

**THE
CROSSNESS ENGINES
TRUST
(A COMPANY LIMITED BY GUARANTEE)**



Photograph: Steve James

**UNAUDITED TRUSTEES' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 OCTOBER 2022**

HEDLEY DUNK LIMITED
Chartered Accountants & Registered Auditors
Trinity House, 3 Bullace Lane
Dartford, Kent DA1 1BB

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

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CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 OCTOBER 2022**

| | |
|----------------------------------|--|
| Trustees | M Jones A Neher P Nelson K M Ridley J G Warner A M Williams (resigned 19 July 2022) F K Germanus-Kunda E Bardrick(appointed 8 March 2022, resigned 7 June 2023) C Chin (appointed 11 April 2023) |
| Company registered number | 02141756 |
| Charity registered number | 297585 |
| Registered office | Thames Water - Old Works Bazalgette Way London SE2 9AQ |
| Company secretary | M Jones |
| Accountants | Hedley Dunk Limited Chartered Accountants and Statutory Auditors Trinity House 3 Bullace Lane Dartford Kent DA1 1BB |

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2022

The chairman presents his statement for the year.

Introduction

Following previous practice this report formally presents the accounts for the last completed financial year to October 2022 and covers developments in other areas to date.

Since the last annual report we have witnessed a gradual return to normal following the cessation of the restrictions brought in to address the challenge of the Covid-19 pandemic. Visitor numbers on open days have increased significantly, despite the fact that Prince Consort is not in operation. There is a growing demand for group visits and our guided tours are fully booked for months ahead. The overall impact is that the Trust's financial position has improved since the last annual report and shows signs of continuing to do so in the year ahead.

Uncertainty about future car parking facilities for users as a result of Thames Water planning to use the area occupied by the current car park to create a new site access is a particular concern and the Board is actively exploring how this might be resolved.

Trust Organisation and Operations

The proposed organisation structure was submitted to the Board based on the principle that the Trustee Board is strategic and should not be involved in the day to day operation of the site, supported by a team with the primary objective of delivering the Trust's objectives and managing site operations including works, projects and events and 2022 saw the merger of two committees:

- the Task Force that was set up to source funding during COVID, review all sources of funding and seek future funding;
- the Resilience Committee that advises the board on business risks and governance issues.

A series of "As Is/To Be" sessions were held with volunteers and board members to get everyone's ideas on where we are and what we need to do to improve the Trust, its operations and its offerings.

A number of policies and procedures were created or updated including Safeguarding, Equality & Diversity, Emergency Evacuation, Health & Safety, conflicts of Interest and Expenses / Petty Cash.

The Risk Register was regularly reviewed and the higher risk elements reported to the board.

During the year both of our paid employees left the Trust. Chris Foord, the Business Development Officer, moved to new employment. Petra Cox has maintained a continuing connection to the Trust, supporting the delivery of group visits as a freelance contractor.

Health and safety

COVID was still a threat and precautions remained in place to protect volunteers and visitors.

There were two accidents, one of which required hospital treatment but did not need reporting under RIDDOR. Three Near Miss incidents were reported. One involved the lack of testing on lifting eyes and beams in the Beam Engine House. This has resulted in these being taken out of commission and halting rebuilding works on Victoria. The testing costs are almost £12,000. Again the problems of visitors and film crew straying on to Thames Water property were evident.

The Trust continues to take safety training responsibilities seriously. After COVID, training was able to continue again and we managed to have 78 man days training including abrasive wheels, Notifiable Non-licensed Working with asbestos, fire marshal, dumper, excavator, IPAF lifter and manual handling.

We lost our Health & Safety Trustee, Alison Williams, as a work reorganisation prevented her continuing. A suitably qualified replacement is being sought.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Issues of subsidence and potential instabilities to buildings around site meant restricted access or use to some buildings or areas and heralded the start of surveys into the buildings and ground subsidence by our landlord, Thames Water. It is hoped that this report will be available in the near future

Conservation

Loose brickwork in the Beam Engine House and the lintel above the sliding doors in the Valve House have continued to be a cause for concern. Subsidence at various points over the site has also been an issue. Some survey work by Thames Water has been completed but progress in moving towards a resolution of the problems has been slow.

The replacement boiler which serves Prince Consort was tested and used a couple of times prior to suspension of engine operation due to the cracks cast iron work. The boiler was then drained down and put into sleep mode until the problem was resolved.

