

REGISTERED COMPANY NUMBER: 10493204 (England and Wales)
REGISTERED CHARITY NUMBER: 1172250

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Cropper Paper Foundation
(A Company Limited by Guarantee)

Stables Thompson & Briscoe Ltd
Chartered Accountants & Business Advisors
Lowther House
Lowther Street
Kendal
LA9 4DX

Cropper Paper Foundation

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Cropper Paper Foundation

**Reference and Administrative Details
for the Year Ended 31 December 2021**

TRUSTEES

J E Sharp
P J Willink
M A J Cropper
Mrs A F Cropper
E W G Bayntun Coward (appointed 14.2.22)

REGISTERED OFFICE

C/O Estate Office
Ellergreen
Kendal
Cumbria
LA9 5SD

**REGISTERED COMPANY
NUMBER**

10493204 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1172250

INDEPENDENT EXAMINER

Stables Thompson & Briscoe Ltd
Chartered Accountants & Business Advisors
Lowther House
Lowther Street
Kendal
LA9 4DX

Cropper Paper Foundation

Report of the Trustees for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Paper Foundation is a charity committed to the survival of the craft of papermaking by hand and the celebration of all paper related arts, crafts, and industries. It hopes to fulfil this role to a level of national and international significance.

It will primarily fulfil its objectives from a new institution located close to the historic James Cropper paper-mill in Burneside, a small village in the foothills of the English Lake District.

The Cropper Paper Foundation has several interrelated aims:

- To perpetuate the craftsmanship and knowledge necessary for the making of handmade paper and its associated arts, crafts and industries.
- To conserve the objects and artefacts that comprise the physical heritage of paper-making in the United Kingdom.
- To provide open access to archives, documents and artefacts, facilitate research, and share this with as wide an audience as possible.
- To regenerate the paper-making community of Burneside and enrich the cultural life of the north of England and all those who visit.

Significant activities

The Foundation will bear several traits of a museum, but its ethos is to focus on the present and future of paper as much as the past.

Public benefit

In determining these objectives, the Trustees have paid due regard to The Charity Commission guidance on public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the last year the Foundation has continued to build its profile, operations and collections.

During 2021, the Foundation's focus was on ensuring the survival and continuation of the endangered craft of papermaking by hand. The Foundation's papermaker continued with his apprenticeship in this craft leading to a significant increase in production. The development of a dedicated website has enabled the Foundation to grow its customer base and successfully enter the retail market.

The Foundation has successfully developed a range of conservation papers which are now being supplied to leading museums and libraries internationally.

Building work continued on the Ellergreen mansion which the Foundation is now leasing and making use of the space. It is to be used to house the collections and the library space and archive room are now ready to be furnished and brought into use. Going forward it will be used to hold events, classes and exhibitions.

The Foundation has continued the work of cataloguing the collection with the help of volunteers.

In collaboration with the design studio Atelier Dyakova the Foundation has developed a range of products.

Cropper Paper Foundation

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Financial position

The Charity received donations of £30,141 in the year (compared to £40,326 last year) excluding gift aid reclaimed. The charity received a further £10,292 (2020 - £5,000) in gift aid. Expenditure in the year totalled £44,357 (2020 restated - £62,279) resulting in a surplus of £7,858 (2020 restated - deficit of £12,284) and total carried forward reserves of £56,113 from £33,255 (restated) brought forward. All reserves are unrestricted.

At the end of the period the charity had unrestricted reserves of £56,113 (2020 restated (£48,225)). As the amount tied up in fixed assets was greater than this for both years there were no free reserves.

Reserves policy

The charity is in start-up mode with the first year of operations being this year. A reserves policy will be drafted as matters evolve including budgets and greater clarity on overheads and other financial commitments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Cropper Paper Foundation was incorporated on 23 November 2016 as a not for profit company limited by guarantee. Cropper Paper Foundation is a registered charity (number 1172250). The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

During 2021, the Foundation had four trustees: Mark Cropper, Attosa Cropper (Mark's wife), Patrick Willink (fourth generation director of James Cropper plc and related to the founder) and Jim Sharp (non-executive director of James Cropper plc).

During 2022, Edward Bayntun Coward was appointed as trustee as a result of his interest in the Foundation's aims as well as broader interests in paper and related arts.

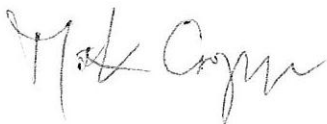
The proposal is to broaden this list, ideally to include a list of the highest-level advocates for the Foundation across the arts, culture and educational sectors. This could be realised through the creation of an advisory board as well as trustee appointments.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 26 September 2022 and signed on its behalf by:



M A J Cropper - Trustee

**Independent Examiner's Report to the Trustees of
Cropper Paper Foundation**

Independent examiner's report to the trustees of Cropper Paper Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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.

