

THE CROSSNESS ENGINES TRUST

(A Company Limited by Guarantee)



The introduction of a vintage shuttle bus service between Abbey Wood Station and the Crossness site is proving to be very popular.

Photograph: Rob Harris

**UNAUDITED TRUSTEES' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 OCTOBER 2023**

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 2023

Trustees	M Jones A Neher P Nelson K M Ridley J G Warner F K Germanus-Kunda E Bardick (appointed 8 March 2022, resigned 7 June 2023) C Chin (appointed 11 April 2023) S Beacroft (appointed 10 September 2023) E Jepson (appointed 10 September 2023) R Fleming
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 2023

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 2023 and covers developments in other areas to date.

The ability to run Prince Consort under steam again has had a marked impact on the number of visitors coming to Crossness. The demand for visits continues and open days and guided tours continue to be booked up well in advance. There is also growing demand for group visits. As a consequence the Trust is actively exploring how this demand can be met whilst concurrently ensuring that essential conservation and maintenance can continue. Financially the Trust is in a much better position than it was a year ago.

Organisational issues and staff changes within Thames Water have resulted in little progress being made in two areas:

- the renegotiation and integration of the leases held by the Trust;
 - the provision of alternative car parking facilities following the revision to the main gate location.
- Recently a line of communication has been re-established and the Board will seek to make progress in these areas in the coming months.

Trust Organisation and Operations

A significant amount of work has been done relating to organisational change but progress has been slower than intended. The objective remains to set out an approach to governance which best equips the Trust to deliver its objectives. Whilst one of the drivers for this change is Museum Accreditation it should be recognised that strengthening the Trust's governance should, of itself, deliver benefits to the Trust.

Currently the respective roles of the Trustee Board and the Works Committee are imprecise and there is a need to create a separation between strategic and operational activities so that:

- the Trustee Board takes responsibility for defining the strategic direction, captured in the Business Plan, and monitoring delivery against that plan.
- the Operational Board takes responsibility for undertaking those activities which deliver against the Business Plan, including the delivery of projects and tracking expenditure against allocated budgets.

The objective is to finalise the detail of the planned change in the coming months and to update volunteers on what is proposed.

Health and safety

In December 2022 we had an accident in the Beam Engine House that was RIDDOR reportable involving an ex Volunteer, Dave Dawson. Although the injury was significant the emergency services took hours to arrive. Fortunately Sheila Carson, a trained First Aider, did a sterling job with other volunteers in looking after Dave. He has subsequently recovered after being kept in hospital for a period.

There were two visitor trips in the grounds that resulted in minor injuries and two potential incidents, one involving masonry falling from the beam Engine House and the other from a hazardous chemical spill in the Boiler House basement.

The Trust continued to support volunteer's safety by providing training in asbestos awareness, dumper competence, excavator competence, Emergency First Aid at Work, Level 1 Hygiene, cherry picker competence and Notifiable Non-Licensed Working with Asbestos totalling 61 man days.

May 2023 saw the conclusion of a ground condition survey by our landlord's engineers, Mott MacDonald. This gave us bad news that our basement tunnel in the South West of the building should not be used because of structural defects. It also told us that the water ingress to the Beam Engine House is river water, and combined with pump monitoring by the Trust, was able to determine that water comes in when the river level is 3m (10ft) above Ordnance Datum level (mean sea level). Unfortunately it did not confirm how the water was getting into the building as no culvert surveys were allowed.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

Conservation

Victoria

The past year continued with focussed restoration to the ornate paintwork on Victoria's side of the octagon while structural instabilities were finally worked on.

The process of evaluating, reporting and repair is now almost complete for the lifting points above Victoria; there is still one to be completed. This facilitates heavy lifting work for reconstructing the beam engine once cleaning and painting is done.

The substantial structural crack in the ironwork of the building next to Victoria (which has existed in stable condition for quite a long time) has now been plated to restore structural integrity.

The erection of scaffolding around Victoria in early summer was the last element in place to allow restoration of the beam to continue apace.

The restoration team have been focussing their attention on taking back layers of rust and other deposits from the ironwork.. The beam and surrounds are worked across in small sections as the process is labour intensive. As soon as a patch has been cleaned it must be primed to prevent rust from quickly forming on the surface again.

