

THE CRESWELL HERITAGE TRUST
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021

REGISTERED NUMBER: 02344235

THE CRESWELL HERITAGE TRUST
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YEAR ENDED 31 DECEMBER 2021

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THE CRESWELL HERITAGE TRUST

COMPANY PARTICULARS

YEAR ENDED 31 DECEMBER 2021

CHARITY NUMBER: 701683

DIRECTORS:

Mr C Terrell-Nield
Cllr R Turner
Mr T Munro
Dr T Caulton
Cllr D McGregor
Mr K Kuykendall
Mr J B Roberts
Mr J Cottee
Mr R Flatley
Miss E R Chaplin
Mr B Couch (Appointed 28/04/2021)
Ms A Kennedy (Appointed 28/04/2021)
Mr P R Milton (Appointed 29/07/2021)
Mr R Nathwani (Appointed 28/07/2021)
Mr E T Simmonds (Appointed 28/07/2021)
Ms K M Adams (Appointed 28/04/2021)

COMPANY SECRETARY:

Mr P Baker

PATRONS:

Professor Alice Roberts

REGISTERED OFFICE:

Creswell Museum & Heritage Centre
Crags Road
Welbeck
Worksop
Notts
S80 3LH

BUSINESS ADDRESS:

Creswell Crags Visitors Centre
Crags Road
Welbeck
Worksop
Notts
S80 3LH

AUDITORS:

ApC
Chartered Accountants and Statutory Auditors
7 St John Street
Mansfield
Nottinghamshire
NG18 1QH

THE CRESWELL HERITAGE TRUST
COMPANY PARTICULARS (continued)
YEAR ENDED 31 DECEMBER 2021

BANKERS:

The Co-operative Bank
Central Commercial Branch
PO Box 250
Skelmersdale
Lancashire
WN8 6WT

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
ME19 4JQ

THE CRESWELL HERITAGE TRUST

REPORT OF THE DIRECTORS

YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also Directors of the charity for the purpose of the Companies Act, are responsible for preparing the Trustees' Report and the financial statements for the year ended 31 December 2021 in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

DIRECTORS AND THEIR INTERESTS

The directors in office during the year are listed on page 1. Also noted on page 1 is the charity's registered number, the charity's registered office address and the charity's bankers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable company limited by guarantee and was incorporated on 7 February 1989. It is governed by its Memorandum and Articles of Association dated 7 February 1989 which were amended by special resolution made on the 5 December 1989.

Organisation

The Board of Trustees meets four times a year and are responsible for strategic direction and policy of the charity. The Board of Trustees delegates certain decision making powers to a smaller non-executive bodies which meet as and when required outside the regular board meetings and which makes recommendations to the Council of Management.

The Trust's senior Executive Director is Paul Baker who regularly reports to the Council of Management and who has a close network of advisors including local authority officers and others from external organisations. Advice and support within the year has been received from Tim Allen (Historic England), Adam Lathbury (Conservation and Design Section Manager DCC), and Heather Stokes (Team Manager Conservation NCC).

Patronage

The appointed patron of the company is Professor Alice Roberts.

The Board of Trustees

The Board of Trustees, as defined within the Memorandum and Articles of Association, comprises 3 nominated Council Members of whom one is appointed from Nottinghamshire County Council, one from Derbyshire County Council and one from the University of Sheffield, and 7 ordinary Council Members, although more members can be determined by an ordinary resolution.

Terms of Office

Nominated Council Members can hold office for up to three years unless they are removed by their appointing organisation, although they are eligible for re-appointment under the terms of the Articles of Association. One third of the ordinary Council Members are subject to retirement by rotation at each Annual General Meeting but can be reappointed. The Chair and Vice-Chair are elected by members of the Council of Management for a term of two years.

THE CRESWELL HERITAGE TRUST
REPORT OF THE DIRECTORS (continued)
YEAR ENDED 31 DECEMBER 2021

The Board of Trustees Induction and Training

New Trustees will undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Internal controls

The charity has set systems of internal control, which are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A business plan and an annual budget approved by the Trustees.
- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews.
- Delegation of authority and segregation of duties.
- Identification and management of risks.
- Procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

Risk management

The trustees have a risk management strategy which comprises:

- a review of the risks the charity may face.
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified a limited number of risks, but has resulted in better procedures and contingency plans and has given the impetus for better planning.

Procedures are in place to ensure compliance with health and safety of staff and visitors to the premises. A key element in the management of financial risk is the continued review of the level of reserves.

Related party transactions

Creswell Heritage Trust has one wholly owned subsidiary company, Creswell Trading Company Limited, which is responsible for its own management and administration and its core purpose.

OBJECTIVES AND ACTIVITIES

The objectives of the charity as set out in the Memorandum of Association are:

- to promote, for the benefit of the public, the conservation and preservation of the geology, archaeology, ecology and landscape of Creswell Crags and the Creswell Crags Heritage Area;
- to advance public education and promote research relating to Creswell Crags and the archaeological sites in the Area and to publish the useful results of that research;

THE CRESWELL HERITAGE TRUST

REPORT OF THE DIRECTORS (continued)

YEAR ENDED 31 DECEMBER 2021

- to promote the heritage facilities for the recreation and other leisure time occupations of those living, working or resorting in the area with the object of improving their conditions of life in the interests of social welfare.

The Trust continues to support these objectives through various activities under the following key themes:

Social and Economic Regeneration

The Trust continues to work with a wide range of partners on projects which build on the achievements of the Creswell Initiative (2000) which led to a series of investments and capital improvements to the cultural and natural historical landscape of the Creswell Heritage Area. The investment and development of key cultural assets in the wider Heritage Area aims to bring about the social and economic regeneration of the former rural coalfield of North Nottinghamshire, North East Derbyshire and South Yorkshire by creating a climate for inward investment, the development of skills and employment, and assisting with innovation.

