



# **Gayle Mill Trust**

(A company limited by guarantee)

Report and Financial Statements

Year ended 31<sup>st</sup> March 2021

Charity Number: 1123047

Company Number: 05190918

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## **Report of the Trustees**

This is Gayle Mill Trust's annual report and financial statements for the year to 31<sup>st</sup> March 2021.

### **Reference and administrative details**

Charity number: 1123047

Company number: 05190918

Registered office: C/o O'Reilly, Chartered Accountants, Kiln Hill, Market Place,  
Hawes, North Yorkshire, DL8 3RA

Principal office: Raygill House Farm, Hawes, North Yorkshire, DL8 3PP

Accountants: O'Reilly, Chartered Accountants, Kiln Hill, Market Place,  
Hawes, North Yorkshire, DL8 3RA

Bankers: The Co-Operative Bank

Solicitors: Hall and Birtles Solicitors, Bank Chambers, Main Street, Hawes,  
North Yorkshire, DL8 3QL

### **Directors and Trustees**

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees serving during the year were:

Ian Fraser	
William Lambert	Chairman
Tony Routh	
Claire Lambert	

## **Structure, governance and management**

### **Governance**

- Gayle Mill Trust is a company limited by guarantee registered with Companies House on 27<sup>th</sup> July 2004.
- It is also a charity registered with the Charity Commission on 3rd March 2008.
- The Board of Trustees collectively governs the company and the charity using its Articles of Association for a Charitable Company (revised November 2017).

### **Appointment of Trustees**

- There are no less than three and no more than ten Trustees appointed.
- Their skills and experience are of considerable benefit to Gayle Mill Trust.
- When the Trustees require a new Trustee they identify suitably skilled and experienced candidates and invite them to become a Trustee.

### **Organisation**

- The Trustees collectively (the Board) administer Gayle Mill Trust.
- The board meets regularly to consider and make strategic and operational decisions.
- In some cases the Board delegates budget responsibility to specific Trustees, employees and volunteers.
- Gayle Mill Trust employs staff as necessary to administer and manage the day-to-day activities of the Trust, reporting to the Board via a designated Line Manager.

### **Management and operation of Gayle Mill**

- Gayle Mill is wholly owned managed and run by Cultura Trust. Gayle Mill Trust is generally operating under the name "Woodcraft Studio" in order to avoid confusion to the public as Gayle Mill Trust now has no association with the mill in Gayle.

## **Objectives**

The objects of Gayle Mill Trust (the charity) are to support charities and good causes primarily in the area of benefit in particular, but not exclusively the residents of Richmondshire and surrounding area (the "area of benefit"). This includes;

1. Promoting and maintaining heritage resources, advancing education in all matters relating to the rural economy and heritage skills and in partnership with others, supporting the economic regeneration of the area.
2. Work for the benefit of the public in Richmondshire, North Yorkshire by all or any of the following means:
  - a. Support local charities and good causes financially by selling products made by the volunteers to the public
  - b. Benefit the public by providing training and fulfilment for the charity volunteers
  - c. Support local charities and good causes by supplying expertise, equipment and labour for the benefit of said charities and good causes
  - d. Benefit the public by the advancement of education, training or retraining, particularly to increase the ability of trainees to contribute to the local economy by individual training or through a range of heritage skills training courses open to the public
  - e. Benefit the public by demonstrating heritage machinery and skills at local events
  - f. Benefit the public by selling them bespoke items and giving any profit to local good causes
  - g. Benefit the community and the public by restoring and maintaining heritage machinery and methods both within the charity and for/with others
  - h. Benefit the community and the public by the creation of training and employment opportunities by the provision of workspace and buildings for use on favourable terms

- i. The protection and conservation of the environment, by providing training in and promotion of traditional low or non-polluting skills and methods; and
- j. Such other means as may from time to time be determined subject to the prior written consent of the Charity Commissioners for England and Wales.

## **Achievements and performance**

- Gayle Mill Trust wishes to record its thanks to all volunteers for their considerable contribution to the successful operation of GMT during 2020/21.
- £10,000 grant funding was received from Richmondshire District Council due to Covid during the year ending 31<sup>st</sup> March 2021.