We are planning to establish a new Sunday team. This will allow for people with weekday jobs or in education to get involved and are developing a full induction process for this. Under the sensitive overall guidance of Peter Griffiths, Jurgita Svedaite has become a full member of the restoration team and will be overseeing the new weekend team. We hope to have this up and running from mid-October.

To track restoration work and the efforts of the team we have started a Beam Engine House Restoration Diary. This will serve many purposes: as a means of communicating between teams working on different days, as a document to support the process of museum accreditation and as a means of acknowledging the team of volunteers.

Prince Consort

Following the completion of work to repair cracks in cast iron in the vicinity of the engine Prince Consort has returned to active service and has functioned without any significant issues for well over a year.

Collections

Achievements 2023/2024

- 509 people attended behind the scenes tours of the archive and artefacts between August 2023 and June 2024.
- 13 public researchers and Crossness volunteers used the archive between August 2023 and June 2024.
- The moving objects policy and Archive Documentation Plan were updated, and approved by the Board.
- A team of volunteers successfully moved a watercolour painting from the Boiler House to the artefact store following water ingress through the Boiler House roof.
- The filming records have been rehoused, accessioned, and catalogued.
- The Stereophagus sewage pump, acquired in 2016 from Southend-on-Sea Borough Council, has now been conserved by a team in the Fitting Shop and is on display in the Valve House.
- A partially completed model of a portable stationary steam engine, donated in 2013, has now been fully restored by a team in the Fitting Shop and is on display in the Valve House.
- Every artefact has a record card. These have been checked and updated.

Ongoing Projects

- Publishing collection finding aids online.
- Rehousing and accessioning the Crossness Engines Trust administrative records.
- Appraising the unaccessioned archives.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

Museum Accreditation

Museum Accreditation is an Arts Council programme describing itself as, "The nationally agreed standards to ensure all museums are sustainable, focused and trusted, inspiring the confidence of the public and funding and governing bodies."

Achieving these standards is a long-held commitment linked to the Heritage Lottery Fund grant awarded some time ago but, beyond that, Museum Accreditation provides a framework which will support the future development of the Trust.

We formally initiated the process in October 2022, with the full submission needing to be completed by October 2025. There are nine standards we need to meet under three key headings:

- 1-3 how we're run;
- 4-6 how we manage our collections;
- 7-9 how we engage with our users.

Steps we have taken towards this aim:

- Formed a project team to oversee accreditation progress
- Identified areas of strength (e.g. collections); and areas needing improvement (e.g. how we're run).
- Employment of Rob Harris and Laura French in learning and outreach roles to help towards standards 7-9 around museum users.
- Rob's role is also to support with museum accreditation.
- Sought advice from Historic England and Rob Parker to ensure recording of Victoria Restoration is in line with best practice.
- Engaged with other museums which have achieved accreditation standards
- Engaged support from Arts Council and found a museum accreditation mentor
- Review the Trust's governance – led by Emma Jepson..

Key objectives for 2024/2025 are to:

- finalise and enact Governance changes towards Standards 1-3;
- implement a business planning group to develop the Trust's Forward Plan which will form the backbone of the Accreditation submission;
- review of the Trust's policies covering all standards – led by Sarah Beacock;
- ensure our submission is sustainable, recognising that Accreditation is a set of standards which will need to be maintained and reviewed.

Royal Arsenal Narrow Gauge Railway

Since the last report the train has operated for a total of 178.5 hours and undertaken nearly 800 return journeys, which equates to just short of 400 miles! A real milestone for us with a minimum of breakdowns!

Other work carried out included overhauling the Dumper and JCB to get them through their safety inspections, landscaping the ground on either side of the line, and completing the public address system on the carriages and directional lighting on the train.

A big thank you goes to the Fitting Shop for fabricating carriage brake shoes for us, and Peter Connolly for the replacement seat slats that are required for the overhaul of the third carriage.

