

Company registration number: 10493204

Charity registration number: 1172250

# Paper Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Paper Foundation Group

for the Year Ended 31 December 2024

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

# **Paper Foundation**

## **Contents**

<b>Reference and Administrative Details</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 to 7</b>
<b>Independent Examiner's Report</b>	<b>8</b>
<b>Consolidated Statement of Financial Activities</b>	<b>9 to 10</b>
<b>Consolidated Balance Sheet</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13 to 34</b>

## **Paper Foundation**

### **Reference and Administrative Details**

<b>Trustees</b>	MAJ Cropper
	P A H Elliott
	E W G Bayntun Coward
	A F Cropper
	PJ Willink
	J E Sharp
<b>Charity Registration Number</b>	1172250
<b>Company Registration Number</b>	10493204
<b>Registered Office</b>	The charity is incorporated in England and Wales.
	C/O Estate Office
	Ellergreen
	Kendal
	Cumbria
<b>Independent Examiner</b>	LA9 5SD
	Stables Thompson & Briscoe Limited
	Chartered Accountants and Business Advisors
	Lowther House
	Lowther Street
	Kendal
	LA9 4DX

# Paper Foundation

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2024.

### Objectives and activities

#### *Objects and aims*

The Paper Foundation is a charity committed to the preservation and celebration of paper-making and all paper related arts, crafts, and industries. It hopes to fulfil this role to a level of national and international significance.

It primarily fulfils its objectives from an institution located close to the historic James Cropper paper-mill in Burneside, a small village in the foothills of the English Lake District with a history of paper-making dating back to 1746.

The Paper Foundation has several interrelated aims:

- To perpetuate the craftsmanship and knowledge necessary for the production of handmade paper and the continuation of its associated arts, crafts and industries. This includes (but is not limited to) print-making, letterpress printing, bookbinding and paper conservation;
- To conserve the objects and artefacts that comprise the physical heritage of paper-making and related paper arts 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

#### *Public benefit*

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### *Objectives, strategies and activities*

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

Current activities include the creation since 2015 of the most important archive dedicated to paper in the United Kingdom. This is based on the ground-floor of a country house with paper industry associations and is growing all the time. Nearby the Foundation has operated a hand-made paper-mill since 2020.

### Achievements and performance

The Paper Foundation has made significant strides in 2024 towards our charitable aim of preserving the craftsmanship and knowledge of handmade paper production. Key developments in our capabilities, infrastructure, and financial performance have positioned us for continued success and growth.

#### *Apprentice Training*

Our second paper making apprentice, Jonathan Welton, has continued to continue to learn the skills of the craft since his arrival in November 2023. He is now a highly proficient paper maker and an integral part of the mill team.

This has allowed us to produce more paper than in previous years, which has had a positive impact on our subsidiary trading income in 2024. We expect this to continue into 2025.

# Paper Foundation

## Trustees' Report

### *Development of new skills*

We increased our production of papers made from textile waste over the last 12 months, rediscovering knowledge of the craft that had been lost. The purchase of a textile shredder has allowed us to bring rag processing in house giving us unique paper making capabilities. We are expecting this to be a growing market for us over the coming years.

In 2024 we also kickstarted our desire to preserve and perpetuate the art of making decorative papers by holding a paste paper workshop at Ellergreen. This built on support we gave to our apprentice Samantha Newby to undertake a short past paper workshop in Vienna in June 2024 where she learnt from leading practitioners in this field, including Susanne Krausse.

### *Improved Infrastructure*

The improvements made to the mill building, equipment and heating system have increased working conditions and efficiency in the mill, allowing us to make paper far more consistently than in previous years.

### *Impact on Income*

The growing skills number of skilled papermakers, development of new processes and improved infrastructure in the mill have paid off and we are very pleased to feel a critically endangered craft has been rescued from extinction. Demand for these skills from around the world (far exceeding our expectations, further emphasising how rare the skills are) has also ensured that output generates income, ensuring the sustainability and growth of the Paper Foundation. This allows us to invest further to meet our charitable objectives.

### *Ellergreen/ Collections*

There have been few additions to the archives within the period. The collections continue to be catalogued slowly, and a mapping exercise is underway of archives at risk elsewhere that we may wish to bring into the collection in future.

The collections would benefit from a part time archivist to further their cataloguing and care. We were partners in a bid led by Cambridge University to the UK Arts and Humanities Research Council for funding that would have supported the appointment of an archivist for a year, but this was not successful.

The Foundation is ambitious to grow its dedicated paper arts and heritage library, as a future resource for historians, other researchers, artists, craftspeople and other practitioners. It is seeking donations but would also benefit from an acquisitions fund to acquire titles as they become available.