H M Holmes BSc FCA
ICAEW
Stables Thompson & Briscoe Ltd
Chartered Accountants & Business Advisors
Lowther House
Lowther Street
Kendal
LA9 4DX

27 September 2022

Cropper Paper Foundation

**Statement of Financial Activities
for the Year Ended 31 December 2021**

		Unrestricted fund	Restricted fund	31.12.21 Total funds	31.12.20 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	42,642	1,790	44,432	45,326
Other trading activities	3	9,566	-	9,566	4,669
Investment income	4	7	-	7	-
Total		<u>52,215</u>	<u>1,790</u>	<u>54,005</u>	<u>49,995</u>
EXPENDITURE ON					
Raising funds	5	8,934	-	8,934	23,652
Charitable activities					
Development costs		24,594	1,750	26,344	12,455
Depreciation		1,428	-	1,428	190
Support costs		6,632	40	6,672	22,706
Governance costs		2,769	-	2,769	3,276
Total		<u>44,357</u>	<u>1,790</u>	<u>46,147</u>	<u>62,279</u>
NET INCOME/(EXPENDITURE)		7,858	-	7,858	(12,284)
RECONCILIATION OF FUNDS					
Total funds brought forward		48,255	-	48,255	60,539
TOTAL FUNDS CARRIED FORWARD		<u>56,113</u>	<u>-</u>	<u>56,113</u>	<u>48,255</u>

The notes form part of these financial statements

Cropper Paper Foundation

Balance Sheet 31 December 2021

		Unrestricted fund	Restricted fund	31.12.21 Total funds	31.12.20 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11	2,250	-	2,250	-
Tangible assets	12	19,008	-	19,008	17,019
Heritage assets	13	<u>64,626</u>	<u>-</u>	<u>64,626</u>	<u>35,126</u>
		85,884	-	85,884	52,145
CURRENT ASSETS					
Stocks	14	1,000	-	1,000	-
Debtors	15	2,561	-	2,561	2,047
Cash at bank		<u>1,384</u>	<u>-</u>	<u>1,384</u>	<u>5,282</u>
		4,945	-	4,945	7,329
CREDITORS					
Amounts falling due within one year	16	(15,216)	-	(15,216)	(11,219)
NET CURRENT ASSETS		<u>(10,271)</u>	<u>-</u>	<u>(10,271)</u>	<u>(3,890)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		75,613	-	75,613	48,255
CREDITORS					
Amounts falling due after more than one year	17	(19,500)	-	(19,500)	-
NET ASSETS		<u>56,113</u>	<u>-</u>	<u>56,113</u>	<u>48,255</u>
FUNDS	18				
Unrestricted funds				56,113	48,255
TOTAL FUNDS				<u>56,113</u>	<u>48,255</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Cropper Paper Foundation

Balance Sheet - continued
31 December 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26 September 2022 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M A J Cropper', written in a cursive style.

M A J Cropper - Trustee

Cropper Paper Foundation

Notes to the Financial Statements for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
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Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Going concern

The charity has net current liabilities of £10,271. The charity has a number of significant benefactors who are supporting the development of the charity's objectives. They have committed to ensuring that the charity can continue to operate during this development phase and until it can generate a surplus. Therefore, the trustees have prepared the accounts on a going concern basis.

Cropper Paper Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20 as restated
	£	£
Appeals and donations	30,142	40,326
Gift aid tax reclaimed	12,500	5,000
Grants	1,790	-
	<u>44,432</u>	<u>45,326</u>

Grants received, included in the above, are as follows:

	31.12.21	31.12.20 as restated
	£	£
Other grants	<u>1,790</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20 as restated
	£	£
Shop income	<u>9,566</u>	<u>4,669</u>

4. INVESTMENT INCOME

	31.12.21	31.12.20 as restated
	£	£
Deposit account interest	<u>7</u>	<u>-</u>

5. RAISING FUNDS

Raising donations and legacies

	31.12.21	31.12.20 as restated
	£	£
Support costs	<u>1,954</u>	<u>13,640</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.21	31.12.20 as restated
	£	£
Depreciation - owned assets	677	190
Hire of plant and machinery	-	105
Computer software amortisation	<u>750</u>	<u>-</u>

Cropper Paper Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

8. STAFF COSTS

	31.12.21	31.12.20 as restated
	£	£
Wages and salaries	26,344	12,455
	<u>26,344</u>	<u>12,455</u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20 as restated
Number of staff	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	45,326	-	45,326
Other trading activities	4,669	-	4,669
Total	<u>49,995</u>	<u>-</u>	<u>49,995</u>
EXPENDITURE ON			
Raising funds	23,652	-	23,652
Charitable activities			
Development costs	12,455	-	12,455
Depreciation	190	-	190
Support costs	22,706	-	22,706
Governance costs	3,276	-	3,276
Total	<u>62,279</u>	<u>-</u>	<u>62,279</u>
NET INCOME/(EXPENDITURE)	(12,284)	-	(12,284)
RECONCILIATION OF FUNDS			
Total funds brought forward	60,539	-	60,539

Cropper Paper Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
TOTAL FUNDS CARRIED FORWARD	<u>48,255</u>	<u>-</u>	<u>48,255</u>

10. PRIOR YEAR ADJUSTMENT

Building improvements incurred last year of £15,000 have been adjusted in last year's reserves resulting in an additional asset of £15,000 and an increase in unrestricted reserves of £15,000.