Our immediate future plans are the rearrangement of the workshop, to make a new public viewing area which should improve the visit to the shed

Learning and Engagement

.Towards the end of 2023 the Trust recruited two part-time members of staff, Rob Harris and Laura French. Rob is concentrating on the development of visitor services generally whilst Laura is taking the lead on engagement with schools

Contact has been made with local schools via email and though attending networking events organised by the Greenwich Cultural Educational Partnership (CEP), in order to find local teachers keen to work with Crossness to plan and trial different learning activities for school groups and other groups of young people. In the 2024

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

summer term Crossness has hosted about 345 school pupils, aged between nine and eighteen, from five different schools.

All visits have run very successfully, with pupils being taken on tours of the Beam Engine House and participating in a range of hands on activities including making and testing water filters, investigating how Archimedes Screws can be used to lift materials uphill, and using sound buttons to learn about the people involved in the building of Crossness.

We have not yet had a proper advertising campaign for school visits for the coming academic year, this will start at the end of August as teachers return to work after the summer holidays and in September we will be contacting local schools to advertise our offer, updating the learning pages of the website, and advertising on social media and through other channels e.g. teacher networking events.

Going forward, the plan is to continue developing the offering for schools at Crossness. The current activities work well for younger children, but the majority of the enquiries received have been from secondary schools, particularly looking to link a visit to the GCSE geography curriculum, A-level history, or BTEC construction. And we will aim to work with other organisations such as Cory or Thames Water to develop visits covering the history of waste management, water treatment and recycling and also modern day issues and solutions. We plan to mark the 160th anniversary of the site opening in April 2025 with a special event. If this is successful we will then be developing other threads such as the social history of Crossness, the architecture, and child friendly content.

Social Media

Crossness continues to be active on Facebook, Twitter and Instagram and continues to be used, primarily to communicate the Crossness Open Days and Guided Tours.

Website

The website redesign was completed and implemented in 2023.

The site is kept under review to identify any improvements that can be added and there is a current interest in adding a blog. (For the uninitiated - a blog (a truncation of "weblog") is an informational website consisting of discrete, often informal diary-style text entries (posts). Posts are typically displayed in reverse chronological order so that the most recent post appears first.

Finance

For the accounts for financial year 2022/2023 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 continued to improve with 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 external contractor charges, insurance, IT and telephony and the purchase of shop stock.

One impact of increased visitor numbers is that Trust income has increased to the extent that we are now in the process of registering for VAT.

Reserves Policy

As part of a general review of policies in the context of progressing towards Museum Accreditation we are currently considering what the reserves policy should cover. The current view is that we should aim to hold sufficient funds to cover:

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

As part of the review we will consider whether the policy should be more comprehensive.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

Membership

While we are always pleased to welcome new members, those we lose by non-renewal are always a matter of regret. As before, 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 or, for some, a return to paid work. 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.

Current membership (as at 26/07/24)

TYPE OF MEMBERSHIP	Nos	% of adult membership
Honorary Life	11	2.24
Life (15)/Senioe Life (115)	130	26.53
Individual	78	15.92
Family	64	13.06
Senior Citizen	189	38.57
Unwaged	3	0.61
Student	2	0.41
Reciprocal organisations	13	2.66
TOTALS	490	100.00
Children (under 16) (free)	5	
GRAND TOTALS	495	

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. It is notable that on the July '24 Steaming Day, all 61 people that I spoke to were first-time visitors. Since the beginning of the current financial year in November 2023, there were 8 new members but this has now risen to a net 37.

We currently have over 100 Volunteers registered with Crossness who, each year, deliver thousands of hours of work and dedication. We welcome new volunteers and are encouraged that we constantly receive enquiries from people wishing to work alongside us. However, we are all too aware that some of the work, and our out of the way location, can be a deterrent. To minimise these impacts and to broaden our appeal to people of working age, we are looking into more opportunities to volunteer at weekends and highlighting the valuable roles in Catering, Gardening and guiding tours as well as supporting the monthly open days where our visitors' appreciation of our helpful, informative and knowledgeable volunteers remains undimmed.

External relations

Recent changes in staffing at Thames Water have made it difficult to progress issues such as the revision of existing leases and the provision of alternative car parking facilities, following a Thames Water decision that the car park area should become the main access route into the site. Recently a line of communication was re-established and the Trust will now pursue these issues.

