

HEATHERSLAW MILL TRUST

England & Wales · Charity number 502433

Details

Status Registered

Legal form Trust

Registered 1973-05-10

Register [View on the Charity Commission register](#)

Contact

Address Ford & Etal Estates
Ford
Berwick-Upon-Tweed
TD15 2QA

Phone 01890820224

Email ACCOUNTS@FORD-AND-ETAL.CO.UK

Website www.ford-and-etal.co.uk

Activities

Objects: TO PRESERVE AND MAINTAIN FOR THE BENEFIT OF THE PUBLIC THE HISTORIC AND ARCHITECTURAL FEATURES OF HEATHERSLAW MILL. (FOR FURTHER DETAILS SEE CLAUSE 2 OF THE DEED.)

Activities: The running of Heatherslaw Mill

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-10-31	£77,248	£90,844	-	-
2024-10-31	£77,141	£86,936	-	-
2023-10-31	£84,812	£82,461	-	-
2022-10-31	£81,489	£146,448	-	-
2021-10-31	£97,953	£101,090	-	-

Trustees

Name	Role	Appointed
LORD JOICEY	Chair	
Hon William James Joicey		2025-09-01
Mark Cuddigan		2019-11-01
ROBIN ERSKINE GREENWOOD		

HEATHERSLAW MILL TRUST

England & Wales - Charity number 502433

Accounts

Charity registration number 502433 (England and Wales)

HEATHERSLAW MILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2025

HEATHERSLAW MILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Joicey R.E. Greenwood M. Cuddigan The Hon W Joicey	(Appointed 1 September 2025)
Charity number	502433	
Principal address	The Estate Office Ford Village Berwick-upon-Tweed Northumberland TD15 2QA	
Independent examiner	Roseanne Bennett FCA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
Bankers	Handelsbanken Austin House Sanderson Arcade Morpeth NE61 1NS	
Solicitors	Womble Bond Dickinson (UK) LLP The Spark Drayman's Way Newcastle Helix Newcastle upon Tyne NE1 3DX	

HEATHERSLAW MILL TRUST

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HEATHERSLAW MILL TRUST

POLICY STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2025

1 Background

The Settlement is a Charitable Trust. It was created by a deed ("the Governing Deed") dated 19th April 1973. The principal objectives are the preservation and maintenance of the Heatherslaw Mill in Northumberland.

2 Assets

The principal assets of the Settlement ("the Trust Fund") are a lease of the site known as Heatherslaw Mill for 54 years from 12th May 2019 and certain cash deposits. The Trust Fund does not include any restricted endowment funds.

3 Policy

To manage the Trust Fund in accordance with the objectives set out in the Governing Deed, general charity law and such regulations or other directions as may be laid down from time to time by the Charity Commissioners in relation to the management of Charitable Trusts of a similar nature to the Settlement.

In addition to taking note of all relevant charity law, to note and monitor the new requirements as to public benefit introduced under The Charities Act 2011 and to manage the Trust so as to ensure compliance with this aspect of the Act.

To appoint and regularly monitor such agents and professional advisors as are required for the effective management of the Trust Fund and the implementation of these policies and to periodically review the terms and conditions of the appointments.

To appoint and regularly monitor such museum or curatorial advisors as are required for the effective management of the museum and to periodically review the term and conditions of their appointment.

4 Agents

The current agents are Savills (UK) Ltd and Womble Bond Dickinson Wealth Limited.

Savills (UK) Ltd has responsibility for the day to day management of the land leased by the trustees.

Womble Bond Dickinson Wealth Limited has responsibility for the management of cash deposits.

The agents will be required to agree to the provisions of this policy document and to the extent that discretionary management responsibilities are delegated to them to report on the exercise of such discretion at such times and on such a basis as the trustees may from time to time decide.

5 Trustee Delegation

Whilst the trustees remain responsible for the creation of the policy, the trustees delegate approval and implementation of detailed policy documents and key plans within the overall policy of trustees guidelines to Lord Joicey, who will report his actions at least annually and through copy correspondence as appropriate. This delegation will be reviewed at each Annual Meeting of the Trustees.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2025

The trustees present their annual report and financial statements for the year ended 31 October 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The Heatherslaw Mill Trust (HMT) was established for the purpose of restoring Heatherslaw Mill to working order and thereafter of maintaining it as a museum for the benefit of the general public.

Public benefit

In considering the operations, achievements and performance and finances of the HMT, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance issued by the Charity Commission.

Achievements and performance

The recruitment of a new, full time, Head Miller has provided the Mill with greater capacity going forward and Sue Turnbull stepped down as a part time Assistant Miller.

Admissions were down on 2023/24 from 5,603 to 3,690, which is unfortunately the continuation of a downward trend.

In the interim period between Head Millers some significant repairs were undertaken to the Mill Wheel. This work in the wheel pit also provided a safe access platform, which is an important H&S device for those working on the wheel. This was partly funded (£8K) by Ford & Etal Estates, which was a help to HMT. The Mill was also painted internally in 2024/25 (HMT cost), and the flour packing area was also upgraded for food hygiene reasons. These repairs have 'stressed' the accounts but were deemed necessary at the time and will provide enduring benefits for HMT.

Ford & Etal Estates also made the decision not to recharge the usual contribution towards public toilet maintenance, saving HMT £4,500.

The year's droughty conditions meant that HMT was unable to mill using water power for most of the year.

Matthew Rawlins offered his time to dress the mill stones with the Head Miller.

Sheila Connell (Assistant Miller) and her partner Brian offered their time to service the flour sifter, which has enabled HMT to start producing white flour again. This new product line has garnered lots of interest from customers.

Reserves policy

The trustees have reviewed the reserves of the HMT and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the HMT to fulfil its objectives. The level of reserves held is shown in notes 18, 19 and 20 to these accounts.

Financial review

The attached financial statements show the current state of finances which the trustees consider to be adequate to allow the HMT to continue to fulfil its objectives.

Risk assessment

The trustees have assessed the major risks to which the HMT is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2025

Structure, governance and management

The HMT was established by a Charitable Trust Deed on 19 April 1973.

The trustees who served during the year and up to the date of signature of the financial statements were:

Lord Joicey

R.E. Greenwood

M. Cuddigan

The Hon W Joicey

(Appointed 1 September 2025)

New Charitable Incorporated Organisation (CIO) structure

As stated above, the HMT is presently governed by a charitable Trust Deed created in 1973. However, since then, changes in law, regulations and governance standards has made the operation of the HMT, having unlimited liability, potentially more onerous for trustees.

Therefore, on 1 September 2025 the Heatherslaw Mill Trust CIO (the CIO) was registered by the Charity Commission with the number 1214747 with the intention of providing greater security to the trustees of the charity.

Consequently, the trustees have agreed and resolved to close the current unincorporated charity of the Heatherslaw Mill Trust (registered number 502433) and to transfer all of the Trust's assets into the new CIO (registered number 1214747) at a date to be agreed once accounts are complete, all pre-conditions have been met and all enquiries from the Charity Commission are agreed and settled. In all other respects the governance and activities of the new CIO will remain unchanged.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then 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 have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.

Lord Joicey

Trustee

Dated: 19 January 2026

HEATHERSLAW MILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHERSLAW MILL TRUST

I report to the trustees on my examination of the accounts of the charity for the year ended 31 October 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Roseanne Bennett FCA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 19 January 2026

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2025

Current financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total	Total
	Notes	2025 £	2025 £	2025 £	2025 £	2024 £
Income from:						
Donations and legacies	3	18,625	3,000	-	21,625	15,750
Income from charitable activities	4	52,725	-	-	52,725	58,561
Investments	5	2,898	-	-	2,898	2,830
Total income		<u>74,248</u>	<u>3,000</u>	<u>-</u>	<u>77,248</u>	<u>77,141</u>
Expenditure on:						
Raising funds	6	18,196	-	-	18,196	15,321
Charitable activities	7	72,648	-	-	72,648	71,615
Total resources expended		<u>90,844</u>	<u>-</u>	<u>-</u>	<u>90,844</u>	<u>86,936</u>
Net gains/(losses) on investments	10	(1,628)	-	-	(1,628)	10,313
Net (outgoing)/incoming resources before transfers		<u>(18,224)</u>	<u>3,000</u>	<u>-</u>	<u>(15,224)</u>	<u>518</u>
Gross transfers between funds		7,250	-	(7,250)	-	-
Net movement in funds		<u>(10,974)</u>	<u>3,000</u>	<u>(7,250)</u>	<u>(15,224)</u>	<u>518</u>
Fund balances at 1 November 2024		<u>309,564</u>	<u>21,000</u>	<u>7,250</u>	<u>337,814</u>	<u>337,296</u>
Fund balances at 31 October 2025		<u><u>298,590</u></u>	<u><u>24,000</u></u>	<u><u>-</u></u>	<u><u>322,590</u></u>	<u><u>337,814</u></u>

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

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2025

Prior financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total
		2024	2024	2024	2024
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	12,750	3,000	-	15,750
Income from charitable activities	4	58,561	-	-	58,561
Investments	5	2,830	-	-	2,830
Total income		<u>74,141</u>	<u>3,000</u>	<u>-</u>	<u>77,141</u>
Expenditure on:					
Raising funds	6	15,321	-	-	15,321
Charitable activities	7	71,615	-	-	71,615
Total resources expended		<u>86,936</u>	<u>-</u>	<u>-</u>	<u>86,936</u>
Net gains/(losses) on investments	10	10,313	-	-	10,313
Net (outgoing)/incoming resources before transfers		<u>(2,482)</u>	<u>3,000</u>	<u>-</u>	<u>518</u>
Net movement in funds		<u>(2,482)</u>	<u>3,000</u>	<u>-</u>	<u>518</u>
Fund balances at 1 November 2023		312,046	18,000	7,250	337,296
Fund balances at 31 October 2024		<u>309,564</u>	<u>21,000</u>	<u>7,250</u>	<u>337,814</u>

HEATHERSLAW MILL TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13		216,003		219,302
Investments	14		102,130		103,758
			<u>318,133</u>		<u>323,060</u>
Current assets					
Stocks	15	4,513		5,561	
Debtors	16	8,564		5,573	
Cash at bank and in hand		2,149		11,459	
		<u>15,226</u>		<u>22,593</u>	
Creditors: amounts falling due within one year	17	(10,769)		(7,839)	
Net current assets			<u>4,457</u>		<u>14,754</u>
Total assets less current liabilities			<u>322,590</u>		<u>337,814</u>
Income funds					
Designated funds - general	18		-		7,250
Designated funds - property reserve	19		24,000		21,000
Unrestricted funds - general			298,590		309,564
			<u>322,590</u>		<u>337,814</u>

The accounts were approved by the Trustees on 19 January 2026

Lord Joicey
Trustee

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2025

1 Accounting policies

Charity information

Heatherslaw Mill Trust is an unincorporated charity governed by a Trust Deed and registered with the Charity Commission Number - 502433.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on the accruals basis and is recognised in the period in which it is incurred, allocated to the particular activity, to which the cost relates.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Nil
Equipment	10% / 20% Straight Line
Fixtures and fittings	10% / 15% / 20% Straight Line

It is the charity's policy to capitalise items costing more than £200.

