14 2LU | |

ESKDALE MILL & HERITAGE TRUST

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ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

Principal objects

The principal charitable objects of the Trust are the preservation and development, for the public benefit, of the 16th century Eskdale Water Corn Mill at Boot, being of particular historical and architectural interest; and to advance the education of the public in the history, heritage, geography and geology of Eskdale, so as to increase their understanding of the built and natural environment.

In accordance with section 17(5) Charities Act 2011, in exercising their powers and duties the trustees have had regard to the Charity Commission's guidance on the public benefit objective.

Governance and management

The Covid-19 pandemic again had a major effect on all the Trust's operations in 2021. Still working via Zoom, the trustees met on 15 occasions, usually with the mill manager in attendance, to monitor and review the Trust's activities. Early in the year we held a special review and planning meeting. This was the last full year of the three-year National Lottery Heritage Fund conservation project, which came to an end on 31 March 2022. Bi-monthly progress meetings, attended by the project consultants still actively involved and the Trust's manager and chair of trustees, also continued. Because of Covid, no Annual General Meeting took place in the year, but one will be held in 2022 as the memorandum and articles of association require.

Paul Pharaoh has been a Trustee for 14 years, and chair of the Trust for the last 7 years (acting as chair for the preceding 3 years). During this time he has made an invaluable contribution to the Trust steering it through the challenging waters of the Heritage Lottery Grant acquisition and then overseeing the astonishing restoration of the mill, bringing it to its current position as a pre-eminent visitor attraction in the valley. The Trust is indebted to Paul for all the work and commitment he has shown and wishes him well in his well-deserved retirement.

We welcomed Peter Grove, a qualified management accountant, first as an adviser and then as a trustee, with a view to his taking over from Richard Johnson as treasurer. Standing down as trustees at the 2022 AGM will be Paul Pharaoh as chair and Paul Dean as secretary. Paul Dean has been a most conscientious recorder of trustees' proceedings since 2014, and has provided valuable assistance in several areas, including regulatory compliance and adoption of formal procedures; the Trust is extremely grateful to him. We are very pleased to welcome Stuart Ross and Steve Hemm, both experienced trustees, as chairman and secretary respectively. Discussions about the appointment of additional trustees are ongoing.

Kate Hughes continued in post as resident mill manager, welcoming members of the public and keeping the mill running during the visitor season and undertaking maintenance and improvement works in the winter, assisted in both cases by volunteers. As the Trust's sole employee Kate leads a very busy life, managing and training volunteers, developing partnership arrangements with other organisations, planning events and dealing with marketing.

The conservation project

In 2021 the Trust carried out its charitable objects by opening the restored and fully working mill to paying visitors, and enhancing their experience by completing the remaining outcomes required as conditions of our £1 million conservation project grants. These included the children's nature trail, development of educational materials for visiting schools and a new information panel in Boot village. Thanks to the National Lottery Heritage Fund, Copeland Community Fund and our other funders, the mill's buildings, grounds and machinery are in better condition than they have been for a very long time and the mill's offer as a visitor attraction has been massively improved. Inevitably, some items in our project plan needed attention in unanticipated ways or had to be modified in the light of experience, but generally the NLHF project was completed on time, within budget and to our funders' satisfaction.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Volunteers are key to the mill's successful operation. Many, but by no means all, of our volunteers are older people who, most understandably, were hesitant about returning to welcoming or guiding roles indoors. Consequently the manager had to be available to deal with admissions nearly all the time the mill was open, reducing her availability for other essential tasks. Recruitment of additional volunteers for indoor roles is currently the Trust's biggest challenge. However, 15 volunteers delivered an impressive total of 1,557 hours work in 2021, including working with the manager to complete the transformation of the miller's garden from an unkempt wilderness to a pleasant and productive area which visitors can now enjoy; freshly harvested vegetables were also available for them to purchase. Warmest thanks to all those who volunteered in any capacity during the year.

The 2021 visitor season was once more disrupted by Covid. Due to lockdown, reopening had to be postponed until 17 May, meaning that 2022 will be the first time we have been able to open for the busy Easter period since 2016. We continued to ensure the safety and confidence of people visiting the mill by following government guidance, so social distancing restrictions including preferred online booking, relocation of reception and our small shop into the exhibition room, a one-way route and removal of tactile exhibits remained in place.

The Ravenglass & Eskdale Railway Company, which carries many of our visitors up the valley, was also affected again by Covid restrictions, reducing both the number of passengers and the time they spend in Boot before catching a return train. Holiday accommodation of all types in Eskdale was fully booked by 'staycationers' during the summer, but this did not necessarily translate into increased visitor numbers for the mill. Visits by schools and other organised groups did not resume during the year, and some special events had to be postponed. Despite these negatives, we welcomed 4,049 visitors in 2021 against 1,102 in the previous year, when of course lockdown was much more extensive. The number was however slightly below our target for the year.

Visitors' comments on site or via social media were overwhelmingly positive. Google reviews averaged 4.8 out of 5 stars (from 71 reviews), whilst TripAdvisor reviews averaged 4.5 out of 5, on a par with Muncaster Castle, the World of Beatrix Potter and Levens Hall. The Trust and our interpretation consultants, Minerva Heritage, won first prize in the indoors category for the national Engaging People Awards from the Association for Heritage Interpretation, against shortlisted competition from the British Museum, Castell Coch near Cardiff and Buxton Crescent Heritage Trust. The judges described the mill as an excellent example of the transformation of an industrial heritage site into a lovely visitor attraction and a sensory experience, adding "To be invited to pass through the mill's long history is a real delight."