## **Financial review**

- Total income increased by £2,880 on 2020 from £31,373 to £34,253.
- Total expenses decreased by £16,839 from £40,542 for 2020 to £23,703 for 2021.
- There was a positive movement in reserves of £10,550 compared to a negative movement of £9,169 in the previous year.

## **Investment powers and policy**

- Under the Articles of Association, Trustees decide how the charity should invest any available funds.
- Trustees apply a no-risk policy and keep all funds in current and low-risk interest bearing accounts.

## **Reserves policy**

- Gayle Mill Trust has sufficient reserves to operate the activities for at least 6 months even if it receives or earns no income.

## **Grants and donations**

- £10,000 grant funding was received from Richmondshire District Council due to Covid during 2020/21.

## **Trustees' responsibilities in relation to the financial statements**

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year.

In doing so the Trustees are required to;

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going-concern basis unless it is appropriate to presume that the charity will not continue in business.
- The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Trustees

.....William J. Lambert

W Lambert (Chairman)

.....20.12.21

Dated



## **Independent examiner's report to the Trustees of Gayle Mill Trust – Charity Number 1123047**

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31<sup>st</sup> March 2021, which are set out on pages 10 to 20.

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

As the charity's trustees (who are also the Directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and
- To state whether particular matters have come to my attention.

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that, in any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examiner.

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.



Mr G Ritzema FCA  
O'Reilly, Chartered Accountants  
Kiln Hill  
Market Place  
Hawes  
North Yorkshire  
DL8 3RA

Date ..... 22/12/21 .....

## Statement of Financial Activities (including income and expenditure account)

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
<b>Income</b>					
<b>Income from generated funds:</b>					
Voluntary income: grants & donations	5	10,064	-	10,064	11,924
Income from GMT activities	4	24,185	-	24,185	19,433
Investment Income	6	4	-	4	16
<b>Total income</b>		<b>£34,253</b>	<b>-</b>	<b>£34,253</b>	<b>£31,373</b>
<b>Expenditure</b>					
<b>Costs of generating funds:</b>					
Costs of GMT activities	7	16,028	100	16,128	26,851
<b>Sub Total - cost of generating funds</b>		<b>£16,028</b>	<b>£100</b>	<b>£16,128</b>	<b>£26,851</b>
Governance costs	7	7,575	-	£7,575	13,691
<b>Total expenditure</b>		<b>£23,603</b>	<b>£100</b>	<b>£23,703</b>	<b>£40,542</b>
<b>Net incoming (outgoing) resources before transfers</b>		<b>10,650</b>	<b>(100)</b>	<b>10,550</b>	<b>(9,169)</b>
Gross transfers between funds	10	-	-	-	-
<b>Net movement of funds in year</b>		<b>10,650</b>	<b>(100)</b>	<b>10,550</b>	<b>(9,169)</b>
<b>Reconciliation of funds</b>					
Total fund brought forward		23,687	263	23,950	33,119
<b>Total funds carried forward</b>	<b>17</b>	<b>34,337</b>	<b>163</b>	<b>34,500</b>	<b>23,950</b>

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

## Balance Sheet at 31st March 2020

	Note	2021		2020	
<b>Fixed Assets</b>					
Tangible assets	12		10,833		14,398
<b>Current Assets</b>					
Stock	13	6,473		3,320	
Debtors & prepayments	14	9,645		324	
Cash at bank and in hand		11,901		8,753	
		28,019		12,397	
<b>Liabilities</b>					
Creditors falling due within one year	15	(4,352)		(2,845)	
<b>Net Current Assets</b>			23,667		9,552
<b>Total Assets Less Current Liabilities</b>			34,500		23,950
Creditors falling due after more than one year	16		-		-
<b>Net Assets</b>			<b>£34,500</b>		<b>£23,950</b>
<b>The funds of the charity</b>					
Restricted income funds	17		163		263
Unrestricted income funds			34,337		23,687
<b>Total charity funds</b>			<b>£34,500</b>		<b>£23,950</b>

In preparing these financial statements:

- (a) For the year ended 31<sup>st</sup> March 2021 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies;
- (b) The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006, and
- (c) The Directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with the act,
  - and

(ii) preparing accounts which give a true and fair view of the state of affairs of the  
..... company as at the end of the financial period and of its profit or loss for the financial  
year.