Leasehold property improvements are not depreciated on the grounds that the lease, which was signed during the year runs to the 12 May 2073 and any depreciation charge would be immaterial over the expected useful life of the asset.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stock is valued at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Arts Council grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2025 £	Total 2024 £
Donations and gifts	-	3,000	3,000	3,250
Grants	500	-	500	-
Gift aid including tax repayment	18,125	-	18,125	12,500
	<u>18,625</u>	<u>3,000</u>	<u>21,625</u>	<u>15,750</u>
For the year ended 31 October 2024	<u>12,750</u>	<u>3,000</u>		<u>15,750</u>

4 Income from charitable activities

	2025 £	2024 £
Admission tickets	12,383	17,968
Sales	25,541	25,943
Rents	14,059	14,050
Events	742	600
	<u>52,725</u>	<u>58,561</u>

5 Investments

	Unrestricted funds general 2025 £	Total 2024 £
Investment income and bank interest	<u>2,898</u>	<u>2,830</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

6 Raising funds

	2025	2024
	£	£
Costs of generating funds		
Fundraising trading: costs of goods sold	18,196	15,321
	<u>18,196</u>	<u>15,321</u>

7 Charitable activities

	2025	2024
	£	£
Staff costs	34,817	32,370
Depreciation and impairment	3,300	4,195
Heat and light	3,467	4,644
Property repairs and maintenance	15,235	19,236
Exhibition costs	195	240
Flood damage sinking fund	3,000	3,000
	<u>60,014</u>	<u>63,685</u>
Share of governance costs (see note 8)	12,634	7,930
	<u>72,648</u>	<u>71,615</u>

8 Support costs

	Support costs	Governance costs	2025	2024
	£	£	£	£
Legal and professional	-	5,968	5,968	-
Rent	-	10	10	10
Rates and insurances	-	5,570	5,570	6,574
Postage, stationery, advertising and telephone	-	456	456	576
General administration expenses	-	501	501	646
Bank charges	-	129	129	124
	<u>-</u>	<u>12,634</u>	<u>12,634</u>	<u>7,930</u>
Analysed between				
Charitable activities	<u>-</u>	<u>12,634</u>	<u>12,634</u>	<u>7,930</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Part time	1	2
Full time	1	-
	<u>2</u>	<u>2</u>

Employment costs

	2025 £	2024 £
Wages and salaries	33,731	30,514
Social security costs	19	1,566
Other pension costs	1,067	290
	<u>34,817</u>	<u>32,370</u>

There were no employees whose annual remuneration was £60,000 or more.

10 Net gains/(losses) on investments

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
Revaluation of investments	<u>(1,628)</u>	<u>10,313</u>

11 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to or connected with any of them (2024: £Nil).

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year (2024: £Nil).

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

13 Tangible fixed assets

	Property improvements £	Equipment £	Fixtures and fittings £	Total £
Cost				
At 1 November 2024	197,663	35,976	9,255	242,894
At 31 October 2025	197,663	35,976	9,255	242,894
Depreciation and impairment				
At 1 November 2024	-	14,600	8,992	23,592
Depreciation charged in the year	-	3,093	206	3,299
At 31 October 2025	-	17,693	9,198	26,891
Carrying amount				
At 31 October 2025	197,663	18,283	57	216,003
At 31 October 2024	197,663	21,376	263	219,302

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2024	103,758
Valuation changes	(1,628)
At 31 October 2025	102,130
Carrying amount	
At 31 October 2025	102,130
At 31 October 2024	103,758

15 Stocks

	2025 £	2024 £
Raw materials and consumables	4,513	5,561

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

16 Debtors	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	5,135	2,691
Prepayments and accrued income	3,429	2,882
	<u>8,564</u>	<u>5,573</u>
	<u><u>8,564</u></u>	<u><u>5,573</u></u>
17 Creditors: amounts falling due within one year	2025	2024
	£	£
Trade creditors	10,769	7,839
	<u>10,769</u>	<u>7,839</u>
	<u><u>10,769</u></u>	<u><u>7,839</u></u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

18 Designated funds - general

	At 1 November 2024 £	Transfers £	At 31 October 2025 £
Designated funds - general	7,250	(7,250)	-
Previous year:	At 1 November 2023 £	Transfers £	At 31 October 2024 £
Designated funds - general	7,250	-	7,250

The Designated fund - general is an unrestricted fund that has been previously set aside by the trustees for particular purposes.

However, in preparation for moving to a new Charitable Incorporated Organisation (CIO) structure the trustees decided to simplify the number of funds being held by the charity. Therefore, a transfer of £7,500 from the Designated fund - general to Unrestricted general funds was carried during the year.

19 Designated funds - property reserve

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 November 2024 £	Incoming resources £	At 31 October 2025 £
Property reserve	21,000	3,000	24,000
Previous year:	At 1 November 2023 £	Incoming resources £	At 31 October 2024 £
Property reserve	18,000	3,000	21,000

The property reserve fund is a designated fund with monies put aside to cover future repair costs.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2025

20 Unrestricted funds

	At 1 November 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 October 2025
	£	£	£	£	£	£
General funds	309,564	74,248	(90,844)	7,250	(1,628)	298,590
Previous year:	At 1 November 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 October 2024
	£	£	£	£	£	£
General funds	312,046	74,141	(86,936)	-	10,313	309,564

21 Analysis of net assets between funds

	Unrestricted Funds	Designated Fund - property reserve	Designated Fund - general	Total	Total
	2025	2025	2025	2025	2024
	£	£	£	£	£
Fund balances at 31 October 2025 are represented by:					
Tangible assets	216,003	-	-	216,003	219,302
Investments	102,130	-	-	102,130	103,758
Current assets/(liabilities)	(19,543)	24,000	-	4,457	14,754
	<u>298,590</u>	<u>24,000</u>	<u>-</u>	<u>322,590</u>	<u>337,814</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2024: None).

23 Post balance sheet events

Following discussions amongst the trustees, it was clear that the present charity structure of the Heatherslaw Mill Trust would be better suited as a new Charitable Incorporated Organisation (CIO).

Therefore, on 1 September 2025 the trustees registered a new CIO with the Charity Commission under the name Heatherslaw Mill Trust CIO, with the charity number 1214747.

As a result of creating this new CIO, all of the assets and liabilities of the unincorporated Heatherslaw Mill Trust will be transferred and passed to the new Heatherslaw Mill Trust CIO at a date to be agreed once accounts are complete, all pre-conditions have been met and all enquiries from the Charity Commission have been agreed and settled. The transfer will take place under the merger accounting regime. Therefore, this set of accounts will be the last produced for the unincorporated Heatherslaw Mill Trust numbered 502433.

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2025

	£	2025 £	£	2024 £
Donations and legacies				
Donations	-		250	
Grants	500		-	
Gift aid including tax repayment	18,125		12,500	
Donations - designated	3,000		3,000	
		21,625		15,750
Investment income				
Investment income and bank interest		2,898		2,830
Incoming resources from charitable activities				
Admission tickets	12,383		17,968	
Sales	25,541		25,943	
Rents	14,059		14,050	
Events	742		600	
		52,725		58,561
Total incoming resources		77,248		77,141
<u>Resources expended</u>				
Costs of generating funds				
Fundraising trading : costs of goods sold				
Cost of sales		(18,196)		(15,321)
Direct charitable activities				
Wages	34,817		32,370	
Depreciation and amortisation	3,300		4,195	
Heat and light	3,467		4,644	
Property repairs and maintenance	15,235		19,236	
Exhibition costs	195		240	
Property repairs fund	3,000		3,000	
		(60,014)		(63,685)
Balance Carried Forward		(962)		(1,865)

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2025

	£	2025 £	£	2024 £
Balance Brought Forward		(962)		(1,865)
Support costs				
Professional fees	5,968		-	
Rent	10		10	
Rates and insurances	5,570		6,574	
Postage, stationery, advertising and telephone	456		576	
General administration	501		646	
Bank charges	129		124	
		<u>(12,634)</u>		<u>(7,930)</u>
Profit/(Loss) on Investments				
Revaluation of investments		<u>(1,628)</u>		<u>10,313</u>
(Deficit)/Surplus for the Year		<u>(15,224)</u>		<u>518</u>

HEATHERSLAW MILL TRUST

England & Wales - Charity number 502433

Accounts

Charity registration number 502433 (England and Wales)

HEATHERSLAW MILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

HEATHERSLAW MILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Joicey R.E. Greenwood M. Cuddigan
Charity number	502433
Principal address	The Estate Office Ford Village Berwick-upon-Tweed Northumberland TD15 2QA
Independent examiner	Roseanne Bennett FCA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Handelsbanken Austin House Sanderson Arcade Morpeth NE61 1NS
Solicitors	Womble Bond Dickinson (UK) LLP The Spark Drayman's Way Newcastle Helix Newcastle upon Tyne NE1 3DX

HEATHERSLAW MILL TRUST

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HEATHERSLAW MILL TRUST

POLICY STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Background

The Settlement is a Charitable Trust. It was created by a deed ("the Governing Deed") dated 19th April 1973. The principal objectives are the preservation and maintenance of the Heatherslaw Mill in Northumberland.