Learning, Skills and Community Capacity Building

The Trust works with a number of partners including schools, adult learning organisations, local strategic partnerships and community organisations to develop an awareness and understanding of the rich and diverse cultural and natural historical landscape in the Creswell Heritage Area. This work assists in developing general skills and competence, encourages sympathetic behaviour towards historical remains and sites, and helps to develop a renewed pride of place, ownership and identity with the local landscape.

The Trust works in partnership with the community and receives voluntary help. Besides those who help with the conservation work in conjunction with the Trust and First Art projects, a number of volunteers assist with general duties ensuring visitors to the Craggs is a safe and enjoyable experience.

Conservation and Research

The Trust works closely with the University of Sheffield, Nottingham Trent University, English Heritage, Natural England, and the Local Authorities to develop policies and strategies towards the conservation and research at Creswell Craggs and at sites within the Limestone Heritage Area. These policies are enshrined within the Creswell Craggs Conservation Plan and the Creswell Limestone Strategy.

Cultural Tourism

The Trust continues to promote and develop Creswell Craggs as a key cultural heritage attraction in partnership with the Local Authorities and other local and regional tourism providers, helping to develop the visitor economy through the Trust's activities programme.

ACHIEVEMENTS AND PERFORMANCE

Measured against the targets the Trust set itself at the beginning of the year, the following progress has been made:

THE CRESWELL HERITAGE TRUST
REPORT OF THE DIRECTORS (continued)
YEAR ENDED 31 DECEMBER 2021

Conservation and Research

World Heritage Site (WHS) inscription

The long-term vision of Creswell Heritage Trust is that it intends to achieve World Heritage Status for Creswell Crags and in so doing make a major contribution to the environmental, economic and social future of the former rural coalfield of North East Derbyshire, North Nottinghamshire and South Yorkshire.

During this period Creswell Heritage Trust has worked closely with its partners Derbyshire and Nottinghamshire County Councils as well as Sheffield University to further prepare the way to begin the documentation to support the bid. A comparative study was undertaken in 2019 and funding has since been secured to undertake a symposium with stakeholders to advance the project.

Research and curation

The Roger Jacobi library and the reserve collections store would usually host a number of active researchers, whose work contributes to the advancement of the cumulative knowledge of the site and collections. However, in 2020 all such access was denied. However, 2020 also marked a greater investment in collections management when our Curator was given a full time contract.

Site Monitoring

Observance of strict blasting protocol and extensive monitoring of the caves and cliff faces continues to be carried out by Tarmac in order to mitigate any impact of quarrying from the southern extension.

Improvements have been made to the drainage in the meadow to mitigate the impact of potential flooding.

Operations, Visitor Services and Interpretation

COVID-19

Nationally all heritage sites are operating below the pre-pandemic visitor numbers. This situation is no different at Creswell Crags and continues to represent a challenge. However, we have taken advantage of the Culture Recovery Funds which aim to support the sector to navigate the pandemic and also to apply for funding which we anticipate will support efforts to be sustainable by the end of 2022.

THE CRESWELL HERITAGE TRUST
REPORT OF THE DIRECTORS (continued)
YEAR ENDED 31 DECEMBER 2021

Visitor Offer

The visitor offer was enhanced and redefined during the post pandemic period:

- Funding for a retail consultant has led to a new strategy which will entail the replacement of existing stock and the need for a major sale.
- Support for social distancing improvements have resulted in the expansion and partial all weather covering of the outdoor dining area
- An investment in marketing and events management has resulted in an improvement of the public offer
- Out outdoor dining area was extended which has increased our capacity

Lifelong Learning, Skills and Capacity Building

Education

As a consequence of the pandemic school visits were cancelled until mid-May in 2021. When they did return the number of pupils were limited due to safeguards and social distancing. In total we welcomed 6396 school visitors to the site (January to December), a decrease from 8168 the previous year.

Marketing and Communications

Building upon our successful marketing campaign in 2020 which underpinned our fundraising efforts, the focus of 2021 has been to encourage visitors to revisit and ensure them that we offered a safe destination with robust social distancing procedures in place. The year began with a successful folklore festival which took place online due to covid restrictions.

THE CRESWELL HERITAGE TRUST
REPORT OF THE DIRECTORS (continued)
YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

The Statement of Financial Activities for the year is set out on page 17 of the financial statements. A summary of the results and work at the charity is set out below.

The group has reported a surplus of £110,411 (2020: £82,524 surplus) for the year. This is made up of a surplus of £110,411 on the unrestricted fund after a transfer between funds of £114,460. The net current assets of the group increased to £208,361 (2020: £85,806).

Donations; including gift aid and interest received during the year amounted to £10,630 (2020: £44,452).

The charity's wholly owned trading subsidiary, Creswell Trading Company Limited, continued to trade when permitted generating a taxable profit of £68,272 of which £68,272 which is to be gift aided to the Trust. The trustees are pleased with the commercial success of the venture which operates the gift shop and the café with the profits generated assisting the charity in meeting its objectives.

In April 2020 Creswell Heritage Trust received the final contribution from the local authorities and is now no longer in receipt of public funds.

Investment powers and policy

Under the terms of Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

Reserves Policy

Creswell Heritage Trust agrees that a reasonable level of unrestricted reserves is required for the following reasons:

- To absorb short term setbacks such as loss or delays in funding
- To finance working capital needs, such as delays in receipts and to fund time delays between developing projects, obtaining approval and funds being received
- To cover the working capital required to fund the usual retrospective nature of the programme funding which can result in considerable timing differences between expenditure and receipt of funds
- To cover the cost of investing in staff training and the development of new improved services
- To cover the cost of developing new services, such as communications, research, and quality and business information systems
- To set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises
- To provide funding to cover any unforeseen down time in activity and/or planned down sizing of activity.