As the project ends, a final word of thanks to our lead consultants, the architect Peter Kempsey of Countryside Consultants in Alston; Lisa Keys and Chris Healey of Minerva Heritage in Lancaster for interpretation and activities; and our super-efficient project managers, Shirley and Dave Muir of Shirley Muir Associates in Blennerhassett. They formed a great team who never let us down and were always willing to go the extra mile to ensure the project kept on track. At the end of the year a comprehensive evaluation was carried out for submission to NLHF by Guy Huxtable of Wingspan Consulting in Keswick, concluding that nearly all the objectives had been successfully achieved, the few omissions mostly being attributable to the pandemic. The report made helpful recommendations which the trustees will follow up.

The hydro-generation project

In 2021 the modern waterwheel which drives our hydro-generation plant operated for 2,434 hours, 28% of generation capacity, earning an estimated £1,952 under the Feed-in Tariff scheme and subsidising power used in the manager's cottage. Unhappily, the history of technical difficulty which has dogged the project continued. At the beginning of the year, investigation of noise and a potential mechanical problem was delayed due to the pandemic. Increased sound insulation was installed in April and May but an oil leak was detected. The oil seal was repaired in September, involving the hire of specialist lifting equipment and a marathon day's work by skilled volunteers. Generation resumed, initially during the day only but continuously from November.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

All seemed well through the year end, but in February 2022 the drive chain failed catastrophically. The trustees have accepted recommendations in a comprehensive report by the Trust's expert adviser, Andy Feaver, for immediate repair at relatively low cost, followed by planned replacement of parts to a higher specification in 2023. The Trust will submit grant applications to fund a package of measures designed to improve the wheel's performance and reliability. Thanks as always to trustee and volunteer Steve Hemm for his continuing labours in this respect. An inspection by the Environment Agency in September found the site to be well run and compliant with all aspects of our water abstraction permit.

Plans for the future

We have submitted our final report to the National Lottery Heritage Fund, together with our claim for the final tranche of funding, retained pending satisfactory completion of the project outcomes. From April 2022 the Trust must operate without subsidy for the first time since the mill reopened to the public in 2019. The trustees are well aware of the challenges ahead in terms of income generation from visitor numbers and the sale of electricity. Progress will be carefully monitored as the effects of the pandemic on operations will we hope recede.

With the help of Shirley Muir Associates, paid for by an enabling grant from Cumbria County Council, we assembled a project plan for improvements to Tentergarth, the field behind the cottage, which had become completely overgrown by brambles. Although now partially cleared by volunteers, this is the only part of the Trust's site not systematically tackled during the NLHF project. The aim is to form a new access from the fell track and introduce habitat improvements, provisionally including an orchard and a pond fed by the existing small stream, which will add to our visitor offer and provide for environmental education and more opportunities for volunteer engagement. Four funding applications for a total of £24,400 over two years from April 2022 have been successfully submitted.

Financial review

During the year, we received grants of £44,406 from the National Lottery Heritage Fund project, along with £20,469 from Copeland Borough Council and £1,500 from Cumbria County Council. The funding from Copeland Borough Council was received as support in relation to the Covid-19 pandemic. The trustees are extremely grateful for this funding.

Donations have been received throughout the year, as part of the membership subscription, or through donations of the general public. We remain grateful to all our supporters, past and present.

The financial statements to 31 December 2021 show a gain overall of £12,578 for the year. The trustees are pleased with this result, as the Trust begins to make the transition into a self-sufficient organization as the National Lottery Heritage Fund project ends. The challenge remains for the Trust to be self-sufficient and generate enough income to support the employment of the mill manager, beyond the cessation of the National Lottery Heritage Fund project.

The Trust has recognised the need for a designated fund which includes the value of the mill buildings at cost, which sits at £108,153. A further fixed asset reserve has been created in the year, which is to the value of fixed assets, meaning the amount shown in unrestricted reserves are the free reserves to meet the ongoing charitable activities.

The Trust has unrestricted funds of £48,911 available for activities in 2022. The Trust reserves policy is 24 months unrestricted expenditure, and the trustees accept that the current levels of reserves fall short of this target. However, the trustees are aware that the Trust must build up its free reserves to ensure and safeguard the mill manager's position and will take the necessary measures to increase the reserves. The trustees will endeavor to build up the unrestricted reserves, despite the current economic conditions.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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

..........

Mr S Hemm
Trustee

Dated: 28/6/22.....

ESKDALE MILL & HERITAGE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ESKDALE MILL & HERITAGE TRUST

I report to the Trustees on my examination of the financial statements of Eskdale Mill & Heritage Trust (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Trust 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 the Trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Tony Hindmoor BFP FCA
Gibbons Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Dated: 28/06/2022

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

| | Notes | Unrestricted funds general 2021 £ | Unrestricted funds designated 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Total 2020 £ |
|---|-------|--|---|-------------------------------|-----------------------|-----------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 25,466 | - | 44,406 | 69,872 | 76,336 |
| Charitable activities | 4 | 21,616 | - | - | 21,616 | 4,328 |
| Investments | 5 | - | - | - | - | 2 |
| Other income | 6 | 1,475 | - | - | 1,475 | 5,051 |
| Total income | | <u>48,557</u> | <u>-</u> | <u>44,406</u> | <u>92,963</u> | <u>85,717</u> |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | <u>18,230</u> | <u>176</u> | <u>61,979</u> | <u>80,385</u> | <u>61,884</u> |
| Net incoming/(outgoing) resources before transfers | | 30,327 | (176) | (17,573) | 12,578 | 23,833 |
| Gross transfers between funds | | (8,183) | - | 8,183 | - | - |
| Net income/(expenditure) for the year/ Net movement in funds | | <u>22,144</u> | <u>(176)</u> | <u>(9,390)</u> | <u>12,578</u> | <u>23,833</u> |
| Fund balances at 1 January 2021 | | <u>26,767</u> | <u>108,504</u> | <u>9,390</u> | <u>144,661</u> | <u>120,828</u> |
| Fund balances at 31 December 2021 | | <u><u>48,911</u></u> | <u><u>108,328</u></u> | <u><u>-</u></u> | <u><u>157,239</u></u> | <u><u>144,661</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