2 Assets

The principal assets of the Settlement ("the Trust Fund") are a lease of the site known as Heatherslaw Mill for 54 years from 12th May 2019 and certain cash deposits. The Trust Fund does not include any restricted endowment funds.

3 Policy

To manage the Trust Fund in accordance with the objectives set out in the Governing Deed, general charity law and such regulations or other directions as may be laid down from time to time by the Charity Commissioners in relation to the management of Charitable Trusts of a similar nature to the Settlement.

In addition to taking note of all relevant charity law, to note and monitor the new requirements as to public benefit introduced under The Charities Act 2011 and to manage the Trust so as to ensure compliance with this aspect of the Act.

To appoint and regularly monitor such agents and professional advisors as are required for the effective management of the Trust Fund and the implementation of these policies and to periodically review the terms and conditions of the appointments.

To appoint and regularly monitor such museum or curatorial advisors as are required for the effective management of the museum and to periodically review the term and conditions of their appointment.

4 Agents

The current agents are Savills (UK) Ltd and Womble Bond Dickinson Wealth Limited.

Savills (UK) Ltd has responsibility for the day to day management of the land leased by the trustees.

Womble Bond Dickinson Wealth Limited has responsibility for the management of cash deposits.

The agents will be required to agree to the provisions of this policy document and to the extent that discretionary management responsibilities are delegated to them to report on the exercise of such discretion at such times and on such a basis as the trustees may from time to time decide.

5 Trustee Delegation

Whilst the trustees remain responsible for the creation of the policy, the trustees delegate approval and implementation of detailed policy documents and key plans within the overall policy of trustees guidelines to Lord Joicey, who will report his actions at least annually and through copy correspondence as appropriate. This delegation will be reviewed at each Annual Meeting of the Trustees.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2024

The trustees present their annual report and financial statements for the year ended 31 October 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity was established for the purpose of restoring Heatherslaw Mill to working order and thereafter of maintaining it as a museum for the benefit of the general public.

Public benefit

In considering the operations, achievements and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance issued by the Charity Commission.

Achievements and performance

The Mill staffing numbers remained the same and milling activity continued as usual.

Admission numbers of visitors were similar to last year, and sales of flour were less than 2023. The price of produce was increased last year, suggesting people are feeling the financial squeeze and purchasing less higher end products.

With a summer of more regular rainfall, this produced better milling conditions than in 2023, however, the poor summer weather may have sent tourists abroad rather than staying in the UK for their holidays.

Reserves policy

The trustees have reviewed the reserves of the charity and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the charity to fulfil its objectives. The level of reserves held is shown in notes 18, 19 and 20 to these accounts.

Financial review

The attached financial statements show the current state of finances which the trustees consider to be adequate to allow the charity to continue to fulfil its objectives.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 19 April 1973.

The trustees who served during the year and up to the date of signature of the financial statements were:

Lord Joicey

R.E. Greenwood

M. Cuddigan

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then 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 have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.

Lord Joicey

Trustee

Dated: 20 January 2025

HEATHERSLAW MILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHERSLAW MILL TRUST

I report to the trustees on my examination of the accounts of the charity for the year ended 31 October 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Roseanne Bennett FCA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 20 January 2025

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2024

Current financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total	Total
	Notes	2024 £	2024 £	2024 £	2024 £	2023 £
Income from:						
Donations and legacies	3	12,750	3,000	-	15,750	16,025
Income from charitable activities	4	58,561	-	-	58,561	65,979
Investments	5	2,830	-	-	2,830	2,808
Total income		<u>74,141</u>	<u>3,000</u>	<u>-</u>	<u>77,141</u>	<u>84,812</u>
Expenditure on:						
Raising funds	6	15,321	-	-	15,321	14,584
Charitable activities	7	71,615	-	-	71,615	67,877
Total resources expended		<u>86,936</u>	<u>-</u>	<u>-</u>	<u>86,936</u>	<u>82,461</u>
Net gains/(losses) on investments	10	10,313	-	-	10,313	(1,203)
Net movement in funds		<u>(2,482)</u>	<u>3,000</u>	<u>-</u>	<u>518</u>	<u>1,148</u>
Fund balances at 1 November 2023		<u>312,046</u>	<u>18,000</u>	<u>7,250</u>	<u>337,296</u>	<u>336,148</u>
Fund balances at 31 October 2024		<u><u>309,564</u></u>	<u><u>21,000</u></u>	<u><u>7,250</u></u>	<u><u>337,814</u></u>	<u><u>337,296</u></u>

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

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2024

Prior financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total
		2023	2023	2023	2023
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	13,025	3,000	-	16,025
Income from charitable activities	4	65,979	-	-	65,979
Investments	5	2,808	-	-	2,808
Total income		<u>81,812</u>	<u>3,000</u>	<u>-</u>	<u>84,812</u>
Expenditure on:					
Raising funds	6	14,584	-	-	14,584
Charitable activities	7	67,877	-	-	67,877
Total resources expended		<u>82,461</u>	<u>-</u>	<u>-</u>	<u>82,461</u>
Net gains/(losses) on investments	10	(1,203)	-	-	(1,203)
Net movement in funds		<u>(1,852)</u>	<u>3,000</u>	<u>-</u>	<u>1,148</u>
Fund balances at 1 November 2022		<u>313,898</u>	<u>15,000</u>	<u>7,250</u>	<u>336,148</u>
Fund balances at 31 October 2023		<u><u>312,046</u></u>	<u><u>18,000</u></u>	<u><u>7,250</u></u>	<u><u>337,296</u></u>

HEATHERSLAW MILL TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		219,302		222,980
Investments	13		103,758		93,445
			<u>323,060</u>		<u>316,425</u>
Current assets					
Stocks	14	5,561		7,422	
Debtors	15	5,573		11,373	
Cash at bank and in hand		11,459		7,903	
		<u>22,593</u>		<u>26,698</u>	
Creditors: amounts falling due within one year	16	(7,839)		(5,674)	
Net current assets			<u>14,754</u>		<u>21,024</u>
Total assets less current liabilities			<u>337,814</u>		<u>337,449</u>
Deferred income	17		-		(153)
Net assets			<u><u>337,814</u></u>		<u><u>337,296</u></u>
Income funds					
Designated funds - general	18		7,250		7,250
Designated funds - property reserve	21		21,000		18,000
Unrestricted funds - general			309,564		312,046
			<u><u>337,814</u></u>		<u><u>337,296</u></u>

The accounts were approved by the Trustees on 20 January 2025

Lord Joicey
Trustee

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

Charity information

Heatherslaw Mill Trust is an unincorporated charity governed by a Trust Deed and registered with the Charity Commission Number - 502433.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on the accruals basis and is recognised in the period in which it is incurred, allocated to the particular activity, to which the cost relates.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Nil
Equipment	10% / 20% Straight Line
Fixtures and fittings	10% / 15% / 20% Straight Line

It is the charity's policy to capitalise items costing more than £200.

Leasehold property improvements are not depreciated on the grounds that the lease, which was signed during the year runs to the 12 May 2073 and any depreciation charge would be immaterial over the expected useful life of the asset.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stock is valued at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Arts Council grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2024 £	Total 2023 £
Donations and gifts	250	3,000	3,250	3,025
Grants	-	-	-	500
Gift aid including tax repayment	12,500	-	12,500	12,500
	<u>12,750</u>	<u>3,000</u>	<u>15,750</u>	<u>16,025</u>
For the year ended 31 October 2023	<u>13,025</u>	<u>3,000</u>		<u>16,025</u>

4 Income from charitable activities

	2024 £	2023 £
Admission tickets	17,968	18,089
Sales	25,943	29,814
Rents	14,050	17,501
Events	600	575
	<u>58,561</u>	<u>65,979</u>

5 Investments

	Unrestricted funds general 2024 £	Total 2023 £
Investment income and bank interest	<u>2,830</u>	<u>2,808</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

6 Raising funds

	2024	2023
	£	£
Costs of generating funds		
Fundraising trading: costs of goods sold	15,321	14,584
	<u>15,321</u>	<u>14,584</u>

7 Charitable activities

	2024	2023
	£	£
Staff costs	32,370	32,100
Depreciation and impairment	4,195	5,103
Heat and light	4,644	2,591
Property repairs and maintenance	19,236	15,867
Exhibition costs	240	719
Flood damage sinking fund	3,000	3,000
	<u>63,685</u>	<u>59,380</u>
Share of governance costs (see note 9)	7,930	8,497
	<u>71,615</u>	<u>67,877</u>

8 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to or connected with any of them (2023: £Nil).

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year (2023: £Nil).