THE CRESWELL HERITAGE TRUST

REPORT OF THE DIRECTORS (continued)

YEAR ENDED 31 DECEMBER 2021

The board have agreed that a long term target of 12 months unrestricted reserves is required and aim to achieve this over 4 years. This will be monitored on a yearly basis by the board as part of the business planning process.

PUBLIC BENEFIT

The trustees monitor the benefits which derive from its regeneration and learning activities by examining each activity on projects to ensure that funds are only used for wholly charitable purposes. For each activity trustees ensure that:

- All projects are designed to ensure public and / or community benefit and the benefits towards the public and the local community take precedence over any individual's interest.
- No project is carried out where the private benefit outweighs the public benefit (or is not incidental to it)
- The Trust will continue to monitor its projects to ensure that the public benefit is in line with the objectives of the Trust.

PLANS FOR FUTURE PERIODS

Plans for 2022 will be supported by projects which began in 2021 and were funded from the UK Government's Culture Recovery Fund. A number of these funded projects have improved our offer, raised our profile and enhanced our resilience and sustainability. These investments have:

- Expanded and enhancement of café, outdoor seating area to challenge capacity and weather restrictions.
- Raised our profile with the introduction of Brown Tourist signs on major routes from M1, Nottingham, Lincoln, Newark, and Mansfield.
- Provided new car park machines to offer varied payment options.
- Improved security.
- Enhanced our learning provision with new resources and costumes.
- Enhanced our museum exhibition and made it more interactive.
- Improved systems with investments in EPOS, CRM, HR, and Financial Systems.
- Provided expert advice in respect of Marketing, Audience Development, Vision Development, Strategic Planning, Risk Review, Lease Review, Retail Development, Fundraising, Partnership Development, Board Recruitment, World Heritage Site progress support.

We have plans to build upon these investments which include:

- The launch of a new retail and catering strategy and online shop.
- The creation and launch of a new website.
- The launch of our new brand and website with a focus on the Archaeological Park.
- The development and launch of a new Partnership with University of Nottingham: Museum of Archaeology to deliver their learning programme.
- Investment in technology to offer digital cave tours.
- Introduction of new solar powered digital audio posts to improve the visitor experience in the gorge.
- Launch of a new sculpture trail between Creswell Crags and the Harley Gallery.
- Strengthening our Fundraising capacity.
- Launch an improved digital learning offer

THE CRESWELL HERITAGE TRUST

REPORT OF THE DIRECTORS (continued)

YEAR ENDED 31 DECEMBER 2021

National Portfolio Organisation

We have also submitted an application to become an Arts Council England, National Portfolio Organisation which if successful will provide £1m over 3 years to subsidise wages and also invest in a series of community projects and enhancements. These include the creation of a new digital hub and meadow-based activities, both of which include the cost of the staff to offer these services. It will also create a new replica Ice Age Settlement for visitors and a series of community art projects focused on climate change, migration and species extinction. The funding will also cover management and consultant costs.

We were successful in our application to become an ACE, NPO and were awarded £1m to support our activities and subsidise our operations from April 2023.

National Lottery Heritage Fund Grant

We have applied for £250,000 from NLHF which will partially cover key wages as well as strengthening our fundraising, marketing and events offer, this application was successful and following this award NLHF have agreed to repurpose the investment to ensure the Trust is viable until the NPO funding is released in April 2023.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE CRESWELL HERITAGE TRUST
REPORT OF THE DIRECTORS (continued)
YEAR ENDED 31 DECEMBER 2021

AUDITORS

ApC are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

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

For and on behalf of the board

Mr P Baker
Secretary

Date:

THE CRESWELL HERITAGE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE CRESWELL HERITAGE TRUST

We have audited the financial statements of The Creswell Heritage Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 on pages 17 to 38, which comprise of the Group Statement of Financial Activities, incorporating the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources including the its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

THE CRESWELL HERITAGE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE CRESWELL HERITAGE TRUST (CONT/D)

OTHER INFORMATION

The other information comprises the information included in the directors' annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS DESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company;
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

THE CRESWELL HERITAGE TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE CRESWELL HERITAGE TRUST (CONT/D)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the directors' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis of our opinion.

THE CRESWELL HERITAGE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE CRESWELL HERITAGE TRUST (CONT/D)

Identifying and assessing potential risks related to irregularities

As detailed above we carried out our audit in line with the appropriate guidance. In regards to our procedures during the initial planning, onsite work and final review stages we assessed our audit plan against the changing environments and updated wherever appropriate.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered and carried out a background information assessment on the company and looked at all of the appropriate laws and regulations that the company must abide with. These included Coronavirus regulations and GDPR.

The company has a risk register for monitoring its risks and mitigations in place. The company also monitors all of its internal policies and procedures and carries out annual updates for those policies, or such as Covid19, regular reviews when Government guidance has changed. This is then communicated to staff on all levels to ensure updates in policies and procedures are known throughout the workforce.

The significant laws and regulations in regards to the business are Companies Act, Employment Law, Pensions legislation, Health & Safety, Covid19 Regulations and GDPR.

We reviewed the company's risk assessments for its business in the significant laws and regulations, carried out reviews on board minutes including discussions with company officials and review of any legal cases and costs. We reviewed the company's risk assessments for its business in the significant laws and regulations, carried out reviews on board minutes including discussions with company officials and review of any legal cases and costs.

Audit response to risks identified

As a result of performing the above, we identified presentation of the company's payments on account as a key audit matter related to the potential risk of fraud, other audit risks were going concern. Our specific procedures in this regards are as follows:-

- obtaining an understanding of the relevant controls relating to the payments on account;
- Re-calculating the payments on account and assessing the appropriateness of the methodology applied;
- assessing that the accounting entries have been recorded in accordance with income recognition policies within SORP;
- reviewing and critically assessing the accuracy of future forecasts, including the underlying assumptions
- confirming future sources of grant funding with 3rd parties.