### *Future Outlook*

An exercise commenced in the year to map the Foundation's ambitions, projects, events, budgets and funding requirements for the 2025-2030 period. In fulfilment of our objectives, including supporting our community, we remain committed to growing the scope and outreach of our activities, both locally and to specialist audiences with a subject matter interest further afield.

An early priority is the establishment of a printing and print-making workshop, making use of equipment that has been provided to us on loan with potential to be gifted in due course. A donation towards this project was made in the year which has been ringfenced for expenditure in the subsequent period.

### **Financial review**

The Trustees of the Paper Foundation present a financial summary for the year ended 31 December 2024.

### **Overview**

## Paper Foundation

### Trustees' Report

The Paper Foundation continued to strengthen its financial position during 2024, with steady growth in income and a modest surplus generated by its charitable and trading activities. The year marked the first full trading period for the Foundation's wholly owned subsidiary, Paper Workshop Ltd, which took over commercial operations at the start of the year.

This structural change has enhanced financial transparency between charitable and trading activities while enabling further reinvestment in the Foundation's core objectives.

#### Income

Total income for 2024 was **£248,554** (2023: £266,532), comprising:

- Donations and legacies: £114,634
- Trading activities: £132,983
- Investment and other income: £937

While overall income decreased slightly from the previous year, unrestricted income rose, reflecting stronger trading performance and continued donor support. Restricted grant income reduced as certain major project grants completed in 2023.

#### Expenditure

Total expenditure was **£242,841** (2023: £145,156), comprising:

- Raising funds: £86,183
- Charitable activities: £156,658

The increase in expenditure reflects higher staffing levels, depreciation on new assets, and the operational costs associated with running the new trading subsidiary. Despite these costs, operational control remained strong, and the group maintained a positive cash position.

#### Net Movement in Funds

The Foundation reported a **net surplus of £5,713** (2023: £121,376), increasing total funds carried forward to **£211,654** (2023: £205,941).

All restricted funds from prior year projects were fully utilised during 2024, with the remaining funds now entirely unrestricted.

#### Assets and Reserves

- Total assets: £263,241 (fixed and current)
- Net current assets: £5,071
- Total funds carried forward: £211,654, all unrestricted

A formal reserves policy has not yet been implemented as the Foundation remains in an early growth stage. Trustees intend to establish one as operations and recurring income streams mature.

# Paper Foundation

## Trustees' Report

### Key Financial Developments

- The Foundation transferred trading operations and certain assets (£152,991, including £19,408 of heritage assets) to Paper Workshop Ltd.
- Continued investment in mill infrastructure, including heating systems and equipment, has improved production efficiency.
- Heritage asset management remained robust, with minor disposals made transparently under the charity's conflict-of-interest policy.

### Going concern

The Trustees consider the Foundation and its subsidiary to be financially stable and have prepared the accounts on a going concern basis. Cash balances and forecast income provide adequate resources to support ongoing activities and planned development projects.

### Trustees and Officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	MAJ Cropper
	P A H Elliott
	E W G Bayntun Coward
	A F Cropper
	PJ Willink
	J E Sharp

### Structure, governance and management

#### *Nature of 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.

Paper Foundation was incorporated on 23 November 2016 as a not for profit company limited by guarantee.

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 trustees*

During 2023, there were no changes to the board. However, as the Foundation grows, the proposal is to significantly increase the number of trustees, ideally including top-level advocates from the arts, culture, and educational sectors. This could be achieved through the creation of an advisory board and new trustee appointments.

## Paper Foundation

### Trustees' Report

#### *Major risks and management of those risks*

##### *Risk management*

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

##### **Financial instruments**

##### *Objectives and policies*

The group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the group's policies approved by the board of trustees. The group does not use derivative financial instruments.

##### *Credit risk*

The group's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.



## Paper Foundation

### Trustees' Report

#### Statement of trustees' responsibilities

The trustees (who are also the directors of Paper Foundation 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

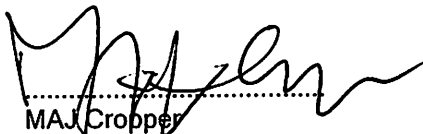
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group 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 governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 20 October 2025 and signed on its behalf by:



MAJ Cropper  
Trustee

## Paper Foundation

### Independent Examiner's Report to the trustees of Paper Foundation ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group comprising the Paper Foundation and its subsidiary undertakings for the year ended 31 December 2024.

#### Responsibilities and basis of report

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

Having satisfied myself that the accounts of both Paper Foundation and the Group 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 consolidated 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 Paper Foundation 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.