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

9 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Rent	-	10	10	10
Rates and insurances	-	6,574	6,574	6,934
Postage, stationery, advertising and telephone	-	576	576	754
General administration expenses	-	646	646	736
Bank charges	-	124	124	63
	<u>-</u>	<u>7,930</u>	<u>7,930</u>	<u>8,497</u>
Analysed between				
Charitable activities	-	7,930	7,930	8,497
	<u>-</u>	<u>7,930</u>	<u>7,930</u>	<u>8,497</u>

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	general	general
	2024	2023
	£	£
Revaluation of investments	<u>10,313</u>	<u>(1,203)</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Part time	2	2
Full time	1	1
	3	3

Employment costs

	2024 £	2023 £
Wages and salaries	30,514	30,377
Social security costs	1,566	1,467
Other pension costs	290	256
	32,370	32,100

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Property improvements £	Equipment £	Fixtures and fittings £	Total £
Cost				
At 1 November 2023	197,663	35,306	9,255	242,224
Additions	-	670	-	670
	197,663	35,976	9,255	242,894
Depreciation and impairment				
At 1 November 2023	-	10,545	8,699	19,244
Depreciation charged in the year	-	4,055	293	4,348
	-	14,600	8,992	23,592
Carrying amount				
At 31 October 2024	197,663	21,376	263	219,302
At 31 October 2023	197,663	24,761	556	222,980

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2023	93,445
Valuation changes	10,313
	<hr/>
At 31 October 2024	103,758
	<hr/>
Carrying amount	
At 31 October 2024	103,758
	<hr/> <hr/>
At 31 October 2023	93,445
	<hr/> <hr/>

14 Stocks

	2024 £	2023 £
Raw materials and consumables	5,561	7,422
	<hr/> <hr/>	<hr/> <hr/>

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	2,691	7,545
Prepayments and accrued income	2,882	3,828
	<hr/>	<hr/>
	5,573	11,373
	<hr/> <hr/>	<hr/> <hr/>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	7,839	5,424
Other creditors	-	250
	<hr/>	<hr/>
	7,839	5,674
	<hr/> <hr/>	<hr/> <hr/>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

17 Deferred income

	2024	2023
	£	£
Other deferred income	-	153
	<u> </u>	<u> </u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Shown as deferred income on the face of the balance sheet	-	153
	<u> </u>	<u> </u>
Movements in the year:		
Deferred income at 1 November 2023	153	661
Released from previous periods	(153)	(508)
	<u> </u>	<u> </u>
Deferred income at 31 October 2024	-	153
	<u> </u>	<u> </u>

18 Designated funds - general

	At 1 November	At 31 October
	2023	2024
	£	£
Designated funds - general	7,250	7,250
	<u> </u>	<u> </u>

Previous year:

	At 1 November	At 31 October
	2022	2023
	£	£
Designated funds - general	7,250	7,250
	<u> </u>	<u> </u>

The designated fund - general is an unrestricted fund that has been set aside by the trustees for particular purposes.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

19 Unrestricted funds - Designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 November 2023	Incoming resources	At 31 October 2024
	£	£	£
Property reserve	18,000	3,000	21,000
	<u> </u>	<u> </u>	<u> </u>
Previous year:			
	At 1 November 2022	Incoming resources	At 31 October 2023
	£	£	£
Property reserve	15,000	3,000	18,000
	<u> </u>	<u> </u>	<u> </u>

The property reserve fund is a designated fund with monies put aside to cover future repair costs.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

20 Unrestricted funds

	At 1 November 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 October 2024 £
General funds	312,046	74,141	(86,936)	10,313	309,564
Previous year:					
	At 1 November 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 October 2023 £
General funds	313,898	81,812	(82,461)	(1,203)	312,046

21 Analysis of net assets between funds

	Unrestricted Funds 2024 £	Designated Fund - property reserve 2024 £	Designated Fund - general 2024 £	Total 2024 £	Total 2023 £
Fund balances at 31 October 2024 are represented by:					
Tangible assets	219,302	-	-	219,302	222,980
Investments	103,758	-	-	103,758	93,445
Current assets/(liabilities)	(13,496)	21,000	7,250	14,754	21,024
Provisions and deferred income	-	-	-	-	(153)
	<u>309,564</u>	<u>21,000</u>	<u>7,250</u>	<u>337,814</u>	<u>337,296</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2023: None).

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2024

	£	2024 £	£	2023 £
Donations and legacies				
Donations	250		25	
Grants	-		500	
Gift aid including tax repayment	12,500		12,500	
Donations - designated	3,000		3,000	
		15,750		16,025
Investment income				
Investment income and bank interest		2,830		2,808
Incoming resources from charitable activities				
Admission tickets	17,968		18,089	
Sales	25,943		29,814	
Rents	14,050		17,501	
Events	600		575	
		58,561		65,979
Total incoming resources		77,141		84,812
<u>Resources expended</u>				
Costs of generating funds				
Fundraising trading : costs of goods sold				
Cost of sales		(15,321)		(14,584)
Direct charitable activities				
Wages	32,370		32,100	
Depreciation and amortisation	4,195		5,103	
Heat and light	4,644		2,591	
Property repairs and maintenance	19,236		15,867	
Exhibition costs	240		719	
Property repairs fund	3,000		3,000	
		(63,685)		(59,380)
Balance Carried Forward		(1,865)		10,848

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

	£	2024 £	£	2023 £
Balance Brought Forward		(1,865)		10,848
Support costs				
Rent	10		10	
Rates and insurances	6,574		6,934	
Postage, stationery, advertising and telephone	576		754	
General administration	646		736	
Bank charges	124		63	
		<u>(7,930)</u>		<u>(8,497)</u>
Profit/ Loss on Investments				
Revaluation of investments		10,313		(1,203)
Surplus for the Year		<u>518</u>		<u>1,148</u>

HEATHERSLAW MILL TRUST

England & Wales - Charity number 502433

Accounts

Charity registration number 502433

HEATHERSLAW MILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023

HEATHERSLAW MILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Joicey R.E. Greenwood M. Cuddigan
Charity number	502433
Principal address	The Estate Office Ford Village Berwick-upon-Tweed Northumberland TD15 2QA
Independent examiner	Alan Patterson FCA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Handelsbanken Austin House Sanderson Arcade Morpeth NE61 1NS
Solicitors	Womble Bond Dickinson (UK) LLP The Spark Drayman's Way Newcastle Helix Newcastle upon Tyne NE1 3DX

HEATHERSLAW MILL TRUST

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HEATHERSLAW MILL TRUST

POLICY STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2023

1 Background

The Settlement is a Charitable Trust. It was created by a deed ("the Governing Deed") dated 19th April 1973. The principal objectives are the preservation and maintenance of the Heatherslaw Mill in Northumberland.

2 Assets

The principal assets of the Settlement ("the Trust Fund") are a lease of the site known as Heatherslaw Mill for 54 years from 12th May 2019 and certain cash deposits. The Trust Fund does not include any restricted endowment funds.

3 Policy

To manage the Trust Fund in accordance with the objectives set out in the Governing Deed, general charity law and such regulations or other directions as may be laid down from time to time by the Charity Commissioners in relation to the management of Charitable Trusts of a similar nature to the Settlement.

In addition to taking note of all relevant charity law, to note and monitor the new requirements as to public benefit introduced under The Charities Act 2011 and to manage the Trust so as to ensure compliance with this aspect of the Act.

To appoint and regularly monitor such agents and professional advisors as are required for the effective management of the Trust Fund and the implementation of these policies and to periodically review the terms and conditions of the appointments.

To appoint and regularly monitor such museum or curatorial advisors as are required for the effective management of the museum and to periodically review the term and conditions of their appointment.

4 Agents

The current agents are Savills (UK) Ltd and Womble Bond Dickinson Wealth Limited.

Savills (UK) Ltd has responsibility for the day to day management of the land leased by the trustees.

Womble Bond Dickinson Wealth Limited has responsibility for the management of cash deposits.

The agents will be required to agree to the provisions of this policy document and to the extent that discretionary management responsibilities are delegated to them to report on the exercise of such discretion at such times and on such a basis as the trustees may from time to time decide.

5 Trustee Delegation

Whilst the trustees remain responsible for the creation of the policy, the trustees delegate approval and implementation of detailed policy documents and key plans within the overall policy of trustees guidelines to Lord Joicey, who will report his actions at least annually and through copy correspondence as appropriate. This delegation will be reviewed at each Annual Meeting of the Trustees.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2023

The trustees present their annual report and financial statements for the year ended 31 October 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity was established for the purpose of restoring Heatherslaw Mill to working order and thereafter of maintaining it as a museum for the benefit of the general public.

Public benefit

In considering the operations, achievements and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance issued by the Charity Commission.

Achievements and performance

The summer of 2023 was again difficult for the Mill, with low water levels and restricted milling.

New sets of mill stones were successfully installed during February and March 2023.

Admission numbers were overall disappointing, although April 2023 was exceptional when free admission was offered and water levels were high, resulting in good milling conditions. After April, normal charges resumed which coincided with low water levels and poor milling conditions, thus lower visitor numbers.

Reserves policy

The trustees have reviewed the reserves of the charity and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the charity to fulfil its objectives. The level of reserves held is shown in notes 19, 20 and 21 to these accounts.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 19 April 1973.

The trustees who served during the year and up to the date of signature of the financial statements were:

Lord Joicey

R.E. Greenwood

M. Cuddigan

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.

Lord Joicey

Trustee

Dated: 22 January 2024

HEATHERSLAW MILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHERSLAW MILL TRUST

I report to the 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 you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Alan Patterson FCA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 22 January 2024

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2023

Current financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total	Total
		2023	2023	2023	2023	2022
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Donations and legacies	3	13,025	3,000	-	16,025	16,405
Income from charitable activities	4	65,979	-	-	65,979	61,727
Investments	5	2,808	-	-	2,808	2,496
Other income	6	-	-	-	-	861
Total income		81,812	3,000	-	84,812	81,489
<u>Expenditure on:</u>						
Raising funds	7	14,584	-	-	14,584	17,261
Charitable activities	8	67,877	-	-	67,877	129,187
Total resources expended		82,461	-	-	82,461	146,448
Net gains/(losses) on investments	10	(1,203)	-	-	(1,203)	(5,351)
Net movement in funds		(1,852)	3,000	-	1,148	(70,310)
Fund balances at 1 November 2022		313,898	15,000	7,250	336,148	406,458
Fund balances at 31 October 2023		312,046	18,000	7,250	337,296	336,148

The statement of financial activities includes all gains and losses recognised in the year.