THE CRESWELL HERITAGE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE CRESWELL HERITAGE TRUST (CONT/D)

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations, which have a direct effect on the financial statements;
- making enquiries of management, including legal experts concerning actual or potential litigation and claims;
- On our review of journal entries nothing unusual or unexpected had been identified from our sample testing of journal adjustments carried out by the company to its accounting system.
- We used limited analytical review procedures during our audit work and placed more reliance up on our transactional and detailed audit testing. Our analytical review for highlighting trends were then reviewed and assessed against our detailed testing work.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion or misrepresentation.

Our audit team had regular updates and meetings within the team including all members of the team, including the RI to ensure that our audit work was being carried out appropriately and to ensure that our assessments have constantly been updated during our audit, as part of these meetings all team members remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Pincott ACA, FCCA, ATT (Senior Statutory Auditor)

For and on behalf of

ApC Chartered Accountants and Statutory Auditors

7 St John Street, Mansfield, Nottinghamshire, NG18 1QH

Date

THE CRESWELL HERITAGE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)
YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
		£	£	£	£
Income:					
Donations and legacies	4	10,630	-	10,630	44,452
Investment Income	5	2	-	2	-
Income from charitable activities:					
Core funding	5	57,239	-	57,239	56,955
Project funding	5	813,336	294,854	1,108,190	315,923
Operation of education and heritage centre	6	235,706	-	235,706	546,115
Income from other trading activities:					
Commercial trading operations	7	178,069	-	178,069	92,254
Total income		1,294,982	294,854	1,589,836	1,055,699
Expenditure					
Cost of raising funds:					
Commercial trading operations	8	207,277	-	207,277	163,190
Expenditure on charitable activities:					
Operation of education and heritage centre	8	776,009	409,314	1,185,323	765,539
Governance	8	86,825	-	86,825	44,446
Total expenditure		1,070,111	409,314	1,479,425	973,175
Net income/(expenditure) movement for the year		224,871	(114,460)	110,411	82,524
Transfer between funds	15	(114,460)	114,460	-	-
Net income/(expenditure) and net movement in funds for the year		110,411	-	110,411	82,524
Reconciliation of funds					
Total funds brought forward	15	222,445	-	222,445	139,921
Total funds carried forward		332,856	-	332,856	222,445

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

THE CRESWELL HERITAGE TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	Group 2021	Charity 2021	Group 2020	Charity 2020
FIXED ASSETS					
Tangible assets	10	124,495	119,264	136,639	129,967
Investments	11	-	12,002	-	12,002
		<hr/>	<hr/>	<hr/>	<hr/>
		124,495	131,266	136,639	141,969
		<hr/>	<hr/>	<hr/>	<hr/>
CURRENT ASSETS					
Stocks	12	32,750	-	51,861	-
Debtors	13	52,191	61,049	16,902	39,318
Cash at bank and in hand		416,018	356,371	442,933	427,614
		<hr/>	<hr/>	<hr/>	<hr/>
		500,959	417,420	511,696	466,932
CREDITORS: Amounts falling due within one year	14	(292,598)	(277,501)	(425,890)	(420,655)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		208,361	139,919	85,806	46,277
		<hr/>	<hr/>	<hr/>	<hr/>
PROVISION FOR LIABILITIES AND CHARGES		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		332,856	271,185	222,445	188,246
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS					
Restricted funds	15	-	-	-	-
Unrestricted funds	15	332,856	271,185	222,445	188,246
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		332,856	271,185	222,445	188,246
		<hr/>	<hr/>	<hr/>	<hr/>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Signed on behalf of the Board

Dr T Caulton
Director

Date

Company Registration Number: 02344235

The notes on pages 20 to 38 form part of these financial statements.

THE CRESWELL HERITAGE TRUST
CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED 31 DECEMBER 2021

	Note	2021	2020
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	14,650	388,656
CASHFLOWS FROM INVESTING ACTIVITIES	18	2	-
CASHFLOWS FROM FINANCIAL ACTIVITIES	18	(41,567)	(57,349)
CHANGE IN CASH AND CASH EQUIVALENTS IN THIS REPORTING PERIOD	18	<div style="border-top: 1px solid black;">(26,915)</div>	<div style="border-top: 1px solid black;">331,307</div>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
NET FUNDS AT 1 JANUARY		442,933	111,626
NET FUNDS AT 31 DECEMBER		<div style="border-top: 1px solid black;">416,018</div> <div style="border-top: 3px double black;"></div>	<div style="border-top: 1px solid black;">442,933</div> <div style="border-top: 3px double black;"></div>

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

(a) Basis of preparation

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

Creswell Heritage Trust meets the definition of a public benefit entity under FRS 102. Asset and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Creswell Trading Company Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

(c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have met, it is probable that the income will be received and the amount can be measured reliably.

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of an educational visit or provision of other specified service it is deferred until the criteria for income recognition has been met.

(d) Donated services, facilities and assets

Donated professional services, donated facilities and assets are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Trust is not recognised and refer to trustees' annual report for more information about their contribution.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

(d) Donated services, facilities and assets (Cont)

On receipt, donated professional services and donated facilities and assets are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure or asset additions in the year of receipt.

(e) Interest receivable

Interest on funds held within the Trusts bank accounts is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

(f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations and grants which the donor or body has specified are solely used for particular areas of the Trust's work or for specific heritage projects being undertaken by the trust.

(g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

- Costs of raising funds comprise the costs of commercial trading including the shop and café and their associated support costs.
- Expenditure on charitable activities includes the costs expenditure comprises those costs of educational visits, tours, exhibitions, events and other heritage activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the Trusts educational visits and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the notes.