.....  
Helen Holmes BSc FCA  
Chartered Accountants and Business Advisors  
ICAEW

Lowther House  
Lowther Street  
Kendal  
LA9 4DX

20 October 2025

## Paper Foundation

### Consolidated Statement of Financial Activities for the Year Ended 31 December 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	74,794	39,840	114,634
Other trading activities	4	132,983	-	132,983
Investment income	5	8	-	8
Other income	6	929	-	929
<b>Total income</b>		<b>208,714</b>	<b>39,840</b>	<b>248,554</b>
<b>Expenditure on:</b>				
Raising funds	7	(86,183)	-	(86,183)
Charitable activities	8	(109,318)	(47,340)	(156,658)
<b>Total expenditure</b>		<b>(195,501)</b>	<b>(47,340)</b>	<b>(242,841)</b>
<b>Net income/(expenditure)</b>		<b>13,213</b>	<b>(7,500)</b>	<b>5,713</b>
<b>Net movement in funds</b>		<b>13,213</b>	<b>(7,500)</b>	<b>5,713</b>
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>		<b>198,441</b>	<b>7,500</b>	<b>205,941</b>
<b>Total funds carried forward</b>	24	<b>211,654</b>	<b>-</b>	<b>211,654</b>

The notes on pages 13 to 34 form an integral part of these financial statements.

## Paper Foundation

### Consolidated Statement of Financial Activities for the Year Ended 31 December 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	56,163	146,071	202,234
Other trading activities	4	<u>64,298</u>	<u>-</u>	<u>64,298</u>
Total income		<u>120,461</u>	<u>146,071</u>	<u>266,532</u>
<b>Expenditure on:</b>				
Raising funds	7	(31,087)	-	(31,087)
Charitable activities	8	<u>(67,283)</u>	<u>(46,786)</u>	<u>(114,069)</u>
Total expenditure		<u>(98,370)</u>	<u>(46,786)</u>	<u>(145,156)</u>
Net income		22,091	99,285	121,376
Transfers between funds		<u>91,785</u>	<u>(91,785)</u>	<u>-</u>
Net movement in funds		113,876	7,500	121,376
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>84,565</u>	<u>-</u>	<u>84,565</u>
Total funds carried forward	24	<u><u>198,441</u></u>	<u><u>7,500</u></u>	<u><u>205,941</u></u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 24.

The notes on pages 13 to 34 form an integral part of these financial statements.

## Paper Foundation

(Registration number: 10493204)

### Consolidated Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	15	-	750
Tangible assets	16	142,539	138,582
Heritage assets	17	64,044	68,096
		<u>206,583</u>	<u>207,428</u>
<b>Current assets</b>			
Stocks	19	19,500	10,531
Debtors	20	12,457	22,735
Cash at bank and in hand	21	24,701	34,628
		<u>56,658</u>	<u>67,894</u>
<b>Creditors: Amounts falling due within one year</b>	22	<u>(51,587)</u>	<u>(69,381)</u>
<b>Net current assets/(liabilities)</b>		<u>5,071</u>	<u>(1,487)</u>
<b>Net assets</b>		<u>211,654</u>	<u>205,941</u>
<b>Funds of the group:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	-	7,500
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>211,654</u>	<u>198,441</u>
<b>Total funds</b>	24	<u>211,654</u>	<u>205,941</u>

The financial statements on pages 9 to 34 were approved by the trustees, and authorised for issue on 20 October 2025 and signed on their behalf by:



MAJ Cropper  
Trustee

The notes on pages 13 to 34 form an integral part of these financial statements.

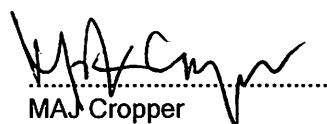
# Paper Foundation

(Registration number: 10493204)  
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	15	-	750
Tangible assets	16	5,404	138,582
Heritage assets	17	44,635	68,096
Investments		<u>1</u>	<u>-</u>
		<u>50,040</u>	<u>207,428</u>
<b>Current assets</b>			
Stocks	19	-	10,531
Debtors	20	182,160	22,735
Cash at bank and in hand	21	<u>24,007</u>	<u>34,628</u>
		206,167	67,894
Creditors: Amounts falling due within one year	22	<u>(23,829)</u>	<u>(69,381)</u>
Net current assets/(liabilities)		<u>182,338</u>	<u>(1,487)</u>
Net assets		<u>232,378</u>	<u>205,941</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	24	-	7,500
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>232,378</u>	<u>198,441</u>
<b>Total funds</b>	24	<u>232,378</u>	<u>205,941</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 9 to 34 were approved by the trustees, and authorised for issue on 20 October 2025 and signed on their behalf by:

  
MAJ Cropper  
Trustee

The notes on pages 13 to 34 form an integral part of these financial statements.