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

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2023

Prior financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total
		2022	2022	2022	2022
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	3	13,405	3,000	-	16,405
Income from charitable activities	4	61,727	-	-	61,727
Investments	5	2,496	-	-	2,496
Other income	6	861	-	-	861
Total income		78,489	3,000	-	81,489
<u>Expenditure on:</u>					
Raising funds	7	17,261	-	-	17,261
Charitable activities	8	129,187	-	-	129,187
Total resources expended		146,448	-	-	146,448
Net gains/(losses) on investments	10	(5,351)	-	-	(5,351)
Net movement in funds		(73,310)	3,000	-	(70,310)
Fund balances at 1 November 2021		387,208	12,000	7,250	406,458
Fund balances at 31 October 2022		313,898	15,000	7,250	336,148

HEATHERSLAW MILL TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		222,980		228,591
Investments	14		93,445		94,649
			<u>316,425</u>		<u>323,240</u>
Current assets					
Stocks	15	7,422		6,766	
Debtors	16	11,373		11,284	
Cash at bank and in hand		7,903		3,774	
		<u>26,698</u>		<u>21,824</u>	
Creditors: amounts falling due within one year	17	(5,674)		(8,255)	
Net current assets			<u>21,024</u>		<u>13,569</u>
Total assets less current liabilities			<u>337,449</u>		<u>336,809</u>
Deferred income	18		(153)		(661)
Net assets			<u>337,296</u>		<u>336,148</u>
Income funds					
Designated funds - general	19		7,250		7,250
Designated funds - property reserve	21		18,000		15,000
Unrestricted funds - general			312,046		313,898
			<u>337,296</u>		<u>336,148</u>

The accounts were approved by the Trustees on 22 January 2024

Lord Joicey
Trustee

HEATHERSLAW MILL TRUST

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

1 Accounting policies

Charity information

Heatherslaw Mill Trust is an unincorporated charity governed by a Trust Deed and registered with the Charity Commission Number - 502433.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on the accruals basis and is recognised in the period in which it is incurred, allocated to the particular activity, to which the cost relates.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Nil
Website	25% Straight Line
Equipment	10% / 20% Straight Line
Fixtures and fittings	10% / 15% / 20% Straight Line

It is the charity's policy to capitalise items costing more than £200.

Leasehold property improvements are not depreciated on the grounds that the lease, which was signed during the year runs to the 12 May 2073 and any depreciation charge would be immaterial over the expected useful life of the asset.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stock is valued at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Arts Council grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2023 £	Total 2022 £
Donations and gifts	25	3,000	3,025	3,405
Grants	500	-	500	500
Gift aid including tax repayment	12,500	-	12,500	12,500
	<u>13,025</u>	<u>3,000</u>	<u>16,025</u>	<u>16,405</u>
For the year ended 31 October 2022	<u>13,405</u>	<u>3,000</u>		<u>16,405</u>

4 Income from charitable activities

	2023 £	2022 £
Admission tickets	18,089	17,223
Sales	29,814	28,071
Rents	17,501	16,433
Events	575	-
	<u>65,979</u>	<u>61,727</u>

5 Investments

	Unrestricted funds general 2023 £	Total 2022 £
Investment income and bank interest	<u>2,808</u>	<u>2,496</u>

6 Other income

	Total 2023 £	Total 2022 £
Rates recovered	-	131
Scottish Power compensation	-	730
	<u>-</u>	<u>861</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

7 Raising funds

	2023	2022
	£	£
Costs of generating funds		
Fundraising trading: costs of goods sold	14,584	17,261
	<u>14,584</u>	<u>17,261</u>

8 Charitable activities

	2023	2022
	£	£
Staff costs	32,100	30,128
Depreciation and impairment	5,103	4,113
Heat and light	2,591	2,135
Property repairs and maintenance	15,867	80,142
Exhibition costs	719	640
Flood damage sinking fund	3,000	3,000
	<u>59,380</u>	<u>120,158</u>
Share of governance costs (see note 9)	8,497	9,029
	<u>67,877</u>	<u>129,187</u>

9 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Legal and professional	-	-	-	1,144
Rent	-	10	10	10
Rates and insurances	-	6,934	6,934	5,849
Postage, stationery, advertising and telephone	-	754	754	1,805
General administration expenses	-	736	736	221
Bank charges	-	63	63	-
	<u>-</u>	<u>8,497</u>	<u>8,497</u>	<u>9,029</u>
Analysed between				
Charitable activities	<u>-</u>	<u>8,497</u>	<u>8,497</u>	<u>9,029</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

10 Net gains/(losses) on investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Revaluation of investments	(1,203)	(5,351)

11 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to or connected with any of them (2022: £Nil).

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year (2022: £Nil).

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Part time	2	3
Full time	1	1
	<u>3</u>	<u>4</u>

Employment costs

	2023 £	2022 £
Wages and salaries	30,377	27,781
Social security costs	1,467	1,348
Other pension costs	256	599
Training	-	400
	<u>32,100</u>	<u>30,128</u>

There were no employees whose annual remuneration was £60,000 or more.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

13 Tangible fixed assets

	Property improvements	Website	Equipment	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 November 2022	197,663	1,808	60,048	37,238	296,757
Disposals	-	(1,808)	(24,742)	(27,983)	(54,533)
At 31 October 2023	197,663	-	35,306	9,255	242,224
Depreciation and impairment					
At 1 November 2022	-	1,808	30,998	35,360	68,166
Depreciation charged in the year	-	-	4,289	1,322	5,611
Eliminated in respect of disposals	-	(1,808)	(24,742)	(27,983)	(54,533)
At 31 October 2023	-	-	10,545	8,699	19,244
Carrying amount					
At 31 October 2023	197,663	-	24,761	556	222,980
At 31 October 2022	197,663	-	29,050	1,878	228,591

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2022	94,649
Valuation changes	(1,204)
At 31 October 2023	93,445
Carrying amount	
At 31 October 2023	93,445
At 31 October 2022	94,649

15 Stocks

	2023 £	2022 £
Raw materials and consumables	7,422	6,766

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	7,545	7,948
Prepayments and accrued income	3,828	3,336
	<u>11,373</u>	<u>11,284</u>

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	5,424	8,005
Other creditors	250	250
	<u>5,674</u>	<u>8,255</u>

18 Deferred income

	2023	2022
	£	£
Arising from government grants	-	63
Other deferred income	153	598
	<u>153</u>	<u>661</u>

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Shown as deferred income on the face of the balance sheet	<u>153</u>	<u>661</u>
Movements in the year:		
Deferred income at 1 November 2022	661	1,347
Released from previous periods	<u>(508)</u>	<u>(686)</u>
Deferred income at 31 October 2023	<u>153</u>	<u>661</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

19 Designated funds - general

	At 1 November 2022	At 31 October 2023
	£	£
Designated funds - general	7,250	7,250
	<u>7,250</u>	<u>7,250</u>

Previous year:

	At 1 November 2021	At 31 October 2022
	£	£
Designated funds - general	7,250	7,250
	<u>7,250</u>	<u>7,250</u>

The designated fund - general is an unrestricted fund that has been set aside by the trustees for particular purposes.

20 Unrestricted funds - Designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 November 2022	Incoming resources	At 31 October 2023
	£	£	£
Property reserve	15,000	3,000	18,000
	<u>15,000</u>	<u>3,000</u>	<u>18,000</u>

Previous year:

	At 1 November 2021	Incoming resources	At 31 October 2022
	£	£	£
Property reserve	12,000	3,000	15,000
	<u>12,000</u>	<u>3,000</u>	<u>15,000</u>

The property reserve fund is a designated fund with monies put aside to cover future repair costs.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

21 Unrestricted funds

	At 1 November 2022	Incoming resources	Resources expended	Gains and losses	At 31 October 2023
	£	£	£	£	£
General funds	313,898	81,812	(82,461)	(1,203)	312,046

Previous year:	At 1 November 2021	Incoming resources	Resources expended	Gains and losses	At 31 October 2022
	£	£	£	£	£
General funds	387,208	78,489	(146,448)	(5,351)	313,898

22 Analysis of net assets between funds

	Unrestricted Funds	Designated Fund - property reserve	Designated Fund - general	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Fund balances at 31 October 2023 are represented by:					
Tangible assets	222,980	-	-	222,980	228,591
Investments	93,445	-	-	93,445	94,649
Current assets/(liabilities)	(4,226)	18,000	7,250	21,024	13,569
Provisions and deferred income	(153)	-	-	(153)	(661)
	<u>312,046</u>	<u>18,000</u>	<u>7,250</u>	<u>337,296</u>	<u>336,148</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2022: None).

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2023

	£	2023 £	£	2022 £
Donations and legacies				
Donations	25		405	
Grants	500		500	
Gift aid including tax repayment	12,500		12,500	
Donations - designated	3,000		3,000	
		16,025		16,405
Investment income				
Investment income and bank interest		2,808		2,496
Incoming resources from charitable activities				
Admission tickets	18,089		17,223	
Sales	29,814		28,071	
Rents	17,501		16,433	
Events	575		-	
		65,979		61,727
Other incoming resources				
Rates recovered	-		131	
Scottish Power compensation	-		730	
		-		861
Total incoming resources		84,812		81,489
<u>Resources expended</u>				
Costs of generating funds				
Fundraising trading : costs of goods sold				
Cost of sales		(14,584)		(17,261)
Direct charitable activities				
Wages	32,100		30,128	
Depreciation and amortisation	5,103		4,113	
Heat and light	2,591		2,135	
Property repairs and maintenance	15,867		80,142	
Exhibition costs	719		640	
Property repairs fund	3,000		3,000	
		(59,380)		(120,158)
Balance Carried Forward		10,848		(55,930)

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

	£	2023 £	£	2022 £
Balance Brought Forward		10,848		(55,930)
Support costs				
Professional fees	-		1,144	
Rent	10		10	
Rates and insurances	6,934		5,849	
Postage, stationery, advertising and telephone	754		1,805	
General administration	736		221	
Bank charges	63		-	
		<u>(8,497)</u>		<u>(9,029)</u>
Profit/ Loss on Investments				
Revaluation of investments		<u>(1,203)</u>		<u>(5,351)</u>
Surplus/(Deficit) for the Year		<u><u>1,148</u></u>		<u><u>(70,310)</u></u>

HEATHERSLAW MILL TRUST

England & Wales - Charity number 502433

Accounts

Charity registration number 502433

HEATHERSLAW MILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

HEATHERSLAW MILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Joicey R.E. Greenwood M. Cuddigan
Charity number	502433
Principal address	The Estate Office Ford Village Berwick-upon-Tweed Northumberland TD15 2QA
Independent examiner	Alan Patterson FCA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Barclays Bank plc BFP Operations 8 Nelson Mandela Place Glasgow G2 1BT
Solicitors	Womble Bond Dickinson (UK) LLP The Spark Drayman's Way Newcastle Helix Newcastle upon Tyne NE1 3DX

HEATHERSLAW MILL TRUST

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HEATHERSLAW MILL TRUST

POLICY STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Background

The Settlement is a Charitable Trust. It was created by a deed ("the Governing Deed") dated 19th April 1973. The principal objectives are the preservation and maintenance of the Heatherslaw Mill in Northumberland.