The Trust is keen to develop its relationship with Peabody, given the building developments that are growing up close to the Crossness site and, as a consequence, has been actively involved in initiatives such as the Thamesmead festival.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

Next steps - the year ahead

Looking back at last year's report it is clear that, whilst much has happened, the key areas that require action remain. These are:

- To complete the restructuring the organisation.
- 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.
- Achieve museum accreditation.



M Jones
Chair of Trustees

Date: 20 September 2024

CROSSNESS ENGINES TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

The Trustees present their annual report together with the financial statements of the Charity for the 1 November 2022 to 31 October 2023. 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2023

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: 20 September 2024

CROSSNESS ENGINES TRUST
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

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 2023.

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: 20 September 2024

Stephen M Fryer

FCA

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 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	6,943	5,173	12,116	72,663
Charitable activities	4	-	163,389	163,389	105,996
Other trading activities		-	15,417	15,417	7,872
Investments	5	-	220	220	9
Total income		<u>6,943</u>	<u>184,199</u>	<u>191,142</u>	<u>186,540</u>
Expenditure on:					
Raising funds		-	-	-	126
Charitable activities	6	57,892	140,604	198,496	208,669
Total expenditure		<u>57,892</u>	<u>140,604</u>	<u>198,496</u>	<u>208,795</u>
Net (expenditure)/income		(50,949)	43,595	(7,354)	(22,255)
Transfers between funds	18	82,813	(82,813)	-	-
Net movement in funds		<u>31,864</u>	<u>(39,218)</u>	<u>(7,354)</u>	<u>(22,255)</u>
Reconciliation of funds:					
Total funds brought forward		1,501,551	193,179	1,694,730	1,716,985
Net movement in funds		31,864	(39,218)	(7,354)	(22,255)
Total funds carried forward		<u>1,533,415</u>	<u>153,961</u>	<u>1,687,376</u>	<u>1,694,730</u>

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

The notes on pages 13 to 23 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,540,678	1,596,097
		<u>1,540,678</u>	<u>1,596,097</u>
Current assets			
Stocks	14	24,755	23,893
Debtors	15	24,261	18,093
Cash at bank and in hand		105,849	67,829
		<u>154,865</u>	<u>109,815</u>
Creditors: amounts falling due within one year	16	(8,167)	(11,182)
Net current assets		<u>146,698</u>	<u>98,633</u>
Total assets less current liabilities		<u>1,687,376</u>	<u>1,694,730</u>
Net assets excluding pension asset		<u>1,687,376</u>	<u>1,694,730</u>
Total net assets		<u><u>1,687,376</u></u>	<u><u>1,694,730</u></u>
Charity funds			
Restricted funds	18	1,533,415	1,501,551
Unrestricted funds	18	153,961	193,179
Total funds		<u><u>1,687,376</u></u>	<u><u>1,694,730</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: 20 September 2024

The notes on pages 13 to 23 form part of these financial statements.

CROSSNESS ENGINES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023

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 2023

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

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 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	1,007	5,173	6,180	15,473
Grants	5,936	-	5,936	57,190
Total 2023	6,943	5,173	12,116	72,663

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Restoration and maintenance of building and engines	163,389	163,389	105,996

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FOR THE YEAR ENDED 31 OCTOBER 2023**

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank Interest received	220	220	9
	<u>220</u>	<u>220</u>	<u>9</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Restoration and maintenance of building and engines	57,892	140,604	198,496	208,669
	<u>57,892</u>	<u>140,604</u>	<u>198,496</u>	<u>208,669</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Total funds 2023 £	Total funds 2022 £
Restoration and maintenance of building and engines	198,496	198,496	208,669
	<u>198,496</u>	<u>198,496</u>	<u>208,669</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Restoration and maintenance of building and engines 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	-	-	47,908
Depreciation	57,399	57,399	59,599
Purchases	36,455	36,455	13,943
Site facilities and operational costs	84,438	84,438	66,006
Health and safety costs	3,479	3,479	2,687
Office costs	12,092	12,092	13,849
Legal fees	433	433	191
Other professional fees	4,200	4,200	4,277
Marketing and publicity	-	-	209
Total 2023	198,496	198,496	208,669

Analysis of support costs

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £4,200 (2022 - £4,200).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

9. Staff costs

	2023 £	2022 £
Wages and salaries	-	45,000
Social security costs	-	1,839
Contribution to defined contribution pension schemes	-	1,069
	<u>-</u>	<u>47,908</u>

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

	2023 No.	2022 No.
Staff	<u>-</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 £Nil (2022 - £1,069). Contributions totalling £Nil (2022 - £158) were payable to the fund at the balance sheet date and are included in creditors.