Victoria

Whilst the Victoria team was waiting for testing of the Beam Floor lifting eyes work on the engine has slowed to re-cleaning and protecting various engine parts that rusted due to sudden temperature changes before Christmas.

The team has also continued to de-rust and paint the beam floor.

Prince Consort

The boiler passed successfully its routine inspection in April.

To keep the volunteers occupied the team has safely cleaned, painted and replaced/relocated everything in the Secure Store, which had been declared unsafe due to a small amount of asbestos. These items were removed before work commenced.

Collections

Behind the scenes collections tours on open days continue to be fully booked, and to receive positive feedback from attendees. Tour guides have recently started to wear Victorian costume, to add to the visitor experience.

Other activities have included:

- Participation in the Explore Your Archives Twitter campaign, which raised awareness of, and interest in, the collections.
- Introduced Archive Anecdotes blog.
- Interviewed a former Crossness worker, gathering fresh insight into the twentieth century workforce, and filling gaps in our knowledge, such as the role of female employees.
- All archive material (except plans and patents, which have their own databases) has been catalogued on MODES.

Public interest in the collections has improved, and 12 researchers visited the archive between February 2022 and February 2023, a return to pre-COVID numbers. The archive service consistently receives positive feedback from researcher questionnaires.

The project to check and update every artefact record card has been completed.

CROSSNESS ENGINES TRUST
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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Ongoing Projects

Creating a records management policy and retention schedule, including completing a survey of the types of records each department creates and manages.

Planning a practical training exercise for members of the disaster recovery team – this will involve salvaging wet practice material to test the emergency plan procedures. Alexandra Dolan has started gathering non-collection materials to be used in the training, and has booked an online course advising how to train team members in disaster recovery.

Appraising unaccessioned material stored in the archive room.

Accessioning CET admin records, including meeting minutes. This will involve sensitivity checks, and rehousing material in acid free boxes and folders.

Completing the Toilet Timeline display by acquiring modern examples of sanitary ware, including a 'Portaloo.'

Museum Accreditation

The Collections Department has completed all of the requirements in the Managing Collections section of the 2018 Accreditation Standard.

The following policies and plans required for Museum Accreditation were updated in 2022, and submitted to the Board for approval:

- Care and Conservation Plan, version 2.
- Archive Documentation Policy, version 2.
- Artefact Documentation Policy, version 2.
- Care & Conservation Policy, version 2.
- Care & Conservation Plan, version 2.
- Access to Collections Policy, version 2.
- Archive Documentation Plan, version 4.
- Collections Emergency Plan, version 4.

Royal Arsenal Narrow Gauge Railway

Following the hydraulic failure suffered by the locomotive at the end of 2021 a successful Crowdfunder campaign, run by Dave Hughes, was initiated in 2022. This exercise generated sufficient funds to purchase and fit new hydraulic motors to the locomotive which ran again on the Open Day in December 2022 without problem.

In April this year, the front axle drive failed, but was repaired with the help of a local engineering company, and in May fuel problems were rectified by the combined talents of the RANG Team by redesigning the position of the fuel tank.

We will continue to keep the train in working order so adding to the enjoyment of the visitors when coming to Crossness.

Learning and Outreach

There has been a significant improvement in visitor numbers in the last six months. Guided tours have been fully booked, the number of group visits has increased and open days are attracting significant numbers.

With the resignation of our Learning and Outreach Officer the Trust does not have the requisite expertise to deliver an effective programme for schools and this is something that will be addressed in the coming months.

CROSSNESS ENGINES TRUST
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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Social Media

Crossness is active on Facebook, Twitter and Instagram. During the period Nov 2021 to October 2022, social media was used primarily to communicate the Crossness Open Days and Guided Tours. A video produced and shared by Historic England on their social media channels brought us to the attention of a larger audience and has resulted in an increased reach, especially on Facebook.

In summary:

- **Twitter:** Overall impressions were down 10% as a result of fewer Tweets but engagement rate increased to 2.7% and total number of followers grew to 1,900 (+9.5% vs prior year).
- **Facebook:** Our reach shot up this year as a result of the Historic England video.
- **Instagram:** We closed the year with 998 followers [+47% vs prior year]. We reached an average of 550 accounts a month with an engagement rate of 9.6%.

Website

The redevelopment of the website will streamline the online booking experience for Open Days and tours as well as providing a paywall for the virtual guided tour and the option of creating an online shop. It will have a cleaner look and feel and will offer improved analytics to better understand how people use the site. Work has been much delayed despite Steve James putting a significant amount of work into the project. At the time of writing it seems likely that work will be completed and the new site launched in August 2023.