(iii) These financial statements have been prepared in accordance with the special  
provisions relating to small companies within Part 15 of the Companies Act 2006  
and constitute the annual accounts required by the Companies Act 2006 and are  
for circulation to members of the company.

The notes on pages 13 to 20 form part of these accounts

Signed: ..... *William J. Lambert*

Name: W Lambert

Chairman of Trustees on behalf of the Trustees

Approved by the Trustees on

*20.12.21*

## Notes on the Accounts

### 1. Accounting policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with 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 January 2015) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. There were no adjustments on transition to FRS 102.

#### b) Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions, which must be met before the charity has unconditional entitlement.

Income from the Trust's activities is recognised as earned (as the related goods and services are provided). Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided).

Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

**c) Volunteers and donated services and facilities**

The value of the services provided by volunteers is not incorporated into these financial statements.

**d) Expenditure**

Expenditure is recognised when a liability is incurred.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- GMT activities include expenditure associated with the operation of educational programmes and include both the direct costs and support costs relating to this activity.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

**e) Tangible Fixed Assets**

Tangible fixed assets are depreciated on a reducing balance basis over their estimated useful (economic) lives as follows:-

Tools and Equipment	- 25% reducing balance
Displays	- 25% reducing balance
Fixtures and Fittings	- 25% reducing balance
Office and Computer Equipment	- 15% straight line

**f) Stock**

Stock is included at the lower of cost or net realisable value.

## g) Funds structure

The trust has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose. All other funds are unrestricted income funds.

During the accounting period, the following restricted funds were in existence:

- **Tools and Equipment Fund;** Amount received towards the cost of new tools and equipment.

## 2. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

## 3. Related party transactions

The charity has close working relationships with The Friends of Gayle Mill. The Friends donated funds to the Trust during 2020/21 amounting to £Nil (2020: £9,940).

## 4. Income from Trust activities

	2021		2020
Sale of Wood Products	24,185		17,127
Courses, Refreshments etc.	-		2,306
	<b>£24,185</b>		<b>£19,433</b>

## 5. Voluntary income

	Total	Un-Restricted	Restricted
Donations	64	64	-
Grants due to Covid	10,000	10,000	-
	<b>£10,064</b>	<b>£10,064</b>	-

## 6. Investment income

Bank interest received £4 (2020: £16)



## 7. Expenditure

	2021			2020
	Total	Unrestricted	Restricted	Total
<b>Costs of generating voluntary income</b>				-
<b>Cost of Trust activities</b>				
Opening Stock	3,320	3,320	-	1,955
Events	-	-	-	1,878
Staff Salaries	-	-	-	10,316
Employers Pension Contribution	-	-	-	161
Wood Products	15,636	15,636	-	10,596
Publicity	161	161	-	302
Depreciation Tools and Equipment	3,484	3,384	100	4,646
Loss on disposal of tools & equipment	-	-	-	317
Less: Closing Stock – <b>Note 13</b>	(6,473)	(6,473)	-	(3,320)
	<b>£16,128</b>	<b>£16,028</b>	<b>£100</b>	<b>£26,851</b>
<b>Governance costs</b>				
Bank Charges	237	237	-	255
Repairs and Renewals	2,642	2,642	-	3,179
Printing, Postage and stationery	125	125	-	156
Telephone and Broadband	408	408	-	619
Staff Salaries	-	-	-	1,146
Employers Pension Contribution	-	-	-	18
Insurance	1,362	1,362	-	1,345
Computer Consumables etc.	43	43	-	32
Accountancy	1,380	1,380	-	1,780
Bookkeeping & administration	1,173	1,173	-	1,309
Depreciation of Office Equipment	81	81	-	129
Loss on disposal of office equipment	-	-	-	-
Sundry Expenses	124	124	-	375
Charity donations	-	-	-	3,348
	<b>£7,575</b>	<b>£7,575</b>	<b>-</b>	<b>£13,691</b>
<b>Other resources expended</b>	-	-	-	-

## 8. Analysis of staff costs

	2021 £		2020 £
Salaries and Wages	-		11,462
Pension Costs	-		179

### Staff numbers

A full time administrator was employed until 31<sup>st</sup> July 2019. All salaries were funded from income generated from normal Trust activities.