| | | Unrestricted funds general 2020 £ | Unrestricted funds designated 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---|--------------|---|--|----------------------------------|--------------------|
| | Notes | | | | |
| <u>Income and endowments from:</u> | | | | | |
| Donations and legacies | 3 | 24,007 | - | 52,329 | 76,336 |
| Charitable activities | 4 | 4,328 | - | - | 4,328 |
| Investments | 5 | 2 | - | - | 2 |
| Other income | 6 | 5,051 | - | - | 5,051 |
| Total income | | 33,388 | - | 52,329 | 85,717 |
| <u>Expenditure on:</u> | | | | | |
| Charitable activities | 7 | 15,793 | 176 | 45,915 | 61,884 |
| Net incoming/(outgoing) resources before transfers | | 17,595 | (176) | 6,414 | 23,833 |
| Net income/(expenditure) for the year/ Net movement in funds | | | | | |
| | | 17,595 | (176) | 6,414 | 23,833 |
| Fund balances at 1 January 2020 | | 9,172 | 108,680 | 2,976 | 120,828 |
| Fund balances at 31 December 2020 | | 26,767 | 108,504 | 9,390 | 144,661 |

ESKDALE MILL & HERITAGE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|---------------|----------------|---------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 9 | | 175 | | 351 |
| Heritage assets | 10 | | 108,153 | | 108,153 |
| | | | <u>108,328</u> | | <u>108,504</u> |
| Current assets | | | | | |
| Debtors | 11 | 10,033 | | 12,123 | |
| Cash at bank and in hand | | 48,040 | | 74,754 | |
| | | <u>58,073</u> | | <u>86,877</u> | |
| Creditors: amounts falling due within one year | 12 | (9,162) | | (50,720) | |
| Net current assets | | | 48,911 | | 36,157 |
| Total assets less current liabilities | | | <u>157,239</u> | | <u>144,661</u> |
| Income funds | | | | | |
| Restricted funds | 13 | | - | | 9,390 |
| Unrestricted funds | | | 157,239 | | 135,271 |
| | | | <u>157,239</u> | | <u>144,661</u> |

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 2021.

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 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.

The financial statements were approved by the Trustees on 28/6/22



Mr S Hemm
Trustee

Company registration number 5743618

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Eskdale Mill & Heritage Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Eskdale Mill, Boot, Holmrook, Cumbria, CA19 1TG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Companies Act 2006 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) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. 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 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.5 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:

| | |
|-----------|-------------------------|
| Computers | 25% straight line basis |
|-----------|-------------------------|

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.

1.6 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible 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).

1.7 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.

1.8 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.9 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.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

| | Unrestricted funds general 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---------------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Donations and gifts | 1,763 | - | 1,763 | - | - | - |
| Grants receivable | 23,703 | 44,406 | 68,109 | 24,007 | 52,329 | 76,336 |
| | <u>25,466</u> | <u>44,406</u> | <u>69,872</u> | <u>24,007</u> | <u>52,329</u> | <u>76,336</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

| | Unrestricted funds general 2021 £ | Unrestricted funds general 2020 £ |
|------------|--|--|
| Admissions | 21,616 | 4,328 |

5 Investments

| | Unrestricted funds general 2021 £ | Unrestricted funds general 2020 £ |
|---------------------|--|--|
| Interest receivable | - | 2 |

6 Other income

| | Unrestricted funds general 2021 £ | Unrestricted funds general 2020 £ |
|--------------------------|--|--|
| Hydro-electricity income | 1,475 | 5,051 |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

| 7 Charitable activities | Unrestricted | | Restricted Designated | | Total Unrestricted | | Restricted Designated | | Total | |
|-----------------------------|---------------|---------------|-----------------------|------------|--------------------|---------------|-----------------------|------------|---------------|---------------|
| | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 | 2020 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | - | 14,308 | - | - | 14,308 | - | 12,878 | - | 12,878 | - |
| Depreciation and impairment | - | - | 176 | 176 | 176 | - | - | 176 | 176 | 176 |
| Heat & Light | 5,364 | - | - | - | 5,364 | 1,237 | - | - | 1,237 | 1,237 |
| Rates | 2,139 | - | - | - | 2,139 | 1,264 | - | - | 1,264 | 1,264 |
| Insurance | 4,136 | - | - | - | 4,136 | 3,628 | - | - | 3,628 | 3,628 |
| General expenses | 1,161 | 47,671 | - | - | 48,832 | 309 | 33,037 | - | 33,346 | 33,346 |
| Advertising | - | - | - | - | - | 86 | - | - | 86 | 86 |
| Repairs & Maintenance | 466 | - | - | - | 466 | 1,005 | - | - | 1,005 | 1,005 |
| Waterwheel costs | 254 | - | - | - | 254 | 286 | - | - | 286 | 286 |
| Legal fees | 2,712 | - | - | - | 2,712 | 1,679 | - | - | 1,679 | 1,679 |
| Bank charges | 404 | - | - | - | 404 | 5,391 | - | - | 5,391 | 5,391 |
| Telephone | 528 | - | - | - | 528 | 908 | - | - | 908 | 908 |
| Stock | 1,066 | - | - | - | 1,066 | - | - | - | - | - |
| | <u>18,230</u> | <u>61,979</u> | <u>176</u> | <u>176</u> | <u>80,385</u> | <u>15,793</u> | <u>45,915</u> | <u>176</u> | <u>61,884</u> | <u>61,884</u> |
| | <u>18,230</u> | <u>61,979</u> | <u>176</u> | <u>176</u> | <u>80,385</u> | <u>15,793</u> | <u>45,915</u> | <u>176</u> | <u>61,884</u> | <u>61,884</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