2 Assets

The principal assets of the Settlement ("the Trust Fund") are a lease of the site known as Heatherslaw Mill for 54 years from 12th May 2019 and certain cash deposits. The Trust Fund does not include any restricted endowment funds.

3 Policy

To manage the Trust Fund in accordance with the objectives set out in the Governing Deed, general charity law and such regulations or other directions as may be laid down from time to time by the Charity Commissioners in relation to the management of Charitable Trusts of a similar nature to the Settlement.

In addition to taking note of all relevant charity law, to note and monitor the new requirements as to public benefit introduced under The Charities Act 2011 and to manage the Trust so as to ensure compliance with this aspect of the Act.

To appoint and regularly monitor such agents and professional advisors as are required for the effective management of the Trust Fund and the implementation of these policies and to periodically review the terms and conditions of the appointments.

To appoint and regularly monitor such museum or curatorial advisors as are required for the effective management of the museum and to periodically review the term and conditions of their appointment.

4 Agents

The current agents are Savills (UK) Ltd and Womble Bond Dickinson Wealth Limited.

Savills (UK) Ltd has responsibility for the day to day management of the land leased by the trustees.

Womble Bond Dickinson Wealth Limited has responsibility for the management of cash deposits.

The agents will be required to agree to the provisions of this policy document and to the extent that discretionary management responsibilities are delegated to them to report on the exercise of such discretion at such times and on such a basis as the trustees may from time to time decide.

5 Trustee Delegation

Whilst the trustees remain responsible for the creation of the policy, the trustees delegate approval and implementation of detailed policy documents and key plans within the overall policy of trustees guidelines to Lord Joicey, who will report his actions at least annually and through copy correspondence as appropriate. This delegation will be reviewed at each Annual Meeting of the Trustees.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees present their annual report and financial statements for the year ended 31 October 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity was established for the purpose of restoring Heatherslaw Mill to working order and thereafter of maintaining it as a museum for the benefit of the general public.

Public benefit

In considering the operations, achievements and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance issued by the Charity Commission.

Achievements and performance

The summer of 2022 proved difficult for the Mill with a lack of water in the river resulting in no milling taking place for long periods.

Visitor numbers were generally poor due to the lack of milling activity which in turn affected admission receipts and produce sales.

Work on the bearing mount replacement was completed and the café refurbishment project was successfully completed prior to the summer season.

Reserves policy

The trustees have reviewed the reserves of the charity and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the charity to fulfil its objectives. The level of reserves held is shown in notes 20, 21 and 22 to these accounts.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 19 April 1973.

The trustees who served during the year and up to the date of signature of the financial statements were:

Lord Joicey

R.E. Greenwood

M. Cuddigan

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.

Lord Joicey

Trustee

Dated: 23 January 2023

HEATHERSLAW MILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHERSLAW MILL TRUST

I report to the 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 you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Alan Patterson FCA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 23 January 2023

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2022

Current financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total	Total
		2022	2022	2022	2022	2021
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Donations and legacies	3	13,405	3,000	-	16,405	15,540
Income from charitable activities	4	61,727	-	-	61,727	76,913
Investments	5	2,496	-	-	2,496	5,500
Other income	6	861	-	-	861	-
Total income		<u>78,489</u>	<u>3,000</u>	<u>-</u>	<u>81,489</u>	<u>97,953</u>
<u>Expenditure on:</u>						
Raising funds	7	17,261	-	-	17,261	25,611
Charitable activities	8	129,187	-	-	129,187	75,479
Total resources expended		<u>146,448</u>	<u>-</u>	<u>-</u>	<u>146,448</u>	<u>101,090</u>
Net gains/(losses) on investments	11	(5,351)	-	-	(5,351)	-
Net movement in funds		<u>(73,310)</u>	<u>3,000</u>	<u>-</u>	<u>(70,310)</u>	<u>(3,137)</u>
Fund balances at 1 November 2021		<u>387,208</u>	<u>12,000</u>	<u>7,250</u>	<u>406,458</u>	<u>409,595</u>
Fund balances at 31 October 2022		<u><u>313,898</u></u>	<u><u>15,000</u></u>	<u><u>7,250</u></u>	<u><u>336,148</u></u>	<u><u>406,458</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2022

Prior financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total
		2021	2021	2021	2021
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	3	12,540	3,000	-	15,540
Income from charitable activities	4	76,913	-	-	76,913
Investments	5	5,500	-	-	5,500
Total income		<u>94,953</u>	<u>3,000</u>	<u>-</u>	<u>97,953</u>
<u>Expenditure on:</u>					
Raising funds	7	<u>25,611</u>	<u>-</u>	<u>-</u>	<u>25,611</u>
Charitable activities	8	<u>75,479</u>	<u>-</u>	<u>-</u>	<u>75,479</u>
Total resources expended		<u>101,090</u>	<u>-</u>	<u>-</u>	<u>101,090</u>
Net gains/(losses) on investments	11	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(6,137)</u>	<u>3,000</u>	<u>-</u>	<u>(3,137)</u>
Fund balances at 1 November 2020		<u>393,345</u>	<u>9,000</u>	<u>7,250</u>	<u>409,595</u>
Fund balances at 31 October 2021		<u><u>387,208</u></u>	<u><u>12,000</u></u>	<u><u>7,250</u></u>	<u><u>406,458</u></u>

HEATHERSLAW MILL TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		228,591		205,670
Investments	14		94,649		-
			<u>323,240</u>		<u>205,670</u>
Current assets					
Stocks	16	6,766		8,591	
Debtors	17	11,284		8,445	
Cash at bank and in hand		3,774		189,655	
		<u>21,824</u>		<u>206,691</u>	
Creditors: amounts falling due within one year	18	<u>(8,255)</u>		<u>(4,556)</u>	
Net current assets			13,569		202,135
Total assets less current liabilities			<u>336,809</u>		<u>407,805</u>
Deferred income	19		(661)		(1,347)
Net assets			<u>336,148</u>		<u>406,458</u>
Income funds					
Designated funds - general	20		7,250		7,250
Designated funds - property reserve	21		15,000		12,000
Unrestricted funds - general			313,898		387,208
			<u>336,148</u>		<u>406,458</u>

The accounts were approved by the Trustees on 23 January 2023

Lord Joicey
Trustee

HEATHERSLAW MILL TRUST

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

1 Accounting policies

Charity information

Heatherslaw Mill Trust is an unincorporated charity governed by a Trust Deed and registered with the Charity Commission Number - 502433.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on the accruals basis and is recognised in the period in which it is incurred, allocated to the particular activity, to which the cost relates.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Nil
Website	25% Straight Line
Equipment	10% / 20% Straight Line
Fixtures and fittings	10% / 15% / 20% Straight Line

It is the charity's policy to capitalise items costing more than £200.

Leasehold property improvements are not depreciated on the grounds that the lease, which was signed during the year runs to the 12 May 2073 and any depreciation charge would be immaterial over the expected useful life of the asset.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stock is valued at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Arts Council grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2022 £	Total 2021 £
Donations and gifts	405	3,000	3,405	3,040
Grants	500	-	500	-
Gift aid including tax repayment	12,500	-	12,500	12,500
	<u>13,405</u>	<u>3,000</u>	<u>16,405</u>	<u>15,540</u>
For the year ended 31 October 2021	<u>12,540</u>	<u>3,000</u>		<u>15,540</u>

4 Income from charitable activities

	2022 £	2021 £
Admission tickets	17,223	16,626
Sales	28,071	46,777
Rents	16,433	13,510
	<u>61,727</u>	<u>76,913</u>

5 Investments

	Unrestricted funds general 2022 £	Total 2021 £
Investment income and bank interest	<u>2,496</u>	<u>5,500</u>

6 Other income

	Total 2022 £	Total 2021 £
Rates recovered	131	-
Scottish Power compensation	730	-
	<u>861</u>	<u>-</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

7 Raising funds

	2022	2021
	£	£
Costs of generating funds		
Fundraising trading: costs of goods sold	17,261	25,611
	<u>17,261</u>	<u>25,611</u>

8 Charitable activities

	2022	2021
	£	£
Staff costs	30,128	26,212
Depreciation and impairment	4,113	2,942
Bank charges	-	148
Heat and light	2,135	1,579
Property repairs and maintenance	80,142	31,274
Exhibition costs	640	1,270
Flood damage sinking fund	3,000	3,000
	<u>120,158</u>	<u>66,425</u>
Share of governance costs (see note 10)	9,029	9,054
	<u>129,187</u>	<u>75,479</u>

9 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to or connected with any of them (2021: £Nil).

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year (2021: £Nil).

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

10 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Legal and professional	-	1,144	1,144	2,290
Rent	-	10	10	10
Rates and insurances	-	5,849	5,849	5,819
Postage, stationery, advertising and telephone	-	1,805	1,805	608
General administration expenses	-	221	221	327
	<u>-</u>	<u>9,029</u>	<u>9,029</u>	<u>9,054</u>
Analysed between				
Charitable activities	-	9,029	9,029	9,054
	<u>-</u>	<u>9,029</u>	<u>9,029</u>	<u>9,054</u>

Governance costs includes payments to the independent examiner of £Nil (2021: £Nil) for accountancy and independent examination services.

11 Net gains/(losses) on investments

	Unrestricted funds general	Total
	2022	2021
	£	£
Revaluation of investments	(5,351)	-
	<u>(5,351)</u>	<u>-</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Part time	3	2
Full time	1	1
	<u>4</u>	<u>3</u>

Employment costs

	2022 £	2021 £
Wages and salaries	27,781	24,259
Social security costs	1,348	1,128
Other pension costs	599	825
Training	400	-
	<u>30,128</u>	<u>26,212</u>

There were no employees whose annual remuneration was £60,000 or more.