Virtual Guided Tour (VGT)

The virtual guided tour is ready for launch but requires the environment delivered by the new website, which should be available shortly

Finance

For the accounts for financial year 2021/2022 the Board has again elected to seek an Independent Examiners Report rather than a full audit. The report and a copy of the accounts for financial year are incorporated in this document.

Financial performance has improved since the termination of restrictions linked to the Covid 19 pandemic. Revenue generated by visitors for the year ending in October 2022 showed a 350% increase over the previous year.

More recently income from open days, group visits, guided tours and events organised for photography groups shows continuing growth.

In terms of expenditure the highest outlays have been on employment of staff, insurance and IT/telephony. The Trust is pursuing an insurance claim linked to loss of income through the requirement to lock down the site because of Covid 19 and should know the outcome of this process in the near future.

Trust Membership

The following table shows the membership position at the time of writing.

| PERIOD | 2020/21 | 2021/22 | TOTAL |
|--------------|---------|---------|-------|
| New Members | 05 | 24 | 29 |
| Lost Members | (28) | (48) | (76) |
| NET TOTALS | (23) | (24) | (47) |

While we are always pleased to welcome new members, those we lose by non-renewal are always a matter of regret. The majority are for understandable reasons – illness, death and loss of interest by moving away, into residential care or the escalating health needs of family members, for some a return to paid work, and, not for the first time, the current economic situation. A further reason is the loss of contact through changes of postal or email address and phone numbers, despite follow-ups by all available means.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Again, some members only join for a year, perhaps because they see their fee as a one-off donation, rather than the start of a continuing relationship. This may stem from a perception that, having visited once, they have “done” Crossness, they don’t see any point in re-visiting us. We need therefore to keep our “offer” fresh.

Since the beginning of the current financial year in November 2022, there have been 8 new members, including our new Treasurer. However, we will not know until the end of May those who are not renewing their subscriptions for 23/24.

Current membership

| TYPE OF MEMBERSHIP | Nos | % of adult membership |
|-----------------------------|-----|-----------------------|
| Life (Honorary/Life/Senior) | 144 | 33.57 |
| Individual | 65 | 15.15 |
| Family | 38 | 8.86 |
| Senior Citizen | 164 | 38.23 |
| Unwaged | 2 | 0.47 |
| Student | 3 | 0.70 |
| Reciprocal organisations | 13 | 3.03 |
| TOTALS | 429 | 100.00 |
| Children (under 18) (free) | 3 | |
| GRAND TOTALS | 432 | |

We currently have 100+ Volunteers on our books. However, despite the reduction in the COVID19 risks, there are a number of potential Volunteers whom we must follow-up to see whether we can look forward to their active participation. We still need to recruit four Team Leaders, (for Catering, Cleaning, Tour Guides and Gardening) either to fill current vacancies, or to build new teams.

However, our visitors’ appreciation of our helpful, informative and knowledgeable Volunteers remains undimmed

External relations

The Trust continues to have good relations with both Thames Water and the London Borough of Bexley and has been working more closely with Peabody.

Next steps - the year ahead

Whilst we have made progress in some areas, in particular the repair to the cracks in cast iron close to Prince Consort, which has allowed the engine to be run much remains to be done the key priorities for the next year are:

- Review the structure, organisation and culture of the Trust.
- Address some wider building repair issues in the Beam Engine House and in the Valve House.
- Resolve with Thames Water issues relating to the provision of car parking for visitors and update and rationalise the leasing arrangements under which the Trust works.
- Develop a much enhanced Front of House team to supplement the dedicated (and overstretched) core volunteers who enable the Open Days to happen, and to further increase opening in line with the Business Plan.
- Complete the work on the new website and launch.
- Make progress towards museum accreditation.

M Jones
Chair of Trustees

Date:

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees present their annual report together with the financial statements of the Charity for the 1 November 2021 to 31 October 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

• **Policies and objectives**

The principal objective of the company is the restoration and maintenance of the Victorian sewage outfall at Crossness.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)

• **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• **Reserves policy**

The Trust has a reserves policy, which is scheduled for review, aimed at maintaining sufficient funds to cover:

- running costs for six months;
- unplanned essential repairs;
- redundancy.

Together these elements total £140,000.

At 31 October 2022 the Trust was £11,100 in surplus.

Structure, governance and management

• **Constitution**

Crossness Engines Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 22 June 1987 and subsequently amended on 06 June 1999.