## **Paper Foundation**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

C/O Estate Office

Ellergreen

Kendal

Cumbria

LA9 5SD

These financial statements were authorised for issue by the trustees on 20 October 2025.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Paper Foundation 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 notes.

##### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £26,437 (2023 - surplus of £121,376).

## **Paper Foundation**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Going concern**

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

#### **Income and endowments**

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



## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### *Grants receivable*

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### *Investment income*

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Taxation

The charity 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 charity 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.

#### Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

#### Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost.

#### Heritage assets

To meet the requirements of the SORP, disclose the policy for acquisition, preservation, management and disposal of heritage assets.

#### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Computer software	Over four years

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Improvements to leased property	Over the term of the lease
Plant and machinery	20% straight line

#### Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

## **Paper Foundation**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Donations and legacies;			
Donations from individuals	63,809	-	63,809
Gift aid reclaimed	9,485	-	9,485
Grants, including capital grants;			
Grants from other charities	1,500	39,840	41,340
	<u>74,794</u>	<u>39,840</u>	<u>114,634</u>
	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations from individuals	36,700	20,000	56,700
Gift aid reclaimed	19,463	-	19,463
Grants, including capital grants;			
Grants from other charities	-	126,071	126,071
	<u>56,163</u>	<u>146,071</u>	<u>202,234</u>
Grants received are as follows:	Note	2024 £	2023 £
QUEST Apprenticeship funding		2,325	5,556
Innovate funding		14,416	14,612
National Archives		-	7,500
Golsoncott Foundation		-	2,000
Radcliffe Trust		-	7,000
York Foundation		-	2,000
KBF		23,099	87,403
		<u>39,840</u>	<u>126,071</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 4 Income from other trading activities

	Unrestricted funds General £	Total 2024 £
Trading income;		
Sales of goods and services	130,526	130,526
Other trading income	2,350	2,350
Events income;		
Other events income	107	107
	<u>132,983</u>	<u>132,983</u>
	Unrestricted funds General £	Total 2023 £
Trading income;		
Sales of goods and services	62,498	62,498
Events income;		
Other events income	1,800	1,800
	<u>64,298</u>	<u>64,298</u>

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	8	8
<b>Total for 2024</b>	<u>8</u>	<u>8</u>

#### 6 Other income

	Unrestricted funds General £	Total funds £
Gains on sale of intangible fixed assets for charity's own use	929	929
<b>Total for 2024</b>	<u>929</u>	<u>929</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 7 Expenditure on raising funds

##### a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2024 £
Costs of goods sold		24,406	24,406
Trading subsidiary costs		30,100	30,100
Events and conferences		278	278
Depreciation, amortisation and other similar costs		31,252	31,252
Allocated support costs	9	147	147
		<u>86,183</u>	<u>86,183</u>
	Note	Unrestricted funds General £	Total 2023 £
Costs of goods sold		14,808	14,808
Events and conferences		3,571	3,571
Marketing and publicity		1,071	1,071
Allocated support costs	9	11,637	11,637
		<u>31,087</u>	<u>31,087</u>

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2024 £
Collection expenses		1,592	7,500	9,092
Film-making		4,168	-	4,168
Depreciation, amortisation and other similar costs		2,593	-	2,593
Staff costs		56,059	36,329	92,388
Allocated support costs	9	40,132	3,511	43,643
Governance costs	9	4,774	-	4,774
		<u>109,318</u>	<u>47,340</u>	<u>156,658</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Note	Unrestricted funds General £	Restricted funds £	Total 2023 £
Collection expenses		6,019	-	6,019
Depreciation, amortisation and other similar costs		9,433	-	9,433
Staff costs		17,041	46,786	63,827
Allocated support costs	9	32,212	-	32,212
Governance costs	9	2,578	-	2,578
		<u>67,283</u>	<u>46,786</u>	<u>114,069</u>

In addition to the expenditure analysed above, there are also governance costs of £4,774 (2023 - £2,578) which relate directly to charitable activities. See note 9 for further details.

#### 9 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2024 £
Independent examiner fees		
Examination of the financial statements	3,124	3,124
Other fees paid to examiners	1,200	1,200
Legal fees	75	75
Other governance costs	375	375
	<u>4,774</u>	<u>4,774</u>
	Unrestricted funds General £	Total 2023 £
Independent examiner fees		
Examination of the financial statements	2,211	2,211
Legal fees	285	285
Marketing and publicity	82	82
	<u>2,578</u>	<u>2,578</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>33,845</u>	<u>9,433</u>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Donations made by the trustees without any conditions attached totalled £52,918 for the year (2023 - £35,000).