| 7 Charitable activities | (Continued) | | | | | | | | |
|---------------------------------|---------------|---------------|------------|------------|---------------|---------------|--------------------|---------------|---------------|
| | Unrestricted | | Restricted | | Designated | | Total Unrestricted | Restricted | Designated |
| | 2021 | 2021 | 2021 | 2021 | 2020 | 2020 | 2020 | 2020 | 2020 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Analysis by fund | | | | | | | | | |
| Unrestricted funds - general | 18,230 | - | - | - | 15,793 | - | - | - | 15,793 |
| Unrestricted funds - designated | - | - | 176 | 176 | - | - | 176 | 176 | 176 |
| Restricted funds | - | 61,979 | - | - | - | 45,915 | - | 45,915 | 45,915 |
| | <u>18,230</u> | <u>61,979</u> | <u>176</u> | <u>176</u> | <u>15,793</u> | <u>45,915</u> | <u>176</u> | <u>45,915</u> | <u>61,884</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

8 Employees

The average monthly number of employees during the year was:

| | 2021 Number | 2020 Number |
|-------------------------|----------------|----------------|
| | 1 | 1 |
| | <u>1</u> | <u>1</u> |
| Employment costs | 2021 | 2020 |
| | £ | £ |
| Wages and salaries | 14,308 | 12,878 |
| | <u>14,308</u> | <u>12,878</u> |

The Trust operates a defined contribution pension scheme.

No employee earned £60,000 per annum or more (2020 – no employees falling in the band £60,000 to £70,000).

The average number of full time equivalent employees was 1 (2019 - 1).

Trustees received no expenses during the year, other than the reimbursement of items bought on behalf of the Trust.

No Trustee director received any remuneration in respect of their services as a Trustee of the charity.

The charity is extremely grateful to the 16 volunteers who assisted throughout the year with practical tasks in the buildings and grounds, welcoming visitors and explaining the working of the mill.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

| | | | |
|-----------|---|---------------|------------------|
| 9 | Tangible fixed assets | | Computers |
| | | | £ |
| | Cost | | |
| | At 1 January 2021 | | 703 |
| | At 31 December 2021 | | <u>703</u> |
| | Depreciation and impairment | | |
| | At 1 January 2021 | | 352 |
| | Depreciation charged in the year | | 176 |
| | At 31 December 2021 | | <u>528</u> |
| | Carrying amount | | |
| | At 31 December 2021 | | <u>175</u> |
| | At 31 December 2020 | | <u>351</u> |
| | | | |
| 10 | Heritage assets | | £ |
| | At 1 January 2021 and at 31 December 2021 | | <u>108,153</u> |
| | | | |
| 11 | Debtors | 2021 | 2020 |
| | Amounts falling due within one year: | £ | £ |
| | Trade debtors | 210 | - |
| | Other debtors | 9,823 | 11,793 |
| | Prepayments and accrued income | - | 330 |
| | | <u>10,033</u> | <u>12,123</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|--------------|---------------|
| | £ | £ |
| Other loans | - | 32,583 |
| Other taxation and social security | 241 | 129 |
| Other creditors | - | 12,330 |
| Accruals and deferred income | 8,921 | 5,678 |
| | <u>9,162</u> | <u>50,720</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | Movement in funds | | Transfers | Balance at 31 December 2021 |
|--------------------------------|------------------------------|-----------------------|------------------------------------|----------------------------|-----------|-----------------------------------|
| | Balance at 1 January 2020 | Incoming resources | Resources expended ¹ | Balance at January 2021 | | |
| | £ | £ | £ | £ | £ | £ |
| National Lottery Heritage Fund | 2,976 | 52,329 | (45,915) | 9,390 | 44,406 | (61,979) |
| | | | | | 8,183 | - |

The National Lottery Heritage Fund project is for the Trust to provide conservation and improved presentation of the mill buildings and machinery, and establishment of the mill's day to day management, in order to attract more visitors and ensure its long-term sustainability.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The Designated Fund represents the Heritage Asset at its historical cost price.

The Fixed Asset Fund represents the net book value of assets on hand at the year end, 31 December 2021.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

| | Unrestricted funds | | Designated funds | | Restricted funds | | Total | |
|------------------------------|--------------------|---|------------------|---|------------------|---|----------------|----------------|
| | 2021 | £ | 2021 | £ | 2021 | £ | 2020 | £ |
| Tangible assets | - | | 175 | | - | | 351 | |
| Heritage assets | - | | 108,153 | | - | | 108,153 | |
| Current assets/(liabilities) | 48,911 | | - | | - | | 9,390 | |
| | <u>48,911</u> | | <u>108,328</u> | | <u>-</u> | | <u>108,504</u> | |
| | | | | | <u>26,767</u> | | <u>9,390</u> | |
| | | | | | | | | <u>144,661</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

ESKDALE MILL & HERITAGE TRUST

England & Wales - Charity number 1113837

Accounts

Charity Registration No. 1113837

Company Registration No. 5743618 (England and Wales)

ESKDALE MILL & HERITAGE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Gibbons
Chartered Accountants & Tax Advisers
SERVICE · SOLUTIONS · VALUE

ESKDALE MILL & HERITAGE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|--|
| Trustees | Mr P Dean Mr S Hemm Mr R Johnson Ms R Lord Mr PG Pharaoh Mr SW Ross | (Appointed 3 June 2020) (Appointed 5 November 2020) |
| Charity number | 1113837 | |
| Company number | 5743618 | |
| Principal address | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Registered office | Eskdale Mill Boot Holmrook Cumbria CA19 1TG | |
| Independent examiner | Gibbons Carleton House 136 Gray Street Workington Cumbria CA14 2LU | |

ESKDALE MILL & HERITAGE TRUST

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ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

Principal objects

The principal charitable objects of the Trust are the preservation and development, for the public benefit, of the 16th century Eskdale Water Corn Mill at Boot, being of particular historical and architectural interest; and to advance the education of the public in the history, heritage, geography and geology of Eskdale, so as to increase their understanding of the built and natural environment.