• **Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

CROSSNESS ENGINES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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



M Jones
Chair of Trustees

Date: 28 July 2023

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

Independent Examiner's Report to the Trustees of Crossness Engines Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 October 2022.

Responsibilities and Basis of Report

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


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

Independent Examiner's Statement

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

1. accounting records were not kept in respect of the Charity 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.

Signed: 

Dated: 28 July 2023

Jack Fryer

ACA

Hedley Dunk Limited

Chartered Accountants and Statutory Auditors

CROSSNESS ENGINES TRUST
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2022**

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 62,305 | 10,358 | 72,663 | 61,675 |
| Charitable activities | 4 | - | 105,996 | 105,996 | 70,550 |
| Other trading activities | | - | 7,872 | 7,872 | 2,447 |
| Investments | 5 | - | 9 | 9 | 5 |
| Total income | | <u>62,305</u> | <u>124,235</u> | <u>186,540</u> | <u>134,677</u> |
| Expenditure on: | | | | | |
| Raising funds | | - | 126 | 126 | 13,122 |
| Charitable activities | 6 | 116,090 | 92,579 | 208,669 | 233,069 |
| Total expenditure | | <u>116,090</u> | <u>92,705</u> | <u>208,795</u> | <u>246,191</u> |
| Net (expenditure)/income | | <u>(53,785)</u> | <u>31,530</u> | <u>(22,255)</u> | <u>(111,514)</u> |
| Transfers between funds | 17 | 2,486 | (2,486) | - | - |
| Net movement in funds | | <u>(51,299)</u> | <u>29,044</u> | <u>(22,255)</u> | <u>(111,514)</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 1,552,850 | 164,135 | 1,716,985 | 1,828,499 |
| Net movement in funds | | (51,299) | 29,044 | (22,255) | (111,514) |
| Total funds carried forward | | <u>1,501,551</u> | <u>193,179</u> | <u>1,694,730</u> | <u>1,716,985</u> |

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

The notes on pages 12 to 21 form part of these financial statements.

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02141756

BALANCE SHEET
AS AT 31 OCTOBER 2022

| | Note | 2022 £ | 2021 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 1,596,097 | 1,655,696 |
| | | <u>1,596,097</u> | <u>1,655,696</u> |
| Current assets | | | |
| Stocks | 13 | 23,893 | 21,666 |
| Debtors | 14 | 18,093 | 49,859 |
| Cash at bank and in hand | | 67,829 | 20,249 |
| | | <u>109,815</u> | <u>91,774</u> |
| Creditors: amounts falling due within one year | 15 | (11,182) | (30,485) |
| Net current assets | | <u>98,633</u> | <u>61,289</u> |
| Total assets less current liabilities | | <u>1,694,730</u> | <u>1,716,985</u> |
| Net assets excluding pension asset | | <u>1,694,730</u> | <u>1,716,985</u> |
| Total net assets | | <u><u>1,694,730</u></u> | <u><u>1,716,985</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 1,501,551 | 1,552,850 |
| Unrestricted funds | 17 | 193,179 | 164,135 |
| Total funds | | <u><u>1,694,730</u></u> | <u><u>1,716,985</u></u> |

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

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

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

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

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


M Jones
Chair of Trustees

Date: 28 July 2023

The notes on pages 12 to 21 form part of these financial statements.

CROSSNESS ENGINES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

1. General information

Crossness Engines Trust is a charitable company limited by guarantee registered and domiciled in the UK. Its principal place of business is the same as its registered office and is shown in the company information. The principal activities and object of the company is that of restoration and maintenance of the Victorian sewage outfall at Crossness.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Income

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 income receivable can be measured reliably.

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

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

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

CROSSNESS ENGINES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

| | | |
|------------------------------|---|---|
| Long-term leasehold property | - | 2% straight line |
| Plant and machinery | - | at varying rates to reflect asset's useful economic life from 5 - 20% |

2.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.6 Debtors

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

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

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

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

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

2.9 Financial instruments

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

CROSSNESS ENGINES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

2. Accounting policies (continued)

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.11 Fund accounting

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

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

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

3. Income from donations and legacies

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | 7,782 | 7,691 | 15,473 | 11,540 |
| Grants | 54,523 | 2,667 | 57,190 | 50,135 |
| Total 2022 | 62,305 | 10,358 | 72,663 | 61,675 |

4. Income from charitable activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|------------------------------------|-----------------------------|-----------------------------|
| Restoration and maintenance of building and engines | 105,996 | 105,996 | 70,550 |