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	86,886	62,464
Social security costs	3,559	-
Pension costs	<u>1,943</u>	<u>1,363</u>
	<u>92,388</u>	<u>63,827</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Number of staff	<u>3</u>	<u>2</u>

3 (2023 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £4,614 (2023 - £3,061).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the group were £43,538 (2023 - £37,559).



## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 13 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>3,124</u>	<u>2,211</u>
Other fees to examiners		
All other assurance services	<u>1,200</u>	<u>-</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 14 Taxation

The group is a registered charity and is therefore exempt from taxation.

#### 15 Intangible fixed assets

##### Group

	Computer software £	Total £
<b>Cost</b>		
At 1 January 2024	<u>3,000</u>	<u>3,000</u>
At 31 December 2024	<u>3,000</u>	<u>3,000</u>
<b>Amortisation</b>		
At 1 January 2024	2,250	2,250
Charge for the year	<u>750</u>	<u>750</u>
At 31 December 2024	<u>3,000</u>	<u>3,000</u>
<b>Net book value</b>		
At 31 December 2024	<u>-</u>	<u>-</u>
At 31 December 2023	<u>750</u>	<u>750</u>

##### Charity

	Computer software £	Total £
<b>Cost</b>		
At 1 January 2024	<u>3,000</u>	<u>3,000</u>
At 31 December 2024	<u>3,000</u>	<u>3,000</u>
<b>Amortisation</b>		
At 1 January 2024	2,250	2,250
Charge for the year	<u>750</u>	<u>750</u>
At 31 December 2024	<u>3,000</u>	<u>3,000</u>
<b>Net book value</b>		
At 31 December 2024	<u>-</u>	<u>-</u>
At 31 December 2023	<u>750</u>	<u>750</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 16 Tangible fixed assets

##### Group

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2024	107,802	43,418	151,220
Additions	<u>28,933</u>	<u>8,118</u>	<u>37,051</u>
At 31 December 2024	<u>136,735</u>	<u>51,536</u>	<u>188,271</u>
<b>Depreciation</b>			
At 1 January 2024	-	12,637	12,637
Charge for the year	<u>22,789</u>	<u>10,306</u>	<u>33,095</u>
At 31 December 2024	<u>22,789</u>	<u>22,943</u>	<u>45,732</u>
<b>Net book value</b>			
At 31 December 2024	<u>113,946</u>	<u>28,593</u>	<u>142,539</u>
At 31 December 2023	<u>107,802</u>	<u>30,781</u>	<u>138,583</u>

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £113,946 (2023 - £107,802) in respect of leaseholds.

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Charity

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2024	107,802	43,418	151,220
Additions	-	2,247	2,247
Disposals	<u>(107,802)</u>	<u>(36,448)</u>	<u>(144,250)</u>
At 31 December 2024	<u>-</u>	<u>9,217</u>	<u>9,217</u>
<b>Depreciation</b>			
At 1 January 2024	-	12,637	12,637
Charge for the year	-	1,843	1,843
Eliminated on disposals	<u>-</u>	<u>(10,667)</u>	<u>(10,667)</u>
At 31 December 2024	<u>-</u>	<u>3,813</u>	<u>3,813</u>
<b>Net book value</b>			
At 31 December 2024	<u>-</u>	<u>5,404</u>	<u>5,404</u>
At 31 December 2023	<u>107,802</u>	<u>30,781</u>	<u>138,583</u>

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £Nil (2023 - £107,802) in respect of leaseholds.

#### 17 Heritage assets

##### Group

	Heritage assets £	Total £
<b>Cost</b>		
At 1 January 2024	68,096	68,096
Disposals	<u>(4,052)</u>	<u>(4,052)</u>
At 31 December 2024	64,044	64,044
<b>Depreciation</b>		
At 31 December 2024	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 31 December 2024	<u>64,044</u>	<u>64,044</u>

#### Summary of transactions

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Charity

	Heritage assets £	Total £
<b>Cost</b>		
At 1 January 2024	68,096	68,096
Disposals	<u>(23,461)</u>	<u>(23,461)</u>
At 31 December 2024	44,635	44,635
<b>Depreciation</b>		
At 31 December 2024	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 31 December 2024	<u>44,635</u>	<u>44,635</u>

#### Summary of transactions

#### 18 Fixed asset investments

#### Charity

2024  
£

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
Additions	<u>1</u>	<u>1</u>
At 31 December 2024	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 December 2024	<u>1</u>	<u>1</u>

#### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
Paper Workshop Ltd	England and Wales	Ordinary	100%	0%	Paper making

#### Subsidiaries

The profit for the financial period of Paper Workshop Ltd was £2,064 (2023 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £2,065 (2023 - £1).  
Paper Workshop Ltd began trading on 1 January 2024.