(i) Operating leases

The charity classifies the lease of the heritage site, printing and ancillary equipment as operating leases: the title to the land and equipment remains with the lessor; in respect of the equipment; this is replaced every 5 years or less whilst the economic useful life of such equipment is usually 10 years. Rental charges are charged on a straight line basis over the term of the lease.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

(j) **Heritage assets**

Heritage assets are not recognised on the balance sheet as information on the cost or valuation of heritage assets is not available, or the cost of providing such information significantly outweighs any benefit to the users of the accounts.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

(k) **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost and are depreciated over their estimated useful lives on a straight line basis as follows:

Plant & machinery	15% straight line
Motor vehicles	50% straight line
Fixtures & fittings	15% straight line
Office Equipment	15% straight line

(l) **Stocks**

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

(m) **Debtors**

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

(n) **Cash at bank and in hand**

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

(o) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) **Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(q) **Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that the new income streams and the project overhead recovery will secure the immediate future of the trust for the next 12 to 36 months and on that basis the charity is a going concern.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

(r) **Pensions**

Existing employees of the charity were entitled to join; NEST the work place pension scheme set up by the government which is funded by contributions from employee and employer. Since 1 August 2016 all employees are able to join the money purchase scheme. New and existing employees were automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

The employer's contributions made to the scheme in 2021 were £13,215 (2020: £10,949) with an employer's contribution rate of 3% of pensionable pay and an employee's contribution of 5% of pensionable pay.

The trustees are satisfied that any foreseeable change in employer's contributions can be budgeted for without detriment to the charity's ongoing activities.

(s) **Service grants (Incorporating Amounts recoverable on contracts and Deferred income)**

Service grants are valued at cost plus the relevant profit; where applicable, for the stage of completion of the project and is included within amounts recoverable on contracts.

Where payments on account of service grants exceed work performed; this would be treated as deferred income; when the additional work is completed deferred income is then recognised in the Statement of financial activity.

(t) **Investments**

Investments in subsidiaries are recorded at cost with the performance of the subsidiary included within the notes to the accounts.

2. LEGAL STATUS OF THE TRUST

The Trust is a company limited by guarantee and has no share capital. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. PARENT CHARITABLE COMPANY

The charity has availed itself of paragraph 4(1) of Schedule 1 of the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The gross income; including interest, of the parent charitable company is £1,338,576 (2020: £949,659) and the surplus for the year is £41,341 (2020: £85,711).

THE CRESWELL HERITAGE TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2021

4. DONATIONS AND LEGACIES (GROUP & CHARITY)	2021	2020
	£	£
Individuals	10,739	44,452
Charitable foundations	-	-
Donated assets from projects	(109)	-
	<hr/>	<hr/>
	10,630	44,452
	<hr/>	<hr/>

The income from donations was £10,630 (2020: £44,452) of which £10,630 (2020: £44,452) was unrestricted. The negative item was due to reclassification of previous project assets.

The trust also benefits from the involvement and support of its many individual and group volunteers, details of which are included within our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. CHARITABLE ACTIVITIES

	Unrestricted Note	funds £	Restricted funds £	2021 £	2020 £
Income was received for:					
Core funding		57,239	-	57,239	56,955
Heritage projects		813,336	294,854	1,108,190	315,923
Operation of education and heritage centre	7	178,069	-	178,069	546,115
		<hr/>	<hr/>	<hr/>	<hr/>
		1,048,644	294,854	1,343,498	918,993
		<hr/>	<hr/>	<hr/>	<hr/>
2020		603,070	315,923	918,993	
		<hr/>	<hr/>	<hr/>	

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

5. CHARITABLE ACTIVITIES CONTINUED

Income for charitable activities was provided by:

	Unrestricted Note	funds £	Restricted funds £	2021 £	2020 £
Local government		57,239	-	57,239	56,955
Arts council		-	255,649	255,649	137,192
Other sources		813,336	39,205	852,541	178,731
		813,336	294,854	1,108,190	315,923
Operation of education and heritage centre	6	235,706	-	235,706	546,115
		1,106,281	294,854	1,401,135	918,993
2020		603,070	315,923	918,993	

6. OTHER INCOMING RESOURCES (GROUP)

	2021 £	2020 £
Events	6,071	3,307
Tours	80,884	68,038
Exhibitions	8,919	6,865
Car park charges	3,000	35,022
Venue hire	468	443
Covid-19 grants	-	404,968
Sundry income	136,364	27,472

235,706 546,115

OTHER INCOMING RESOURCES (CHARITY)

Events	5,255	4,442
Tours	79,504	66,969
Exhibitions	8,919	6,865
Car park charges	3,000	35,022
Venue hire	468	443
Covid-19 grants	-	404,968
Sundry income	76,263	13,155

173,409 531,864

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

7. INCOME EARNED FROM OTHER ACTIVITIES	2021	2020
	£	£
Shop Sales	59,563	19,053
Café Sales	118,506	73,201
	<hr/>	<hr/>
	178,069	92,254
	<hr/>	<hr/>