13 Tangible fixed assets

	Property improvements £	Website £	Equipment £	Fixtures and fittings £	Total £
Cost					
At 1 November 2021	197,663	1,808	32,328	37,238	269,037
Additions	-	-	27,720	-	27,720
	<u>197,663</u>	<u>1,808</u>	<u>60,048</u>	<u>37,238</u>	<u>296,757</u>
Depreciation and impairment					
At 1 November 2021	-	1,808	27,756	33,802	63,366
Depreciation charged in the year	-	-	3,242	1,558	4,800
	<u>-</u>	<u>1,808</u>	<u>30,998</u>	<u>35,360</u>	<u>68,166</u>
Carrying amount					
At 31 October 2022	<u>197,663</u>	<u>-</u>	<u>29,050</u>	<u>1,878</u>	<u>228,591</u>
At 31 October 2021	<u>197,663</u>	<u>-</u>	<u>4,571</u>	<u>3,436</u>	<u>205,670</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2021	-
Additions	100,000
Valuation changes	(5,351)
At 31 October 2022	<u>94,649</u>
Carrying amount	
At 31 October 2022	<u>94,649</u>
At 31 October 2021	<u>-</u>

15 Financial instruments	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	94,649	-

16 Stocks	2022 £	2021 £
Raw materials and consumables	<u>6,766</u>	<u>8,591</u>

17 Debtors	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	7,948	5,800
Prepayments and accrued income	3,336	2,645
	<u>11,284</u>	<u>8,445</u>

18 Creditors: amounts falling due within one year	2022 £	2021 £
Trade creditors	8,005	4,306
Other creditors	250	250
	<u>8,255</u>	<u>4,556</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

19 Deferred income

	2022 £	2021 £
Arising from government grants	63	304
Other deferred income	598	1,043
	<u>661</u>	<u>1,347</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Shown as deferred income on the face of the balance sheet	<u>661</u>	<u>1,347</u>
Movements in the year:		
Deferred income at 1 November 2021	1,347	1,424
Released from previous periods	<u>(686)</u>	<u>(77)</u>
Deferred income at 31 October 2022	<u>661</u>	<u>1,347</u>

20 Designated funds - general

	Movement in funds		Movement in funds		
	Balance at 1 November 2020 £	Incoming resources £	Balance at 1 November 2021 £	Incoming resources £	Balance at 31 October 2022 £
Designated funds - general	<u>7,250</u>	<u>-</u>	<u>7,250</u>	<u>-</u>	<u>7,250</u>

The designated fund - general is an unrestricted fund that has been set aside by the trustees for particular purposes.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

21 Unrestricted funds - designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 November 2020	Incoming resources	Balance at 1 November 2021	Incoming resources	Balance at 31 October 2022
	£	£	£	£	£
Property reserve	9,000	3,000	12,000	3,000	15,000

The property reserve fund is a designated fund with monies put aside to cover future repair costs.

22 Analysis of net assets between funds

	Unrestricted Funds	Designated Fund - property reserve	Designated Fund - general	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Fund balances at 31 October 2022 are represented by:					
Tangible assets	228,591	-	-	228,591	205,670
Investments	94,649	-	-	94,649	-
Current assets/(liabilities)	(8,681)	15,000	7,250	13,569	202,135
Provisions and deferred income	(661)	-	-	(661)	(1,347)
	<u>313,898</u>	<u>15,000</u>	<u>7,250</u>	<u>336,148</u>	<u>406,458</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2021: None).

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2022

	£	2022 £	£	2021 £
Donations and legacies				
Donations	405		40	
Grants	500		-	
Gift aid including tax repayment	12,500		12,500	
Donations - designated	3,000		3,000	
		16,405		15,540
Investment income				
Investment income and bank interest		2,496		5,500
Incoming resources from charitable activities				
Admission tickets	17,223		16,626	
Sales	28,071		46,777	
Rents	16,433		13,510	
		61,727		76,913
Other incoming resources				
Rates recovered	131		-	
Scottish Power compensation	730		-	
		861		-
Total incoming resources		81,489		97,953
<u>Resources expended</u>				
Costs of generating funds				
Fundraising trading : costs of goods sold				
Cost of sales		(17,261)		(25,611)
Direct charitable activities				
Wages	30,128		26,212	
Depreciation and amortisation	4,113		2,942	
Bank charges	-		148	
Heat and light	2,135		1,579	
Property repairs and maintenance	80,142		31,274	
Exhibition costs	640		1,270	
Property repairs fund	3,000		3,000	
		(120,158)		(66,425)
Balance Carried Forward		(55,930)		5,917

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

	£	2022 £	£	2021 £
Balance Brought Forward		(55,930)		5,917
Support costs				
Professional fees	1,144		2,290	
Rent	10		10	
Rates and insurances	5,849		5,819	
Postage, stationery, advertising and telephone	1,805		608	
General administration	221		327	
	<u> </u>	(9,029)	<u> </u>	(9,054)
Deficit for the Year		<u><u>(70,310)</u></u>		<u><u>(3,137)</u></u>

HEATHERSLAW MILL TRUST

England & Wales - Charity number 502433

Accounts

HEATHERSLAW MILL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

HEATHERSLAW MILL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Joicey R.E. Greenwood Mr M. Cuddigan
Charity number	502433
Principal address	The Estate Office Ford Village Berwick-upon-Tweed Northumberland TD15 2QA
Independent examiner	Alan Patterson FCA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Barclays Bank plc BFP Operations 8 Nelson Mandela Place Glasgow G2 1BT
Solicitors	Womble Bond Dickinson (UK) LLP One Trinity Broad Chare Newcastle upon Tyne NE99 1SB

HEATHERSLAW MILL TRUST

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HEATHERSLAW MILL TRUST

POLICY STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Background

The Settlement is a Charitable Trust. It was created by a deed ("the Governing Deed") dated 19th April 1973. The principal objectives are the preservation and maintenance of the Heatherslaw Mill in Northumberland.

2 Assets

The principal assets of the Settlement ("the Trust Fund") are a lease of the site known as Heatherslaw Mill for 54 years from 12th May 2019 and certain cash deposits. The Trust Fund does not include any restricted endowment funds.

3 Policy

To manage the Trust Fund in accordance with the objectives set out in the Governing Deed, general charity law and such regulations or other directions as may be laid down from time to time by the Charity Commissioners in relation to the management of Charitable Trusts of a similar nature to the Settlement.

In addition to taking note of all relevant charity law, to note and monitor the new requirements as to public benefit introduced under The Charities Act 2011 and to manage the Trust so as to ensure compliance with this aspect of the Act.

To appoint and regularly monitor such agents and professional advisors as are required for the effective management of the Trust Fund and the implementation of these policies and to periodically review the terms and conditions of the appointments.

To appoint and regularly monitor such museum or curatorial advisors as are required for the effective management of the museum and to periodically review the term and conditions of their appointment.

4 Agents

The current agents are Savills (UK) Ltd and Womble Bond Dickinson Wealth Limited.

Savills (UK) Ltd has responsibility for the day to day management of the land leased by the trustees.

Womble Bond Dickinson Wealth Limited has responsibility for the management of cash deposits.

The agents will be required to agree to the provisions of this policy document and to the extent that discretionary management responsibilities are delegated to them to report on the exercise of such discretion at such times and on such a basis as the trustees may from time to time decide.

5 Trustee Delegation

Whilst the trustees remain responsible for the creation of the policy, the trustees delegate approval and implementation of detailed policy documents and key plans within the overall policy of trustees guidelines to Lord Joicey, who will report his actions at least annually and through copy correspondence as appropriate. This delegation will be reviewed at each Annual Meeting of the Trustees.

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees present their annual report and financial statements for the year ended 31 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity was established for the purpose of restoring Heatherslaw Mill to working order and thereafter of maintaining it as a museum for the benefit of the general public.

Public benefit

In considering the operations, achievements and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance issued by the Charity Commission.

Achievements and performance

The summer of 2021 continued to be a unique period in the history of the Mill with the effects of Covid-19 impacting on all part of the Trust activities.

The Mill was open to the public for only part of the year continuing to severely reduce income levels.

A major breakdown in the drive shaft caused considerable disruption to production and significant repair costs.

The Mill closed in late summer due to a rodent infestation which has since been eradicated at a material cost.

Major refurbishment works are being undertaken in the Cafe over the 2021/2022 winter period with view to all works being completed prior to the opening of the 2022 season.

Reserves policy

The trustees have reviewed the reserves of the charity and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the charity to fulfil its objectives. The level of reserves held is shown in notes 17, 18 and 19 to these accounts.

Risk assessment

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was established by a charitable trust deed on 19 April 1973.

The trustees who served during the year and up to the date of signature of the financial statements were:

Lord Joicey

R.H. Dickinson CBE DL

(Resigned 18 January 2021)

R.E. Greenwood

Mr M. Cuddigan

HEATHERSLAW MILL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.

Lord Joicey

Trustee

Dated: 24 January 2022

HEATHERSLAW MILL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHERSLAW MILL TRUST

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

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Alan Patterson FCA

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 24 January 2022

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

Current financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2020 £
<u>Income and endowments from:</u>						
Donations and legacies	3	12,540	3,000	-	15,540	15,500
Income from charitable activities	4	76,913	-	-	76,913	81,350
Investments	5	5,500	-	-	5,500	59
Other income	6	-	-	-	-	10,000
Total income		<u>94,953</u>	<u>3,000</u>	<u>-</u>	<u>97,953</u>	<u>106,909</u>
<u>Expenditure on:</u>						
Raising funds	7	<u>25,611</u>	<u>-</u>	<u>-</u>	<u>25,611</u>	<u>29,601</u>
Charitable activities	8	<u>75,479</u>	<u>-</u>	<u>-</u>	<u>75,479</u>	<u>53,013</u>
Total resources expended		<u>101,090</u>	<u>-</u>	<u>-</u>	<u>101,090</u>	<u>82,614</u>
Net (expenditure)/income for the year/ Net movement in funds		(6,137)	3,000	-	(3,137)	24,295
Net (expenditure)/income for the year/ Net movement in funds		(6,137)	3,000	-	(3,137)	24,295
Fund balances at 1 November 2020		<u>393,345</u>	<u>9,000</u>	<u>7,250</u>	<u>409,595</u>	<u>385,300</u>
Fund balances at 31 October 2021		<u><u>387,208</u></u>	<u><u>12,000</u></u>	<u><u>7,250</u></u>	<u><u>406,458</u></u>	<u><u>409,595</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HEATHERSLAW MILL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