#### 19 Stock

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Stocks	<u>19,500</u>	<u>10,531</u>	<u>-</u>	<u>10,531</u>

#### 20 Debtors

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	7,249	14,186	1,106	14,186
Due from group undertakings	-	-	177,963	-
Prepayments	1,706	906	1,587	906
Accrued income	1,255	6,250	1,255	6,250
Other debtors	<u>2,247</u>	<u>1,393</u>	<u>249</u>	<u>1,393</u>
	<u>12,457</u>	<u>22,735</u>	<u>182,160</u>	<u>22,735</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 21 Cash and cash equivalents

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Cash on hand	139	139	139	139
Cash at bank	24,562	34,489	23,868	34,489
	<u>24,701</u>	<u>34,628</u>	<u>24,007</u>	<u>34,628</u>

#### 22 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	42,023	67,219	20,249	67,219
Other taxation and social security	1,975	221	1,975	221
Other creditors	3,405	616	405	616
Accruals	4,184	1,325	1,200	1,325
	<u>51,587</u>	<u>69,381</u>	<u>23,829</u>	<u>69,381</u>

#### 23 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £1,943 (2023 - £1,363).

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 24 Funds

##### Group

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
General funds	198,441	208,714	(195,501)	211,654
<b>Restricted funds</b>				
National Archive	7,500	-	(7,500)	-
Innovate Funding	-	14,416	(14,416)	-
Apprenticeship funding	-	2,325	(2,325)	-
Heating Installation	-	3,511	(3,511)	-
Traineeship	-	19,588	(19,588)	-
<b>Total restricted funds</b>	<u>7,500</u>	<u>39,840</u>	<u>(47,340)</u>	<u>-</u>
<b>Total funds</b>	<u>205,941</u>	<u>248,554</u>	<u>(242,841)</u>	<u>211,654</u>

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General funds	84,565	120,461	(98,370)	91,785	198,441
<b>Restricted funds</b>					
Mill extension	-	72,570	-	(72,570)	-
National Archive	-	7,500	-	-	7,500
Innovate Funding	-	14,612	(14,612)	-	-
Apprenticeship funding	-	5,556	(5,556)	-	-
New equipment funding	-	11,000	-	(11,000)	-
Heating Installation	-	8,215	-	(8,215)	-
Traineeship	-	26,618	(26,618)	-	-
<b>Total restricted funds</b>	<u>-</u>	<u>146,071</u>	<u>(46,786)</u>	<u>(91,785)</u>	<u>7,500</u>
<b>Total funds</b>	<u>84,565</u>	<u>266,532</u>	<u>(145,156)</u>	<u>-</u>	<u>205,941</u>



## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Charity

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
General funds	198,441	149,421	(115,484)	232,378
<b>Restricted funds</b>				
National Archive	7,500	-	(7,500)	-
Apprenticeship Funding	-	2,325	(2,325)	-
Heating Installation	-	3,511	(3,511)	-
Traineeship	-	19,588	(19,588)	-
<b>Total restricted funds</b>	<u>7,500</u>	<u>25,424</u>	<u>(32,924)</u>	<u>-</u>
<b>Total funds</b>	<u>205,941</u>	<u>174,845</u>	<u>(148,408)</u>	<u>232,378</u>

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General funds	84,565	120,461	(98,370)	91,785	198,441
<b>Restricted funds</b>					
Mill Extension	-	72,570	-	(72,570)	-
National Archive	-	7,500	-	-	7,500
Innovate Funding	-	14,612	(14,612)	-	-
Apprenticeship Funding	-	5,556	(5,556)	-	-
New equipment funding	-	11,000	-	(11,000)	-
Heating Installation	-	8,215	-	(8,215)	-
Traineeship	-	26,618	(26,618)	-	-
<b>Total restricted funds</b>	<u>-</u>	<u>146,071</u>	<u>(46,786)</u>	<u>(91,785)</u>	<u>7,500</u>
<b>Total funds</b>	<u>84,565</u>	<u>266,532</u>	<u>(145,156)</u>	<u>-</u>	<u>205,941</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 25 Analysis of net assets between funds