11. Operating lease commitments

At 31 October 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	3,357	-
Later than 1 year and not later than 5 years	12,977	-
	<u>16,334</u>	<u>-</u>

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FOR THE YEAR ENDED 31 OCTOBER 2023**

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 October 2023, expenses were reimbursed or paid directly to 6 Trustees (2022 - to 3 Trustees) broken down as follows:

	2023 £	2022 £
Travel	-	8
Catering	3,076	3,951
Health and safety costs	2,942	1,186
General office expenses	2,482	2,353
	<u>8,500</u>	<u>7,498</u>

13. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 November 2022	1,983,047	378,131	2,361,178
Additions	-	1,980	1,980
	<u>1,983,047</u>	<u>380,111</u>	<u>2,363,158</u>
At 31 October 2023	1,983,047	380,111	2,363,158
Depreciation			
At 1 November 2022	505,500	259,581	765,081
Charge for the year	39,661	17,738	57,399
	<u>545,161</u>	<u>277,319</u>	<u>822,480</u>
At 31 October 2023	545,161	277,319	822,480
Net book value			
At 31 October 2023	<u>1,437,886</u>	<u>102,792</u>	<u>1,540,678</u>
At 31 October 2022	<u>1,477,547</u>	<u>118,550</u>	<u>1,596,097</u>

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14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	24,755	23,893
	<u>24,755</u>	<u>23,893</u>

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	19,694	13,993
Prepayments and accrued income	3,067	2,600
Tax recoverable	1,500	1,500
	<u>24,261</u>	<u>18,093</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,807	5,812
Other taxation and social security	-	1,852
Pension fund loan payable	-	158
Accruals and deferred income	3,360	3,360
	<u>8,167</u>	<u>11,182</u>

17. 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 November 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2023 £
Unrestricted funds					
General Funds	193,179	184,199	(140,604)	(82,813)	153,961
Restricted funds					
Landfill Tax Credit and English Heritage Fund	17,934	-	-	(17,934)	-
Low Carbon Programme	38,467	-	(9,248)	23,529	52,748
Restoration Project	1,426,679	6,943	(44,718)	77,218	1,466,122
NLHF COVID Emergency	13,971	-	(926)	-	13,045
Website Redevelopment Fund	3,000	-	(3,000)	-	-
Learning and Outreach Fund	1,500	-	-	-	1,500
	<u>1,501,551</u>	<u>6,943</u>	<u>(57,892)</u>	<u>82,813</u>	<u>1,533,415</u>
Total of funds	<u><u>1,694,730</u></u>	<u><u>191,142</u></u>	<u><u>(198,496)</u></u>	<u><u>-</u></u>	<u><u>1,687,376</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior 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
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>

19. Summary of funds

Summary of funds - current year

	Balance at 1 November 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 October 2023 £
General funds	193,179	184,199	(140,604)	(82,813)	153,961
Restricted funds	1,501,551	6,943	(57,892)	82,813	1,533,415
	<u>1,694,730</u>	<u>191,142</u>	<u>(198,496)</u>	<u>-</u>	<u>1,687,376</u>

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

Summary of funds - prior 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
	<u>1,716,985</u>	<u>186,540</u>	<u>(208,795)</u>	<u>-</u>	<u>1,694,730</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,517,022	23,656	1,540,678
Current assets	16,393	138,472	154,865
Creditors due within one year	-	(8,167)	(8,167)
Total	<u>1,533,415</u>	<u>153,961</u>	<u>1,687,376</u>

Analysis of net assets between funds - prior 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>

21. 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 2023.