In accordance with section 17(5) Charities Act 2011, in exercising their powers and duties the trustees have had regard to the Charity Commission's guidance on the public benefit objective.

Governance and management

Inevitably the effects of the Covid-19 pandemic dominated all aspects of the Trust's work during the year. Trustees' meetings were replaced in the early months of the outbreak by circularised briefings, until monthly meetings were resumed by Zoom in June. The trustees therefore met on nine occasions and continued carefully to monitor the physical progress and financial implications of the National Lottery Heritage Fund conservation project and the Trust's other activities. Progress meetings, attended by the lead consultants and a Trust representative, were held regularly but reduced to bi-monthly as the project approached its final year. No Annual General Meeting took place in 2020.

We learned with regret of the deaths of three of the Trust's original patrons, Lord Rea of Eskdale, Patrick Gordon-Duff-Pennington and Lord Judd, and remember with gratitude the help they gave to the Trust in various ways.

Adam Pattison, who had served both as membership secretary and deputy treasurer, retired as a trustee in February; the Trust is most grateful to him for all his help. We were pleased to welcome three additional trustees, all of whom had previously served as advisers : Stuart Ross, general manager (visitor experience) at the Ravenglass and Eskdale Railway Company; Steve Hemm, who has an engineering background and continues to be an active volunteer; and Peter Grove, a management accountant. Andrew Feaver, who brings specialist engineering skills, joined us as an adviser.

Kate Hughes continued in post as our knowledgeable and enthusiastic resident mill manager and sole employee, assisted by the considerable voluntary contribution of her partner Ed Maddocks. Kate's workload was of course transformed by the pandemic, but fortunately the trustees did not need to consider furlough, due to continuing National Lottery project finance. Kate was able to carry out a substantial volume of work to enable the mill to open to visitors on a restricted basis in between lockdowns, to prepare for future reopening when restrictions permit, and to plan for the programme of activities required to be delivered before the NLHF project ends.

The conservation project

Following completion of the construction phase of repair and conservation of our buildings, and opening the mill to the public in the previous year, the Trust's main activity in furthering its charitable objects in 2020 should have been a year of consolidation and improvement, enabling us to use experience of our first season to improve our offer to visitors, and to add new components from our list of project objectives. In the event, the mill could be opened only briefly before the first lockdown and then for a longer period in the summer, ended by the second, and our plans for opening around Christmas were then curtailed by the third lockdown. That we were able to re-open at all was due to the manager's initiative in completing the appropriate risk assessments and devising a new visitor regime to comply with restrictions, involving an online booking system, the temporary relocation of reception into the exhibition room, a one- way route and removing or sealing off parts of the interpretation display which required touch. Some of these steps were covered by additional finance provided by NLHF, and we also benefitted from the suspension of business rates and standard government grants to businesses paid via Copeland Borough Council.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Special events planned for the year had to be postponed, but work continued with our interpretation and activities consultants, Minerva Heritage of Lancaster, on the production of revised promotional and educational materials, and the cataloguing and future use of historical artefacts currently in store. The services of our hard-working volunteers were sadly lost for most of the year, but despite this some new volunteers joined us during the year and tremendous strides were made towards reclamation of the miller's garden, mainly due to Kate and Ed's efforts. There was also some further progress with clearing brambles from the field behind the cottage. Work continued on the proposed development of our small shop, selling the guide-book and items of local interest. As usual our project organisers, Shirley Muir Associates of Wigton, kept a careful eye on finance and the delivery of project objectives. At the very end of the year a mid-term review of the project, required by NLHF, was carried out by Wingspan Consulting of Keswick, recognising the unforeseen difficulties caused by the virus but making some helpful recommendations.

Covid restrictions caused travel problems for our millwrights, based in Dorset, but some snagging issues with the mill machinery were eventually resolved by them, enabling our architect, Countryside Consultants of Alston, to sign off their contract with the assistance of our local consultant millwright, Stuart Hobbs of Greenodd. The main building contractor's return to address identified defects was also delayed, but most of these issues had been dealt with by the year-end. Unfortunately there was a worsening difficulty with the cottage water heating system, which caused serious inconvenience to its occupants and their temporary removal to accommodation nearby whilst repairs were carried out. The trustees are grateful to Greg Poole of Select Cottages for making that possible. All defects involving physical work at the properties have now been satisfactorily resolved

When opening was possible, comments in our visitors' book were again universally favourable. The manager continued to update our website and to promote the Trust on social media. Distribution of leaflets in local tourist accommodation and at other leisure outlets had to be suspended. Our friends at the Ravenglass and Eskdale Railway, who normally bring so many of our visitors up the valley, unhappily had to close for much of the year and even when trains were running, had to suspend the previous year's joint ticketing arrangement. Visitor numbers during the year fell to :

| | |
|--------------|--------------|
| February | 121 |
| March | 20 |
| August | 218 |
| September | 365 |
| October | 244 |
| November | 134 |
| Total | 1,102 |

The hydro-generation project

Regrettably, the history of technical difficulty with electricity generation by the modern waterwheel experienced in the previous year continued in 2020. After a trouble-free period following the installation of a new gearbox in August 2019, a new and unexplained problem arose in September 2020, when increased noise level and the precautionary need to protect the machinery from possible further damage caused the system to be closed down. Covid restrictions then prevented our specialist volunteers and their professional support from being able to come onto the site to analyse the cause and undertake the necessary repair. As restrictions were eased this has now been possible; additional sound insulation is being added and it is hoped there is no major failure of the equipment requiring substantial additional expenditure.