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	<u>3,000</u>
AMORTISATION	
Charge for year	<u>750</u>
NET BOOK VALUE	
At 31 December 2021	<u>2,250</u>
At 31 December 2020	<u>-</u>

12. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Totals £
COST			
At 1 January 2021	15,000	2,209	17,209
Additions	<u>-</u>	<u>2,666</u>	<u>2,666</u>
At 31 December 2021	<u>15,000</u>	<u>4,875</u>	<u>19,875</u>
DEPRECIATION			
At 1 January 2021	-	190	190
Charge for year	<u>-</u>	<u>677</u>	<u>677</u>
At 31 December 2021	<u>-</u>	<u>867</u>	<u>867</u>
NET BOOK VALUE			
At 31 December 2021	<u>15,000</u>	<u>4,008</u>	<u>19,008</u>
At 31 December 2020	<u>15,000</u>	<u>2,019</u>	<u>17,019</u>

Cropper Paper Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

13. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2021	35,126
Additions	29,500
At 31 December 2021	<u>64,626</u>
NET BOOK VALUE	
At 31 December 2021	<u>64,626</u>
At 31 December 2020	<u>35,126</u>

14. STOCKS

	31.12.21	31.12.20 as restated
	£	£
Stocks	<u>1,000</u>	<u>-</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
VAT	-	600
Prepayments and accrued income	2,209	-
Prepayments	<u>352</u>	<u>1,447</u>
	<u>2,561</u>	<u>2,047</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Trade creditors	7,172	570
Social security and other taxes	366	335
VAT	6,678	-
Other creditors	-	5,000
Accruals and deferred income	<u>1,000</u>	<u>5,314</u>
	<u>15,216</u>	<u>11,219</u>

Cropper Paper Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21	31.12.20 as restated
	£	£
Trade creditors	<u>19,500</u>	<u>-</u>

18. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	48,255	7,858	56,113
TOTAL FUNDS	<u>48,255</u>	<u>7,858</u>	<u>56,113</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	52,215	(44,357)	7,858
Restricted funds			
Heritage Crafts HCA	1,790	(1,790)	-
TOTAL FUNDS	<u>54,005</u>	<u>(46,147)</u>	<u>7,858</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	60,539	(12,284)	48,255
TOTAL FUNDS	<u>60,539</u>	<u>(12,284)</u>	<u>48,255</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	49,995	(62,279)	(12,284)
TOTAL FUNDS	<u>49,995</u>	<u>(62,279)</u>	<u>(12,284)</u>

Cropper Paper Foundation**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021****18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	60,539	(4,426)	56,113
TOTAL FUNDS	<u>60,539</u>	<u>(4,426)</u>	<u>56,113</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	102,210	(106,636)	(4,426)
Restricted funds			
Heritage Crafts HCA	1,790	(1,790)	-
TOTAL FUNDS	<u>104,000</u>	<u>(108,426)</u>	<u>(4,426)</u>

19. RELATED PARTY DISCLOSURES

One of the trustees, M A J Cropper, had loaned the charitable company £5,000 last year. This was released as a donation in the year.

Cropper Paper Foundation**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21	31.12.20
	£	as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Appeals and donations	30,142	40,326
Gift aid tax reclaimed	12,500	5,000
Grants	<u>1,790</u>	<u>-</u>
	44,432	45,326
Other trading activities		
Shop income	9,566	4,669
Investment income		
Deposit account interest	<u>7</u>	<u>-</u>
Total incoming resources	54,005	49,995
EXPENDITURE		
Other trading activities		
Purchases	5,116	6,790
Closing stock	<u>(1,000)</u>	<u>-</u>
	4,116	6,790
Charitable activities		
Wages	26,344	12,455
Repairs and maintenance	889	1,913
Management fees	5,617	20,793
Software depreciation	750	-
Plant and machinery depreciation	<u>678</u>	<u>190</u>
	34,278	35,351
Support costs		
Management		
Hire of equipment	-	105
Insurance	126	-
Light and heat	95	-
Telephone and IT	959	689
Postage and stationery	763	580
Advertising	1,954	13,640
Sundries	556	251
Motor and travel expenses	<u>493</u>	<u>1,492</u>
	4,946	16,757
Finance		
Bank charges	38	-

Cropper Paper Foundation**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21	31.12.20 as restated
	£	£
Finance		
Governance costs		
Accountancy	1,738	2,126
Legal fees	1,031	1,150
Training	-	105
	<u>2,769</u>	<u>3,381</u>
Total resources expended	<u>46,147</u>	<u>62,279</u>
Net income/(expenditure)	<u><u>7,858</u></u>	<u><u>(12,284)</u></u>