### Particulars of staff

Gayle Mill Trust ceased to have a full-time administrator from 31<sup>st</sup> July 2019. Volunteers have and will continue, to fulfil a crucial role in providing support to underpin many of the activities and objectives of Gayle Mill Trust.

## 9. Movement in total funds for the year

	2021 £		2020 £
This is stated after charging: Depreciation	£3,565		£4,775

## 10. Transfer between funds

There were no transfers between funds to report.

## 11. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

## 12. Tangible Fixed Assets

	Tools & Equipment		Office Equipment		Total
<b>Cost:</b>					
As at 1 <sup>st</sup> April 2020	46,947		15,199		62,146
Additions	-		-		-
Disposals	-		-		-
As at 31 <sup>st</sup> March 2021	46,947		15,199		62,146
<b>Depreciation:</b>					
As at 1 <sup>st</sup> April 2020	33,008		14,740		47,748
Charge for the year	3,484		81		3,565
Disposals	-				-
As at 31 <sup>st</sup> March 2021	36,492		14,821		51,313
<b>Net Book Value:</b>					
As at 31 <sup>st</sup> March 2021	£10,455		£378		£10,833
As at 31 <sup>st</sup> March 2020	£13,939		£459		£14,398

## 13. Stock

	2021		2020
Wood Gifts	1,572		1,852
Timber etc.	4,901		1,468
	£6,473		£3,320

## 14. Debtors

	2021		2020
Trade Debtors	9,600		48
Other Debtors	-		-
VAT	-		199
Prepayments and Accrued Income	45		77
	£9,645		£324

## 15. Creditors: amounts falling due within one year

	2021		2020
Creditors	2,297		1,045
VAT	425		-
PAYE and National Insurance	-		-
Other Creditors and Accruals	1,630		1,800
	£4,352		£2,845

## 16. Creditors: amounts falling due after more than one year

No such balances

## 17. Analysis of charitable funds

Restricted funds are made up of the following balances:

	2021	2020
Tools and Equipment Fund	163	263
Costs of Trust Activities	-	-
	£163	£263

## 18. Trustees remuneration and expenses

Trustees are reimbursed for out-of-pocket expenses incurred on behalf of Gayle Mill Trust to sustain the efficient operation of the Trust. These expenses are supported by expense claims, invoices, and other associated documents.

The gross amounts (this includes 20% VAT where applicable) paid to reimburse Trustees out-of-pocket expenses during the year were:

Ian Fraser £ Nil  
William Lambert £ Nil  
Tony Routh £ Nil  
Claire Lambert £ Nil

Examples of expenses include printer and computer consumables, stationery, refreshments, timber oils, paint and equipment parts.

Mr Lambert, for some years now, enables us to provide commercial services by allowing us to use land and buildings free of any charge. This includes:

- A dedicated building to enable use of the Wood-Mizer to mill timber in all weathers and to store it all year round
- Housing (in the same building) and using a Victorian (historic) circular saw and a thicknesser/planer driven by one of Mr Lambert's historic tractors
- Storing and seasoning timber inside a barn
- Storing timber for manufacture and firewood outside

The provision of barns and storage, along with the ease with which equipment can be used in one location enables GMT to satisfy customer orders efficiently.

Mr Routh has also, for some years now, provided the use of his land and barns to store and season timber free of any charge. This enables him to manufacture wood products for the Trust to satisfy customer orders.

Both, Mr Lambert in particular and Mr Routh, use their own vehicles (tractors, trailers and telescopic handlers) and equipment (from their workshops) to enable Gayle Mill Trust to satisfy customer orders and to help maintain the effective operation of the Trust. In the majority of instances they do so free of charge.

Some of the Commercial Wood Services GMT provides require Trustees to take time from their normal jobs to satisfy customer orders that benefit the Trust. For example towing the Wood-Mizer to a customer site and then cutting and planking timber all day. When Gayle Mill Trust needs to satisfy such customer orders it pays a below market rate of a maximum of £25 an hour for the majority of orders.

In addition Mr Lambert and Mr Routh provided their expertise for courses run as part of the Heritage Education and Skills Training project.

The Trust paid Mr Lambert £9,053 (2020: £7,318) and Mr Routh £Nil (2020: £Nil) to provide commercial services to satisfy customer orders (this includes tutoring courses). These services provide a valuable contribution to the funds needed to operate Gayle Mill Trust.