Prior financial year

		Unrestricted funds general	Designated funds property reserve	Designated funds general	Total
	Notes	2020 £	2020 £	2020 £	2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	12,500	3,000	-	15,500
Income from charitable activities	4	81,350	-	-	81,350
Investments	5	59	-	-	59
Other income	6	10,000	-	-	10,000
Total income		<u>103,909</u>	<u>3,000</u>	<u>-</u>	<u>106,909</u>
<u>Expenditure on:</u>					
Raising funds	7	<u>29,601</u>	<u>-</u>	<u>-</u>	<u>29,601</u>
Charitable activities	8	<u>53,013</u>	<u>-</u>	<u>-</u>	<u>53,013</u>
Total resources expended		<u>82,614</u>	<u>-</u>	<u>-</u>	<u>82,614</u>
Net (expenditure)/income for the year/ Net movement in funds		21,295	3,000	-	24,295
Fund balances at 1 November 2019		<u>372,050</u>	<u>6,000</u>	<u>7,250</u>	<u>385,300</u>
Fund balances at 31 October 2020		<u><u>393,345</u></u>	<u><u>9,000</u></u>	<u><u>7,250</u></u>	<u><u>409,595</u></u>

HEATHERSLAW MILL TRUST

BALANCE SHEET

AS AT 31 OCTOBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		205,670		207,657
Current assets					
Stocks	13	8,591		6,697	
Debtors	14	8,445		8,951	
Cash at bank and in hand		189,655		193,954	
		<u>206,691</u>		<u>209,602</u>	
Creditors: amounts falling due within one year	15	<u>(4,556)</u>		<u>(6,240)</u>	
Net current assets			202,135		203,362
Total assets less current liabilities			<u>407,805</u>		<u>411,019</u>
Deferred income	16		<u>(1,347)</u>		<u>(1,424)</u>
Net assets			<u><u>406,458</u></u>		<u><u>409,595</u></u>
Income funds					
Designated funds - general	17		7,250		7,250
Designated funds - property reserve	19		12,000		9,000
Unrestricted funds - general			387,208		393,345
			<u>406,458</u>		<u>409,595</u>
			<u><u>406,458</u></u>		<u><u>409,595</u></u>

The accounts were approved by the Trustees on 24 January 2022

Lord Joicey
Trustee

HEATHERSLAW MILL TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2021

1 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity information

Heatherslaw Mill Trust is an unincorporated charity governed by a Trust Deed and registered with the Charity Commission Number - 502433.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

2.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

2 Accounting policies

(Continued)

2.5 Resources expended

Expenditure is accounted for on the accruals basis and is recognised in the period in which it is incurred, allocated to the particular activity, to which the cost relates.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property improvements	Nil
Website	25% Straight Line
Equipment	10% / 20% Straight Line
Fixtures and fittings	10% / 20% Straight Line

It is the charity's policy to capitalise items costing more than £200.

Leasehold property improvements are not depreciated on the grounds that the lease, which was signed during the year runs to the 12 May 2073 and any depreciation charge would be immaterial over the expected useful life of the asset.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.8 Stocks

Stock is valued at the lower of cost and net realisable value.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

2 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2.11 Arts Council grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Total 2021 £	Total 2020 £
Donations and gifts	40	3,000	3,040	3,000
Gift aid including tax repayment	12,500	-	12,500	12,500
	<u>12,540</u>	<u>3,000</u>	<u>15,540</u>	<u>15,500</u>
For the year ended 31 October 2020	<u>12,500</u>	<u>3,000</u>		<u>15,500</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

4 Income from charitable activities

	2021 £	2020 £
Admission tickets	16,626	11,231
Sales	46,777	55,515
Rents	13,510	12,204
High level stewardship scheme	-	2,400
	<u>76,913</u>	<u>81,350</u>

5 Investments

	Unrestricted funds general 2021 £	Total 2020 £
Interest receivable	<u>5,500</u>	<u>59</u>

6 Other income

	Total 2021 £	Total 2020 £
Covid-19 grant	<u>-</u>	<u>10,000</u>

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

7 Raising funds

	2021	2020
	£	£
<u>Costs of generating funds</u>		
Fundraising trading: costs of goods sold	25,611	29,601
	<u>25,611</u>	<u>29,601</u>
	<u><u>25,611</u></u>	<u><u>29,601</u></u>

8 Charitable activities

	2021	2020
	£	£
Staff costs	26,212	26,492
Depreciation and impairment	2,942	1,380
Bank charges	148	85
Heat and light	1,579	2,220
Property repairs and maintenance	31,274	12,944
Exhibition costs	1,270	-
Flood damage sinking fund	3,000	3,000
	<u>66,425</u>	<u>46,121</u>
Share of governance costs (see note 10)	9,054	6,892
	<u>75,479</u>	<u>53,013</u>
	<u><u>75,479</u></u>	<u><u>53,013</u></u>

9 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to or connected with any of them (2020: £Nil).

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year (2020: £Nil).

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

10 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Legal and professional	-	2,290	2,290	-
Rent	-	10	10	10
Rates and insurances	-	5,819	5,819	6,114
Postage, stationery, advertising and telephone	-	608	608	476
General administration expenses	-	327	327	292
	<u>-</u>	<u>9,054</u>	<u>9,054</u>	<u>6,892</u>
	<u>-</u>	<u>9,054</u>	<u>9,054</u>	<u>6,892</u>
Analysed between				
Charitable activities	-	9,054	9,054	6,892
	<u>-</u>	<u>9,054</u>	<u>9,054</u>	<u>6,892</u>

Governance costs includes payments to the independent examiner of £Nil (2020: £Nil) for accountancy and independent examination services.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Part time	2	2
Full time	1	1
	<u>3</u>	<u>3</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	24,259	24,378
Social security costs	1,128	1,250
Other pension costs	825	864
	<u>26,212</u>	<u>26,492</u>

There were no employees whose annual remuneration was £60,000 or more.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

12 Tangible fixed assets

	Property improvements	Website	Equipment	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 November 2020	197,663	1,808	32,328	36,206	268,005
Additions	-	-	-	1,032	1,032
At 31 October 2021	197,663	1,808	32,328	37,238	269,037
Depreciation and impairment					
At 1 November 2020	-	1,808	26,239	32,301	60,348
Depreciation charged in the year	-	-	1,518	1,501	3,019
At 31 October 2021	-	1,808	27,757	33,802	63,367
Carrying amount					
At 31 October 2021	197,663	-	4,571	3,436	205,670
At 31 October 2020	197,663	-	6,089	3,905	207,657

13 Stocks

	2021	2020
	£	£
Raw materials and consumables	8,591	6,697

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	5,800	5,842
Prepayments and accrued income	2,645	3,109
	8,445	8,951

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	4,306	5,990
Other creditors	250	250
	4,556	6,240

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

16 Deferred income

	2021 £	2020 £
Arising from government grants	304	545
Other deferred income	1,043	879
	<u>1,347</u>	<u>1,424</u>

17 Designated funds - general

	Movement in funds		Movement in funds		
	Balance at 1 November 2019 £	Incoming resources £	Balance at 1 November 2020 £	Incoming resources £	Balance at 31 October 2021 £
Designated funds - general	<u>7,250</u>	<u>-</u>	<u>7,250</u>	<u>-</u>	<u>7,250</u>

The designated fund - general is an unrestricted fund that has been set aside by the trustees for particular purposes.

18 Unrestricted funds - designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 November 2019 £	Incoming resources £	Balance at 1 November 2020 £	Incoming resources £	Balance at 31 October 2021 £
Property reserve	<u>6,000</u>	<u>3,000</u>	<u>9,000</u>	<u>3,000</u>	<u>12,000</u>

The property reserve fund is a designated fund with monies put aside to cover future repair costs.

HEATHERSLAW MILL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

19 Analysis of net assets between funds

	Unrestricted Funds	Designated Fund - property reserve	Designated Fund - general	Total	Total
	2021	2021	2021	2021	2020
	£	£	£	£	£
Fund balances at 31 October 2021 are represented by:					
Tangible assets	205,670	-	-	205,670	207,657
Current assets/(liabilities)	182,885	12,000	7,250	202,135	203,362
Provisions and deferred income	(1,347)	-	-	(1,347)	(1,424)
	<u>387,208</u>	<u>12,000</u>	<u>7,250</u>	<u>406,458</u>	<u>409,595</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2020: None).

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

	£	2021 £	£	2020 £
Donations and legacies				
Donations	40		-	
Gift aid including tax repayment	12,500		12,500	
Donations - designated	3,000		3,000	
	<hr/>	15,540	<hr/>	15,500
Investment income				
Bank interest		5,500		59
Incoming resources from charitable activities				
Admission tickets	16,626		11,231	
Sales	46,777		55,515	
Rents	13,510		12,204	
High level stewardship scheme	-		2,400	
	<hr/>	76,913	<hr/>	81,350
Other incoming resources				
Covid-19 Grant		-		10,000
		<hr/>		<hr/>
Total incoming resources		97,953		106,909
		<hr/>		<hr/>
<u>Resources expended</u>				
Costs of generating funds				
Fundraising trading : costs of goods sold				
Cost of sales		(25,611)		(29,601)
Direct charitable activities				
Wages	26,212		26,492	
Depreciation and amortisation	2,942		1,380	
Bank charges	148		85	
Heat and light	1,579		2,220	
Property repairs and maintenance	31,274		12,944	
Exhibition costs	1,270		-	
Property repairs fund	3,000		3,000	
	<hr/>	(66,425)	<hr/>	(46,121)
Balance Carried Forward		5,917		31,187

HEATHERSLAW MILL TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

	£	2021 £	£	2020 £
Balance Brought Forward		5,917		31,187
Support costs				
Legal and professional	2,290		-	
Rent	10		10	
Rates and insurances	5,819		6,114	
Postage, stationery, advertising and telephone	608		476	
General administration	327		292	
	<u> </u>	(9,054)	<u> </u>	(6,892)
(Deficit)/Surplus for the Year		<u><u>(3,137)</u></u>		<u><u>24,295</u></u>