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5. Investment income

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------|------------------------------------|-----------------------------|-----------------------------|
| Bank Interest received | 9 | 9 | 5 |
| | <u>9</u> | <u>9</u> | <u>5</u> |

6. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|----------------------------------|------------------------------------|--------------------|--------------------|
| Restoration and maintenance of building and engines | 116,090 | 92,579 | 208,669 | 233,069 |
| | <u>116,090</u> | <u>92,579</u> | <u>208,669</u> | <u>233,069</u> |

7. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|---|-----------------------------|-----------------------------|
| Restoration and maintenance of building and engines | 208,669 | 208,669 | 233,069 |
| | <u>208,669</u> | <u>208,669</u> | <u>233,069</u> |

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Restoration and maintenance of building and engines 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------------------------|--|-----------------------------|-----------------------------|
| Staff costs | 47,908 | 47,908 | 62,799 |
| Depreciation | 59,599 | 59,599 | 60,456 |
| Purchases | 13,943 | 13,943 | 19,879 |
| Site facilities and operational costs | 66,006 | 66,006 | 59,224 |
| Health and safety costs | 2,687 | 2,687 | 4,689 |
| Office costs | 13,849 | 13,849 | 16,711 |
| Legal fees | 191 | 191 | 171 |
| Other professional fees | 4,277 | 4,277 | 4,200 |
| Marketing and publicity | 209 | 209 | 4,940 |
| Total 2022 | 208,669 | 208,669 | 233,069 |

Analysis of support costs

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £4,200 (2021 - £4,200).

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9. Staff costs

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Wages and salaries | 45,000 | 60,000 |
| Social security costs | 1,839 | 1,373 |
| Contribution to defined contribution pension schemes | 1,069 | 1,426 |
| | <u>47,908</u> | <u>62,799</u> |

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

| | 2022 No. | 2021 No. |
|-------|-------------|-------------|
| Staff | <u>2</u> | <u>2</u> |

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

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,069 (2021 - £1,426). Contributions totalling £158 (2021 - £317) were payable to the fund at the balance sheet date and are included in creditors.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 October 2022, expenses were reimbursed or paid directly to Trustee (2021 - to 3 Trustees) broken down as follows:

| | 2022 £ | 2021 £ |
|-------------------------|--------------|--------------|
| Travel | 8 | 108 |
| Catering | 3,951 | 1,663 |
| Health and safety costs | 1,186 | 5,987 |
| General office expenses | 2,353 | 1,374 |
| | <u>7,498</u> | <u>9,132</u> |

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12. Tangible fixed assets

| | Long-term leasehold property £ | Plant and machinery £ | Total £ |
|--------------------------|---|-----------------------------|-------------------------|
| Cost or valuation | | | |
| At 1 November 2021 | 1,983,047 | 378,131 | 2,361,178 |
| At 31 October 2022 | <u>1,983,047</u> | <u>378,131</u> | <u>2,361,178</u> |
| Depreciation | | | |
| At 1 November 2021 | 465,839 | 239,643 | 705,482 |
| Charge for the year | 39,661 | 19,938 | 59,599 |
| At 31 October 2022 | <u>505,500</u> | <u>259,581</u> | <u>765,081</u> |
| Net book value | | | |
| At 31 October 2022 | <u><u>1,477,547</u></u> | <u><u>118,550</u></u> | <u><u>1,596,097</u></u> |
| At 31 October 2021 | <u><u>1,517,208</u></u> | <u><u>138,488</u></u> | <u><u>1,655,696</u></u> |

13. Stocks

| | 2022 £ | 2021 £ |
|-------------------------------------|---------------|---------------|
| Finished goods and goods for resale | <u>23,893</u> | <u>21,666</u> |

14. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Due within one year | | |
| Trade debtors | 13,993 | 37,175 |
| Prepayments and accrued income | 2,600 | 2,364 |
| Tax recoverable | 1,500 | 1,500 |
| Grants receivable | - | 8,820 |
| | <u>18,093</u> | <u>49,859</u> |

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15. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 5,812 | 5,783 |
| Other taxation and social security | 1,852 | 1,025 |
| Pension fund loan payable | 158 | 317 |
| Accruals and deferred income | 3,360 | 23,360 |
| | <u>11,182</u> | <u>30,485</u> |

16. Contingent liabilities

The Heritage Lottery Fund granted monies for restoration works. Terms of the grant included a charge over the leasehold property. The charge remains for 25 years from 13 June 2008, under the terms of the charge all or part of the grant can become repayable.