##### Group

	Unrestricted funds General £	Total funds at 31 December 2024 £
Tangible fixed assets	142,539	142,539
Heritage assets	64,044	64,044
Current assets	56,659	56,659
Current liabilities	<u>(51,588)</u>	<u>(51,588)</u>
Total net assets	<u>211,654</u>	<u>211,654</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Intangible fixed assets	750	-	750
Tangible fixed assets	138,582	-	138,582
Heritage assets	68,096	-	68,096
Current assets	60,394	7,500	67,894
Current liabilities	<u>(69,380)</u>	<u>-</u>	<u>(69,380)</u>
Total net assets	<u>198,442</u>	<u>7,500</u>	<u>205,942</u>

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Charity

	Unrestricted funds General £	Total funds at 31 December 2024 £
Tangible fixed assets	5,404	5,404
Heritage assets	44,635	44,635
Fixed asset investments	1	1
Current assets	206,167	206,167
Current liabilities	<u>(23,829)</u>	<u>(23,829)</u>
Total net assets	<u>232,378</u>	<u>232,378</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Intangible fixed assets	750	-	750
Tangible fixed assets	138,582	-	138,582
Heritage assets	68,096	-	68,096
Current assets	60,394	7,500	67,894
Current liabilities	<u>(69,380)</u>	<u>-</u>	<u>(69,380)</u>
Total net assets	<u>198,442</u>	<u>7,500</u>	<u>205,942</u>

#### 26 Related party transactions

##### Group

During the year the group made the following related party transactions:

##### Ellergreen LLP

(Mark Cropper, a trustee, is also a member of Ellergreen LLP)

Ellergreen LLP rents property to the charity on a normal commercial basis at £18,000pa. However, no rent has been charged to date to allow the charity to grow.. At the balance sheet date the amount due to/from Ellergreen LLP was £Nil (2023 - £Nil).

## Paper Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Mark Cropper

(Mark Cropper is a trustee)

The charity holds a collection of heritage assets, which are items of historical, artistic, scientific, or cultural importance that contribute to the furtherance of the charity's objectives.

During the year, the trustees reviewed the collection and agreed that several decorative papers in the collection were no longer essential to the charity's charitable purposes. In accordance with the charity's disposal policy, this item was sold.

The asset was sold at cost price of £4,052.48 to the Chair of Trustees, Mark Cropper. The trustees (excluding the Chair) considered the matter, obtained appropriate assurance that the transaction was in the best interests of the charity, and determined that disposal at cost price was fair and reasonable.

The disposal was conducted in line with the charity's conflict of interest policy and in accordance with the requirements of the Charity SORP (FRS 102) and charity law. No gain or loss was recognised on the disposal.. At the balance sheet date the amount due to/from Mark Cropper was £Nil (2023 - £Nil).

#### Charity

During the year the charity made the following related party transactions:

#### Ellergreen LLP

(Mark Cropper, a trustee, is also a member of Ellergreen LLP)

Ellergreen LLP rents property to the charity on a normal commercial basis at £18,000pa. However, no rent has been charged to date to allow the charity to grow.. At the balance sheet date the amount due to/from Ellergreen LLP was £Nil (2023 - £Nil).

#### Paper Workshop Ltd

(Paper Workshop Ltd is the wholly owned trading subsidiary of Paper Foundation.)

The Paper Workshop Ltd took over the trading activities of Paper Foundation on 1 January 2024 and as part of that process Paper Foundation transferred fixed assets at net book value of £152,991 (including heritage assets of £19,408) to the subsidiary, as well as the closing stock of £10,531. Paper Foundation runs the payroll for the group and recharged £73,045 to Paper Workshop Ltd in the year.. At the balance sheet date the amount due from Paper Workshop Ltd was £177,963 (2023 - £Nil).

#### Mark Cropper

(Mark Cropper is a trustee)

The charity holds a collection of heritage assets, which are items of historical, artistic, scientific, or cultural importance that contribute to the furtherance of the charity's objectives.

During the year, the trustees reviewed the collection and agreed that several decorative papers in the collection were no longer essential to the charity's charitable purposes. In accordance with the charity's disposal policy, this item was sold.

The asset was sold at cost price of £4,052.48 to the Chair of Trustees, Mark Cropper. The trustees (excluding the Chair) considered the matter, obtained appropriate assurance that the transaction was in the best interests of the charity, and determined that disposal at cost price was fair and reasonable.

The disposal was conducted in line with the charity's conflict of interest policy and in accordance with the requirements of the Charity SORP (FRS 102) and charity law. No gain or loss was recognised on the disposal.. At the balance sheet date the amount due to/from Mark Cropper was £Nil (2023 - £Nil).