ESKDALE MILL & HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Despite these problems, in the 58% of total time available when the system has been in operation since restarting in August 2019, it has generated 22,243 kWh up to April 2021 and earned an estimated £6,191 for the Trust. Thanks to the patience and expertise of trustee Steve Hemm, we now have permission from the Environment Agency to extract sufficient water from the Whillan Beck to drive our three waterwheels.

Plans for the future

2021 is the last year of the Trust's £1 million conservation project, funded by NLHF, Copeland Community Fund and other grant-giving bodies. Unless prevented by recurring circumstances outside our control, we must satisfy NLHF that we have delivered all the outcomes set by them back in 2017, before the final tranche of our funding can be released. The amount retained by them pending satisfactory completion has helpfully been reduced from 10% to 3%. From 2022 the Trust must operate without subsidy. To manage that we must achieve challenging targets for visitor numbers and income, and a sustained revenue from the sale of electricity into the National Grid. Whilst we remain confident, consistent monitoring of our progress towards this aim has not been possible due to the effects of the pandemic. We have a great deal of ground to make up in 2021, assuming that something like normality returns.

Encouraging our existing volunteers and increasing their number remains a priority, in order to open the mill to visitors six days each week in accordance with the business plan. We hope further to expand Trust membership. A funding sub-group has been established to prioritise areas for applications for new finance and identify prospective grant-giving bodies. The manager has exciting plans for milling demonstrations using the lower millstones, now turning for the first time in more than a century, and development of and events in the field. There is much to be done in expanding work with schools.

Financial review

During the year, we received grants of £52,329 from the National Lottery Heritage Fund project, along with £11,334 from Copeland Borough Council, and £9,295 from Cumbria County Council. The funding from Copeland Borough Council and Cumbria County Council was received as support in relation to the Covid-19 pandemic. The Trustees are extremely grateful for this funding.

Donations have been received throughout the year, as part of the membership subscription, or through donations of the general public. We remain grateful to all our supporters, past and present.

The Trust's ongoing liability for council tax in respect of the mill cottage was reduced following reassessment by the Valuation Office Agency. There was a small increase in business rates in respect of the mill buildings, discounted due to our charitable status. Thanks to Trust adviser David Blanden for his help with this process.

The financial statements to 31 December 2020 show a gain overall of £23,833 for the year. There was a surplus on the unrestricted fund of £17,419, and a surplus on the restricted fund of £6,414. The Trustees are pleased with this result, as the Trust begins to make the transition in to a self sufficient organization, once the National Lottery Heritage Fund project ends. The challenge remains for the Trust to be self sufficient and generate enough income to support the employment of the mill manager, beyond the cessation of the National Lottery Heritage Fund project.

The Trust has recognised the need for a designated fund which includes the value of the mill buildings at cost, which sits at £108,153. A further fixed asset reserve has been created in the year, which is to the value of fixed assets, meaning the amount shown in unrestricted reserves are the free reserves to meet the ongoing charitable activities.


The Trust has unrestricted funds of £26,767 available for activities in 2021. The Trust reserves policy is 24 months unrestricted expenditure, and the trustees accept that the current levels of reserves fall short of this target. However, the Trustees are aware that the Trust must build up its free reserves to ensure and safeguard the mill manager's position and will take the necessary measures to increase the reserves. The Trustees will endeavor to build up the unrestricted reserves, despite the current economic conditions as a result of the Covid-19 pandemic.

ESKDALE MILL AND HERITAGE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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


.....

Mr R Johnson

Trustee

Dated: 28/9/21

ESKDALE MILL AND HERITAGE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ESKDALE MILL AND HERITAGE TRUST

I report to the Trustees on my examination of the financial statements of Eskdale Mill and Heritage Trust (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Trust 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 the Trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Tony Hindmoor BFP FCA
Gibbons Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Dated: 28/09/2021

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

| | Notes | Unrestricted funds general 2020 £ | Unrestricted funds designated 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Total 2019 £ |
|---|-------|--|---|-------------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | | |
| Donations and legacies | 3 | 24,007 | - | 52,329 | 76,336 | 447,911 |
| Charitable activities | 4 | 4,328 | - | - | 4,328 | 13,161 |
| Investments | 5 | 2 | - | - | 2 | 1 |
| Other income | 6 | 5,051 | - | - | 5,051 | 1,371 |
| Total income | | 33,388 | - | 52,329 | 85,717 | 462,444 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 7 | 15,793 | 176 | 45,915 | 61,884 | 463,556 |
| Net income/(expenditure) for the year/ Net movement in funds | | 17,595 | (176) | 6,414 | 23,833 | (1,112) |
| Fund balances at 1 January 2020 | | 9,172 | 108,680 | 2,976 | 120,828 | 121,940 |
| Fund balances at 31 December 2020 | | 26,767 | 108,504 | 9,390 | 144,661 | 120,828 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ESKDALE MILL & HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