17. Statement of funds

Statement of funds - current year

| | Balance at 1 November 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 October 2022 £ |
|---|---------------------------------------|----------------|------------------|--------------------------|---------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 164,135 | 124,235 | (92,705) | (2,486) | 193,179 |
| | <u>164,135</u> | <u>124,235</u> | <u>(92,705)</u> | <u>(2,486)</u> | <u>193,179</u> |
| Restricted funds | | | | | |
| Landfill Tax Credit and English Heritage Fund | 17,934 | - | - | - | 17,934 |
| Low Carbon Programme | 47,720 | - | (9,253) | - | 38,467 |
| Restoration Project | 1,471,157 | 7,782 | (52,260) | - | 1,426,679 |
| Thames Water COVID 19 | 238 | 20,000 | (20,238) | - | - |
| NLHF COVID Emergency | 15,754 | - | (1,783) | - | 13,971 |
| NLHF Culture Recovery Fund | 47 | 28,023 | (30,556) | 2,486 | - |
| Website Redevelopment Fund | - | 5,000 | (2,000) | - | 3,000 |
| Learning and Outreach Fund | - | 1,500 | - | - | 1,500 |
| | <u>1,552,850</u> | <u>62,305</u> | <u>(116,090)</u> | <u>2,486</u> | <u>1,501,551</u> |
| Total of funds | <u>1,716,985</u> | <u>186,540</u> | <u>(208,795)</u> | <u>-</u> | <u>1,694,730</u> |

CROSSNESS ENGINES TRUST
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17. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 November 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 October 2021 £ |
|--|---------------------------------------|---------------------|-----------------------|--------------------------|---------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 175,934 | 92,542 | (93,493) | (10,848) | 164,135 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Restricted funds | | | | | |
| Landfill Tax Credit and English Heritage Fund | 17,934 | - | - | - | 17,934 |
| Low Carbon Programme | 56,928 | - | (9,208) | - | 47,720 |
| Restoration Project | 1,515,493 | 13,812 | (59,581) | 1,433 | 1,471,157 |
| Thames Water COVID 19 | 15,501 | - | (15,263) | - | 238 |
| NLHF COVID Emergency | 46,709 | - | (40,369) | 9,414 | 15,754 |
| NLHF Culture Recovery Fund | - | 28,323 | (28,276) | - | 47 |
| Website Redevelopment Fund | - | - | - | - | - |
| Learning and Outreach Fund | - | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,652,565 | 42,135 | (152,697) | 10,847 | 1,552,850 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total of funds | <hr/> <hr/> 1,828,499 | <hr/> <hr/> 134,677 | <hr/> <hr/> (246,190) | <hr/> <hr/> (1) | <hr/> <hr/> 1,716,985 |

18. Summary of funds

Summary of funds - current year

| | Balance at 1 November 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 October 2022 £ |
|------------------|---------------------------------------|-------------|------------------|--------------------------|---------------------------------------|
| General funds | 164,135 | 124,235 | (92,705) | (2,486) | 193,179 |
| Restricted funds | 1,552,850 | 62,305 | (116,090) | 2,486 | 1,501,551 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,716,985 | 186,540 | (208,795) | - | 1,694,730 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

CROSSNESS ENGINES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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18. Summary of funds (continued)

Summary of funds - prior year

| | Balance at 1 November 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 October 2021 £ |
|------------------|---------------------------------------|----------------|------------------|--------------------------|---------------------------------------|
| General funds | 175,934 | 92,542 | (93,493) | (10,848) | 164,135 |
| Restricted funds | 1,652,565 | 42,135 | (152,697) | 10,847 | 1,552,850 |
| | <u>1,828,499</u> | <u>134,677</u> | <u>(246,190)</u> | <u>(1)</u> | <u>1,716,985</u> |

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 1,570,522 | 25,575 | 1,596,097 |
| Current assets | (68,971) | 178,786 | 109,815 |
| Creditors due within one year | - | (11,182) | (11,182) |
| Total | <u>1,501,551</u> | <u>193,179</u> | <u>1,694,730</u> |

Analysis of net assets between funds - prior year

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 1,625,717 | 29,979 | 1,655,696 |
| Current assets | (52,867) | 144,641 | 91,774 |
| Creditors due within one year | (20,000) | (10,485) | (30,485) |
| Total | <u>1,552,850</u> | <u>164,135</u> | <u>1,716,985</u> |

20. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 October 2022.