## Paper Foundation

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	114,634	202,234
Other trading activities (analysed below)	132,983	64,298
Investment income (analysed below)	8	-
Other income (analysed below)	929	-
<b>Total income</b>	<u>248,554</u>	<u>266,532</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(86,183)	(31,087)
Charitable activities (analysed below)	<u>(156,658)</u>	<u>(114,069)</u>
<b>Total expenditure</b>	<u>(242,841)</u>	<u>(145,156)</u>
<b>Net income</b>	<u>5,713</u>	<u>121,376</u>
<b>Net movement in funds</b>	5,713	121,376
<b>Reconciliation of funds</b>		
<b>Total funds brought forward</b>	<u>205,941</u>	<u>84,565</u>
<b>Total funds carried forward</b>	<u><u>211,654</u></u>	<u><u>205,941</u></u>

## Paper Foundation

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	Total 2024 £	Total 2023 £
<i><b>Donations and legacies</b></i>		
Appeals and donations	63,809	36,700
Restricted donations	-	20,000
Gift Aid tax reclaimed	9,485	19,463
Trusts and foundations	1,500	-
Restricted grants from Trusts and Foundations	39,840	126,071
	<u>114,634</u>	<u>202,234</u>
<i><b>Other trading activities</b></i>		
Sales of purchased goods subsidiary	129,987	-
Fundraising events	107	1,800
Shop income	539	62,498
Other operating income	2,350	-
	<u>132,983</u>	<u>64,298</u>
<i><b>Investment income</b></i>		
Interest on cash deposits	8	-
	<u>8</u>	<u>-</u>
<i><b>Other income</b></i>		
Other income	929	-
	<u>929</u>	<u>-</u>
<i><b>Raising funds</b></i>		
Fundraising costs	(278)	(3,571)
Opening production supplies	(10,531)	-
Purchases	(26,649)	(24,832)
Direct costs	(4,210)	(507)
Mill supplies and consumables	(564)	-
Packaging	(1,952)	-
Closing stock	19,500	10,531
Staff bonus	(3,000)	-
Rates and water	-	(1,521)
Light, heat and power	-	(2,296)
Insurance	-	(2,719)
Telephone and IT	-	(1,787)
Printing, postage and stationery	(59)	(951)
Staff welfare	(602)	-
Light, heat and power subsidiary	(5,188)	-
Travel and subsistence	(88)	(2,173)

This page does not form part of the statutory financial statements.

## Paper Foundation

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	Total 2024 £	Total 2023 £
Repairs and renewals subsidiary	(4,241)	-
Telephone subsidiary	(330)	-
Office expenses	(8,236)	-
Computer software and maintenance costs	(462)	-
Printing, postage and stationery	(576)	-
Advertising	-	(1,071)
Legal and professional fees	-	(190)
Cleaning	(105)	-
Foreign currency (gains)/losses	(22)	-
Travel and subsistence subsidiary	(6,668)	-
Advertising subsidiary	(474)	-
Bank charges	(196)	-
Depreciation of short leasehold property	(22,789)	-
Depreciation	(8,463)	-
	<u>(86,183)</u>	<u>(31,087)</u>
<b><i>Charitable activities</i></b>		
Wages and salaries	(50,557)	(15,678)
Restricted wages	(36,329)	(46,786)
Staff NIC (Employers)	(3,559)	-
Staff pensions (Defined contribution) - pension scheme 1	(1,943)	(1,363)
Repairs and maintenance	(974)	(5,626)
Repairs and maintenance restricted	(3,511)	-
Film-making	(4,168)	-
Miscellaneous staff costs	(637)	(1,174)
Trade subscriptions	(135)	(253)
Hire of other assets (Operating leases)	(3,406)	-
Collection Expenses	(1,592)	(6,019)
Collection expenses restricted	(7,500)	-
Sundries	(627)	(1,742)
Management charges payable	(12,912)	(23,417)
Amortisation of computer software	(750)	(750)
Depreciation	(1,843)	(8,683)
Rates and water	(1,199)	-
Light, heat and power	(15,666)	-
Insurance	(2,013)	-
Telephone and IT	(2,563)	-
Training	-	(82)
Accountancy fees	(3,124)	(2,211)
Consultancy fees	(75)	(285)

This page does not form part of the statutory financial statements.

## Paper Foundation

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	Total 2024 £	Total 2023 £
Accountancy fees subsidiary	(1,200)	-
Cost of trustee meetings	<u>(375)</u>	<u>-</u>
	<u>(156,658)</u>	<u>(114,069)</u>