| | | Unrestricted funds general 2019 £ | Unrestricted funds designated 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|-------|---|--|----------------------------------|--------------------|
| | Notes | | | | |
| <u>Income and endowments from:</u> | | | | | |
| Donations and legacies | 3 | 4,503 | - | 443,408 | 447,911 |
| Charitable activities | 4 | 13,161 | - | - | 13,161 |
| Investments | 5 | 1 | - | - | 1 |
| Other income | 6 | 1,371 | - | - | 1,371 |
| Total income | | 19,036 | - | 443,408 | 462,444 |
| <u>Expenditure on:</u> | | | | | |
| Charitable activities | 7 | 11,895 | 176 | 451,485 | 463,556 |
| Gross transfers between funds | | (703) | 703 | - | - |
| Net income/(expenditure) for the year/ Net movement in funds | | 6,438 | 527 | (8,077) | (1,112) |
| Fund balances at 1 January 2019 | | 2,734 | 108,153 | 11,053 | 121,940 |
| Fund balances at 31 December 2019 | | 9,172 | 108,680 | 2,976 | 120,828 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ESKDALE MILL AND HERITAGE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 | | 2019 | |
|---|-------|---------------|----------------|---------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 351 | | 527 |
| Heritage assets | 11 | | 108,153 | | 108,153 |
| | | | <u>108,504</u> | | <u>108,680</u> |
| Current assets | | | | | |
| Debtors | 12 | 12,123 | | 2,146 | |
| Cash at bank and in hand | | 74,754 | | 54,840 | |
| | | <u>86,877</u> | | <u>56,986</u> | |
| Creditors: amounts falling due within one year | 13 | (50,720) | | (44,838) | |
| Net current assets | | | 36,157 | | 12,148 |
| Total assets less current liabilities | | | <u>144,661</u> | | <u>120,828</u> |
| Income funds | | | | | |
| Restricted funds | 14 | | 9,390 | | 2,976 |
| Unrestricted funds | | | 135,271 | | 117,852 |
| | | | <u>144,661</u> | | <u>120,828</u> |

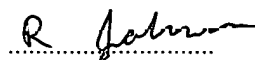
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

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 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.

The financial statements were approved by the Trustees on 28/9/2021



Mr R Johnson
Trustee

Company Registration No. 5743618

ESKDALE MILL AND HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Eskdale Mill and Heritage Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Eskdale Mill, Boot, Holmrook, Cumbria, CA19 1TG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's governing document, the Companies Act 2006 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) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 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:

| | |
|-----------|-------------------------|
| Computers | 25% straight line basis |
|-----------|-------------------------|

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 net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible 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).

1.7 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.

1.8 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.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 Retirement benefits

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

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

| | Unrestricted funds general 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds general 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---------------------|---|----------------------------------|--------------------|---|----------------------------------|--------------------|
| Donations and gifts | 23,524 | - | 23,524 | 4,503 | - | 4,503 |
| Grants receivable | 483 | 52,329 | 52,812 | - | 443,408 | 443,408 |
| | <u>24,007</u> | <u>52,329</u> | <u>76,336</u> | <u>4,503</u> | <u>443,408</u> | <u>447,911</u> |

4 Charitable activities

| | Unrestricted funds general 2020 £ | Unrestricted funds general 2019 £ |
|------------|---|---|
| Admissions | <u>4,328</u> | <u>13,161</u> |

5 Investments

| | Unrestricted funds general 2020 £ | Unrestricted funds general 2019 £ |
|---------------------|---|---|
| Interest receivable | <u>2</u> | <u>1</u> |

6 Other income

| | Unrestricted funds general 2020 £ | Unrestricted funds general 2019 £ |
|--------------------------|---|---|
| Hydro-electricity income | <u>5,051</u> | <u>1,371</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

| | Unrestricted | Restricted | Designated | Total | Unrestricted | Restricted | Designated | Total |
|--------------------------------|--------------|------------|------------|--------------|--------------|------------|------------|---------|
| | 2020 | 2020 | 2020 | Unrestricted | 2019 | 2019 | 2019 | 2019 |
| | £ | £ | £ | 2020 | £ | £ | £ | 2019 |
| | | | | £ | | | | £ |
| Staff costs | - | 12,878 | - | 12,878 | - | 8,803 | - | 8,803 |
| Depreciation and impairment | - | - | 176 | 176 | - | - | 176 | 176 |
| Heat & Light | 1,237 | - | - | 1,237 | 452 | - | - | 452 |
| Rates | 1,264 | - | - | 1,264 | 420 | - | - | 420 |
| Insurance | 3,628 | - | - | 3,628 | 3,024 | - | - | 3,024 |
| General expenses | 309 | 33,037 | - | 33,346 | 246 | 653 | - | 899 |
| Printing, Postage & Stationary | - | - | - | - | 30 | 1,951 | - | 1,981 |
| Advertising | 86 | - | - | 86 | 35 | 1,071 | - | 1,106 |
| Repairs & Maintenance | 1,005 | - | - | 1,005 | 200 | 4,037 | - | 4,237 |
| Waterwheel costs | 286 | - | - | 286 | 5,422 | - | - | 5,422 |
| Legal fees | 1,679 | - | - | 1,679 | 960 | 4,222 | - | 5,182 |
| Bank charges | 5,391 | - | - | 5,391 | 113 | 257 | - | 370 |
| Telephone | 908 | - | - | 908 | 993 | - | - | 993 |
| Consultants | - | - | - | - | - | 132,816 | - | 132,816 |
| Mill machinery | - | - | - | - | - | 51,665 | - | 51,665 |
| Rent | - | - | - | - | - | 570 | - | 570 |
| | 15,793 | 45,915 | 176 | 61,884 | 11,895 | 206,045 | 176 | 218,116 |
| Support Costs | - | - | - | - | - | 245,440 | - | 245,440 |
| | 15,793 | 45,915 | 176 | 61,884 | 11,895 | 451,485 | 176 | 463,556 |
| Analysis by fund | | | | | | | | |
| Unrestricted funds - general | 15,793 | - | - | 15,793 | 11,895 | - | - | 11,895 |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