8. TOTAL RESOURCES EXPENDED

		<u>Charitable Activity</u>				Governance	Total 2021	Total 2020
		<u>Costs</u>		Cost of raising funds				
	Basis of costs	Specific Project costs	Non Project costs					
		£	£	£	£	£	£	£
Costs directly allocated to activities								
Project costs	Direct	276,879	-	-	-	276,879	163,295	
Trading expenses	Direct	-	-	84,900	-	84,900	43,074	
Wages and salaries	Direct	74,775	423,541	96,496	68,500	663,312	547,644	
Professional fees	Direct	-	215,036	-	-	215,036	13,799	
Publicity/Promotions	Direct	-	8,060	-	-	8,060	17,272	
Depreciation	Direct	-	48,340	-	5,371	53,711	42,991	
Travel expenses	Direct	-	-	-	-	-	-	
Equipment hire	Direct	-	-	-	-	-	-	
Repairs & renewals	Direct	13,494	7,590	-	-	21,084	22,866	
Bank charges	Direct	-	761	543	-	1,304	2,564	
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		365,148	703,328	181,939	73,871	1,324,286	853,505	
Support costs allocated to activities								
Premises	Floor							
	area	19,845	40,290	6,000	-	66,135	52,062	
Insurance	Usage	-	8,531	3,276	1,312	13,119	10,357	
General expenses	Floor							
	area	8,815	17,896	16,062	-	42,773	52,084	
Staff costs	Usage	15,506	5,964	-	2,386	23,856	5,167	
Audit fee		-	-	-	9,256	9,256	-	
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		44,166	72,681	25,338	12,954	155,139	119,670	
Total resources expended								
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		409,314	776,009	207,277	86,825	1,479,425	973,175	
2020								
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		335,186	430,353	163,190	44,446	973,175		

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

8. TOTAL RESOURCES EXPENDED - continued

	Unrestricted funds	Restricted funds	2021	2020
	£	£	£	£
Costs of raising funds	207,277	-	207,277	163,190
Charitable activities- Project specific	-	409,314	409,314	335,186
Charitable activities- Non project	776,009	-	776,009	430,353
Governance	86,825	-	86,825	44,446
	<hr/>	<hr/>	<hr/>	<hr/>
	1,070,111	409,314	1,479,425	973,175
	<hr/>	<hr/>	<hr/>	<hr/>
2020	637,989	335,186	973,175	
	<hr/>	<hr/>	<hr/>	

Heritage projects include the following:

- To increase arts, history and cultural engagement within local communities which are currently disengaged, through traditional and digital learning.

Group net incoming resources for the year
are stated after charging:

	2021	2020
	£	£
Audit fee	9,256	6,795
Non audit services	-	-
Depreciation	47,298	42,991
Operating leases - Land	38,493	28,870
Operating leases - Equipment	2,260	2,194
	<hr/>	<hr/>

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

9. STAFF COSTS (GROUP)	2021	2020
	£	£
Wages and salaries	605,940	504,507
Social security	42,827	32,188
Pension contributions	13,341	10,949
	<hr/>	<hr/>
	662,108	547,644
	<hr/>	<hr/>

No (2020: No) employees had benefits in excess of £60,000. Pension costs are allocated to activities and funds in proportion to the related staffing costs incurred.

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2020: £Nil) neither were they reimbursed expenses during the year (2020: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £Nil).

The key management personnel of the parent charity, the Trust, comprise the trustees, The Museum Director, Finance Manager Operations Manager and the Engagement and Programmes Manager. The total employee benefits of the key management personnel of the Trust were £155,167(2020: £143,946).

The average monthly head count was 38 staff (2020: 35) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

Charitable activities	29	24
Governance costs	2	2
	<hr/>	<hr/>

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

10. TANGIBLE FIXED ASSETS

	(Group) Plant & Machinery £	(Group) Fixtures & Fittings £	(Group) Office Equipment £	(Group) Motor Vehicles £	(Group) Total £
Cost					
At 31 December 2020	27,012	274,626	43,415	16,385	361,438
Additions	8,369	28,301	4,897	-	41,567
Disposals	-	(5,182)	(6,366)	-	(11,548)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	35,381	297,745	41,946	16,385	391,457
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 31 December 2020	6,436	178,740	23,238	16,385	224,799
Charged in the year	3,160	37,393	6,745	-	47,298
Disposals	-	(2,270)	(2,865)	-	(5,135)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	9,596	213,863	27,118	16,385	266,962
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2021	25,785	83,882	14,828	-	124,495
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	20,576	95,886	20,177	-	136,639
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The fixed assets have been reclassified to reflect the true classification of the fixed assets within the financial statements.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

10. TANGIBLE FIXED ASSETS - continued

	(Charity) Plant & Machinery £	(Charity) Fixtures & Fittings £	(Charity) Office Equipment £	(Charity) Motor Vehicles £	(Charity) Total £
Cost					
At 31 December 2020	20,033	269,609	43,415	16,385	349,442
Additions	8,369	28,301	4,897	-	41,567
Disposals	-	(4,833)	(6,366)	-	(11,199)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	28,402	293,077	41,946	16,385	379,810
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 31 December 2020	4,528	175,324	23,238	16,385	219,475
Charged in the year	2,205	36,940	6,745	-	45,890
Reclassifications	-	(1,954)	(2,865)	-	(4,819)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	6,733	210,310	27,118	16,385	260,546
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2021	21,669	82,767	14,828	-	119,264
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	15,505	94,285	20,177	-	129,967
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The fixed assets have been reclassified to reflect the true classification of the fixed assets within the financial statements.

All the Trust's assets are used for direct charitable purposes.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

11. INVESTMENT	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Cost				
As at 31 December	-	12,002	-	12,002
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December	-	12,002	-	12,002
	<hr/>	<hr/>	<hr/>	<hr/>

The parent charitable company holds all the issued shares in Creswell Trading Company Limited, a company incorporated in the UK.

The charity holds 12,002 shares of £1 each in its wholly owned subsidiary Creswell Trading Company Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid.

The wholly owned subsidiary Creswell Trading Company Limited is incorporated in the United Kingdom (company number 02467865) and pays all of its profits to the charity under the gift aid scheme. Creswell Trading Company Limited operates the shop, café and all commercial trading operations carried on at Creswell Heritage Trusts premises. A summary of the trading results is shown below.