(Continued)

| | | | | | | | | |
|---------------------------------|---------------|---------------|------------|---------------|---------------|----------------|------------|----------------|
| Unrestricted funds - designated | - | - | 176 | 176 | - | - | 176 | 176 |
| Restricted funds | - | 45,915 | - | 45,915 | - | 451,485 | - | 451,485 |
| | <u>15,793</u> | <u>45,915</u> | <u>176</u> | <u>61,884</u> | <u>11,895</u> | <u>451,485</u> | <u>176</u> | <u>463,556</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

| | Unrestricted £ | Restricted £ | 2020 Unrestricted £ | Restricted £ | 2019 £ |
|--|-------------------|-----------------|------------------------|-----------------|-----------|
| Subscriptions and memberships | - | - | - | 408 | 408 |
| Volunteer expenses | - | - | - | 3,194 | 3,194 |
| Building fees | - | - | - | 241,838 | 241,838 |
| | - | - | - | 245,440 | 245,440 |
| Analysed between Charitable activities | - | - | - | 245,440 | 245,440 |

9 Employees

The average monthly number of employees during the year was:

| | 2020 Number | 2019 Number |
|-------------------------|-------------------|-------------------|
| | 1 | 1 |
| Employment costs | 2020 £ | 2019 £ |
| Wages and salaries | 12,878 | 8,666 |
| Other pension costs | - | 137 |
| | 12,878 | 8,803 |

The Trust operates a defined contribution pension scheme.

No employee earned £60,000 per annum or more (2019 – no employees falling in the band £60,000 to £70,000).

The average number of full time equivalent employees was 1 (2019 - 1).

Trustees received no expenses during the year, other than the reimbursement of items bought on behalf of the Trust.

No Trustee director received any remuneration in respect of their services as a Trustee of the charity.

The charity is extremely grateful to the 16 volunteers who assisted throughout the year with practical tasks in the buildings and grounds, welcoming visitors and explaining the working of the mill.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Tangible fixed assets

| | Computers £ |
|------------------------------------|-------------------|
| Cost | |
| At 1 January 2020 | 703 |
| At 31 December 2020 | <u>703</u> |
| Depreciation and impairment | |
| At 1 January 2020 | 176 |
| Depreciation charged in the year | 176 |
| At 31 December 2020 | <u>352</u> |
| Carrying amount | |
| At 31 December 2020 | 351 |
| At 31 December 2019 | <u><u>527</u></u> |

11 Heritage assets

| | £ |
|---|-----------------------|
| At 1 January 2020 and at 31 December 2020 | <u><u>108,153</u></u> |

12 Debtors

| | 2020 £ | 2019 £ |
|---|---------------|--------------|
| Amounts falling due within one year: | | |
| Other debtors | 11,793 | 1,832 |
| Prepayments and accrued income | 330 | 314 |
| | <u>12,123</u> | <u>2,146</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|---------------|---------------|
| Other loans | 32,583 | 30,965 |
| Other taxation and social security | 129 | 476 |
| Other creditors | 12,330 | 12,437 |
| Accruals and deferred income | 5,678 | 960 |
| | <u>50,720</u> | <u>44,838</u> |

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | Movement in funds | | | |
|---|-----------------------------------|----------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|--|
| | Balance at 1 January 2019 £ | Incoming resources £ | Resources expended £ | Balance at 1 January 2020 £ | Incoming resources £ | Resources expended £ | Balance at 31 December 2020 £ |
| National Lottery Heritage Fund | 11,053 | 443,408 | (451,485) | 2,976 | 52,329 | (45,915) | 9,390 |
| | <u>11,053</u> | <u>443,408</u> | <u>(451,485)</u> | <u>2,976</u> | <u>52,329</u> | <u>(45,915)</u> | <u>9,390</u> |

The National Lottery Heritage Fund project is for the Trust to provide conservation and improved presentation of the mill buildings and machinery, and establishment of the mill's day to day management, in order to attract more visitors and ensure its long-term sustainability.

15 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities made up as follows:

| | Balance at 1 January 2019 £ | Resources expended £ | Transfers £ | Balance at 1 January 2020 £ | Resources expended £ | Balance at 31 December 2020 £ |
|---------------------------|-----------------------------------|----------------------------|----------------|-----------------------------------|----------------------------|--|
| Heritage building reserve | 108,153 | - | - | 108,153 | - | 108,153 |
| Fixed asset reserve | - | (176) | 703 | 527 | (176) | 351 |
| | <u>108,153</u> | <u>(176)</u> | <u>703</u> | <u>108,680</u> | <u>(176)</u> | <u>108,504</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

The Designated Fund represents the Heritage Asset at its historical cost price.

The Fixed Asset Fund represents the net book value of assets on hand at the year end, 31 December 2020.

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Analysis of net assets between funds

| | Unrestricted funds 2020 £ | Designated funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Designated funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|------------------------------------|----------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2020 are represented by: | | | | | | | | |
| Tangible assets | - | 351 | - | 351 | - | 527 | - | 527 |
| Heritage assets | - | 108,153 | - | 108,153 | - | 108,153 | - | 108,153 |
| Current assets/(liabilities) | 26,767 | - | 9,390 | 36,157 | 9,172 | - | 2,976 | 12,148 |
| | <u>26,767</u> | <u>108,504</u> | <u>9,390</u> | <u>144,661</u> | <u>9,172</u> | <u>108,680</u> | <u>2,976</u> | <u>120,828</u> |

ESKDALE MILL & HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).