At 31 December 2021, Creswell Trading Company Limited had aggregate share capital and reserves of £45,954 (2020: £47,395) and a deficit (2020: deficit) for the year after taxation of £1,441 (2020: £1,996) The principal activity of the company was the running of a coffee shop and the retail of confectionery, souvenirs and educational material relating to the Creswell Crags Visitors Centre.

A summary of the results of the subsidiary is shown below:

	Total 2021 £	Total 2020 £
Turnover	228,633	135,716
Cost of sales	(72,944)	(36,408)
	<hr/>	<hr/>
Gross profit	155,689	99,308
Other income	90,482	18,613
Administrative expenses	(247,612)	(119,917)
	<hr/>	<hr/>
Net profit /(loss) before taxation	(1,441)	(1,996)
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds was		
Assets	98,839	74,619
Liabilities	(52,885)	(27,224)
	<hr/>	<hr/>
Funds (representing 12,002 (2020:12,002) ordinary shares of £1)	45,954	47,395
	<hr/>	<hr/>

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

12. STOCKS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Stocks held for resale	32,750	-	51,861	-
	<hr/>	<hr/>	<hr/>	<hr/>
	32,750	-	51,861	-
	<hr/>	<hr/>	<hr/>	<hr/>

13. DEBTORS

Trade debtors	12,698	6,157	5,499	5,476
Other debtors	3,308	3,500	502	500
Amounts owed by group undertakings	-	15,771	-	23,185
Prepayments	6,748	6,185	10,901	10,157
VAT	29,437	29,436	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	52,191	61,049	16,902	39,318
	<hr/>	<hr/>	<hr/>	<hr/>

14. CREDITORS: Amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	62,922	64,457	30,568	29,027
Taxation and social security	9,226	9,226	54,387	54,387
Accruals	20,975	13,757	6,357	4,552
Payments on account	180,644	180,644	302,204	302,204
VAT	-	-	18,912	17,023
Other Creditors	18,831	9,417	11,213	11,213
Pension	-	-	2,249	2,249
	<hr/>	<hr/>	<hr/>	<hr/>
	292,598	277,501	425,890	420,655
	<hr/>	<hr/>	<hr/>	<hr/>

The aggregate amount of secured liabilities is £Nil (2020: £Nil).

On 12 March 2009 the parent charitable company entered into a four way debenture between Derbyshire County Council, Nottinghamshire County Council and Welbeck Estates (The Land owner). This is a fixed and floating charge over the assets of the company which will crystalize on completion of the lease in the year 2047. The minimum lease payments in relation to this charge is recognised under payments in later than 5 years in note 17.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

15. STATEMENT OF FUNDS (GROUP)

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	At 31 Dec 2021 £
General reserve	222,445	1,294,982	(1,070,111)	(114,460)	332,856
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	222,445	1,294,982	(1,070,111)	(114,460)	332,856
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds:					
Projects	-	294,854	(409,314)	114,460	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	294,854	(409,314)	114,460	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	222,445	1,589,836	(1,479,425)	-	332,856
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

STATEMENT OF FUNDS (GROUP)

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
General reserve	139,921	739,776	(637,989)	(19,263)	222,445
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	139,921	739,776	(637,989)	(19,263)	222,425
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds:					
Projects	-	315,923	(335,186)	19,263	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	315,923	(335,186)	19,263	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	139,921	1,055,699	(973,175)	-	222,445
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The general reserve represents the free funds of the charity which are not designated for particular purposes.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

STATEMENT OF FUNDS (CHARITY)

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	At 31 Dec 2021 £
General reserve	188,246	1,085,319	(887,921)	(114,460)	271,184
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	188,246	1,085,319	(887,921)	(114,460)	271,184
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds:					
Projects	-	294,854	(409,314)	114,460	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	294,854	(409,314)	114,460	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	188,246	1,380,173	(1,297,235)	-	271,184
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

STATEMENT OF FUNDS (CHARITY)

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
General reserve	102,535	633,736	(528,762)	(19,263)	188,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	102,535	633,736	(528,762)	(19,263)	188,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds:					
Projects	-	315,923	(335,186)	19,263	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	315,923	(335,186)	19,263	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	102,535	949,659	(863,948)	-	188,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The general reserve represents the free funds of the charity which are not designated for particular purposes.

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

Stated reserves policy

The projects fund represents funding specifically for the ongoing projects of the charity.

Unrestricted funds are needed:

- a to provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice and
- b to cover management administration fund-raising and support costs without which the charity could not function.

Creswell Heritage Trust agrees that a reasonable level of unrestricted reserves is required for the following reasons:

- a to absorb short term set backs such as loss or delays in funding
- b to finance working capital needs, such as delays in receipts and to fund time delays between developing projects, obtaining approval and funds being received
- c to cover the working capital required to fund the usual retrospective nature of the programme funding which can result in considerable timing differences between expenditure and receipts of funds
- d to cover the cost of investing in staff training and the development of new improved services
- e to cover the cost of developing new services, such as communications, research, and quality and business information systems
- f to set aside funds for appropriate capital assets such as IT equipment and securing and developing suitable premises
- g to provide funding to cover any unforeseen down time in activity and/or planned down sizing of activity.

Unrestricted reserves are currently below that range by approximately £190,000. The trustees will continue to review ways in which to correct the situation.

The projects fund represents funding specifically for the ongoing projects of the charity.

16. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Funds balance at 31 December 2021 are represented by			
Tangible fixed assets	124,495	-	124,495
Current assets	320,315	180,644	500,959
Current liabilities	(111,954)	(180,644)	(292,598)
Liabilities and charges	-	-	-
	_____	_____	_____
Total net assets	332,856	-	332,856
	_____	_____	_____

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Funds balance at 31 December 2021 are represented by:			
Tangible fixed assets	119,264	-	119,264
Investments	12,002	-	12,002
Current assets	417,420	180,644	598,064
Current liabilities	(277,501)	(180,644)	(458,145)
Liabilities and charges	-	-	-
	_____	_____	_____
Total net assets	271,185	-	271,185
	_____	_____	_____

17. OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than one year	-	-
Later than one and not later than five years	2,385	466
Later than five years	748,236	557,543
	_____	_____
	750,621	558,009
	_____	_____

18. RECONCILIATION OF NET INCOME / EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES (Group)

	2021 £	2020 £
Net income / (Expenditure) for the reporting period (as per the Statement of Financial Activities)	110,411	82,524
Depreciation (note 10)	47,298	42,991
(Loss)/profit on disposal of tangible fixed assets	6,413	-
Interest received	(2)	-
(Increase) / decrease in stock	19,111	(4,464)
(Increase) / decrease in debtors	(35,289)	99,256
Increase / (decrease) in creditors	(133,292)	168,349
	_____	_____
Net cash provided by / (used) by operating activities	14,650	388,656
	_____	_____

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

CASHFLOWS FROM FINANCING ACTIVITIES (Group)

	2021 £	2020 £
Interest received	2	-
	<hr/>	<hr/>
Net cash inflow from financing activities	2	-
	<hr/>	<hr/>

CASHFLOWS FROM INVESTING ACTIVITIES (Group)

	2021 £	2020 £
Purchase of tangible fixed assets	(41,567)	(57,349)
	<hr/>	<hr/>
Net cash outflow from investing activities	(41,567)	(57,349)
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS (Group)

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash in hand and at bank	442,933	(26,915)	416,018
	<hr/>	<hr/>	<hr/>
	442,933	(26,915)	416,018
	<hr/>	<hr/>	<hr/>

THE CRESWELL HERITAGE TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

19. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The group has no (2020: no) capital commitments during the forthcoming year.

20. RELATED PARTY TRANSACTIONS

Creswell Trading Company Limited

During the year Creswell Heritage Trust charged Creswell Trading Company Limited, a wholly owned subsidiary, fees for the use of premises and other administration costs. Fees amounted to £108,501 (2020: £110,008). During the year the trust also charged Creswell Trading Company Limited £32,941 (2020: £29,769) for tours that were sold in the shop, as these relate to income of the trust. During the year the company also purchased goods and services of £1,970 (2020: £3,509) from Creswell Trading Company on ordinary commercial terms.

During the year Creswell Trading Company Limited gift aided profits to the Trust of £68,272 (2020: £11,843).

In respect of these transactions £15,771 (2020: £23,184) was outstanding at the balance sheet date.

21. TRANSFER OF FUNDS

As project related expenditure, after adjusting for each project's contribution to overheads of the group, exceeded the project income in the restricted fund, unrestricted funds were used to support project activities. A transfer of £114,460 (2020: £19,263) was therefore made from unrestricted to restricted funds during the year.

THE CRESWELL HERITAGE TRUST

GROUP INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
INCOME		
Grant income - core fund	57,239	56,955
- project fund	1,108,190	315,923
Trading income	178,070	92,254
Tours	38,572	32,755
Educational Bookings	42,312	35,283
Parking charges	3,000	35,022
Gift aid	4,009	4,510
Covid-19 grants	-	404,968
Sundry income	158,444	78,029
Investment income	2	-
	<hr/>	<hr/>
	1,589,838	1,055,699
EXPENDITURE		
PROMOTIONS AND OTHER ACTIVITIES		
Opening stock	51,860	47,397
Stock purchases	65,790	47,537
Closing stock	(32,751)	(51,860)
Trading salaries	106,008	211,724
Publicity and promotion	8,060	17,272
Project expenses	356,114	164,887
	<hr/>	<hr/>
	(555,081)	(436,957)
ADMINISTRATIVE EXPENSES		
Wages and salaries	482,529	335,919
Printing, postage and stationery	4,648	4,512
Telephone	5,076	3,255
Motor and travel	5,414	327
Rent and rates	45,931	37,155
Repairs and renewals	21,084	22,866
Light and heat	20,204	14,908
Insurance	13,120	10,357
General expenses	47,033	47,565
Professional fees	224,292	13,799
Bank charges	1,304	2,564
Depreciation	47,298	42,991
Profit and Loss on Disposal	6,413	-
	<hr/>	<hr/>
	(924,346)	(536,218)
	<hr/>	<hr/>
SURPLUS OF INCOME	110,411	(82,524)
	<hr/>	<hr/>

THE CRESWELL HERITAGE TRUST
DETAILED INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
INCOME		
Grant income - core fund	57,240	57,226
- project fund	1,108,190	315,923
Tours	38,572	32,331
Educational bookings	40,932	34,637
Parking charges	3,000	35,022
Gift aided	44,282	4,510
Gifted from subsidiary	-	-
Covid-19 grants	-	404,968
Sundry income	87,960	65,042
Investment income	2	-
	<hr/>	<hr/>
	1,380,178	949,659
EXPENDITURE		
PROMOTIONS AND OTHER ACTIVITIES		
Purchases	2,792	118,444
Direct wages	23,967	70,254
Publicity and promotion	8,082	17,296
Project expenses	358,163	163,673
	<hr/>	<hr/>
	(393,004)	(369,667)
ADMINISTRATIVE EXPENSES		
Wages and salaries	480,546	222,080
Printing, postage and stationery	4,648	4,582
Telephone	5,075	3,255
Motor and travel	1,223	328
Rent and rates	45,891	22,046
Repairs and renewals	21,206	22,866
Light and heat	20,203	113,838
Insurance	13,124	10,357
General expenses	40,276	41,894
Professional fees	219,006	10,799
Bank charges	762	1,951
Depreciation	52,271	40,285
	<hr/>	<hr/>
	(904,231)	(494,281)
SURPLUS OF INCOME	<hr/>	<hr/>
	82,943	85,711