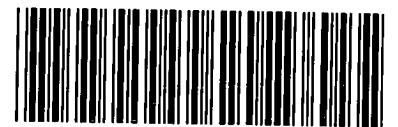


THE TOWN MILL TRUST LYME REGIS

**REGISTERED CHARITY No: 1041614
COMPANY No: 2982747**

ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2020

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THE TOWN MILL TRUST LYME REGIS

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THE TOWN MILL TRUST LYME REGIS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

The trustees present their annual report with the accounts of the Company for the year ended 31 October 2020

1 LEGAL AND ADMINISTRATIVE INFORMATION

The Town Mill Trust is a company limited by guarantee and is a registered charity.

The Charity Commission registration number is 1041614 and the company registration number is 2982747 registered in England and Wales.

Principal address and registered office: The Town Mill, Mill Lane, Lyme Regis, Dorset, DT7 3PU.

Professional advisers: Bankers: CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent. ME19 4JQ
The Cooperative Bank plc, PO Box 101, 1 Balloon Street, Manchester, M60 3QE

Solicitors: Scott Rowe, Raymond House, 29 Broad Street, Lyme Regis, Dorset. DT7 3QE

Independent examiner: Rosy Jeffery Ltd, Chartered Certified Accountants, The Loft, Unit 11, Hunthay Business Park, Axminster, Devon. EX13 5RJ

2 TRUSTEES AND GOVERNANCE

The trustees in office during the year were:

Sue Atkinson
Hilary Highet
Robert McLaughlin
Jocelyn Bailey
Andrew Davies

All trustees are members of the Council of Management and are also directors of the Company.

THE TOWN MILL TRUST LYME REGIS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

Structure, Governance and Management

The Trust is constituted as a company and the governing document is the company's Memorandum and Articles of Association.

Overall responsibility lies with the council of management, which determines strategy and policies and takes major decisions. Day to day management is delegated to the Town Mill Staff team.

Trustees are usually selected on personal recommendation. There is no maximum term for how long someone may remain a trustee, although one third of trustees must retire by rotation every year but are eligible for re-election. The latter is done by a majority vote at the AGM.

Each new trustee is provided with information about the Trust including a copy of the company's Memorandum and Articles, a copy of the Charity Commissioners booklet on trustees' responsibilities and a copy of the most recent company accounts. Companies House also send all new company directors a copy of their booklet of directors' responsibilities. New trustees receive induction training from the Chair of the Trust.

The trustees and the staff team continue to keep the various policies and procedures on risk assessment updated, and training has been given on health and safety.

Objectives and Activities

Objects of the Trust

The objects of the Trust are:

To secure the preservation, protection, development and improvement of the features of the Town Mill at Lyme Regis, including its related waterways and environs;

To educate the public in the history of the architecture of the Town Mill and mills in general;

To promote, improve, develop and maintain public education in and appreciation of the visual, performing and written arts in all their aspects; and

To implement and promote good environmental practice.

THE TOWN MILL TRUST LYME REGIS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

Strategy

To achieve these objectives, our current strategy is:

To continue to use the buildings and site in ways which will provide amenities for the town and its visitors, and provide income for the Trust to meet the running costs;

To open the Town Mill regularly to visitors and educational groups;

To promote the site as a centre for high quality local food and drink by means of our tenancies, patrons and events;

To mount or facilitate exhibitions in the two galleries by local and national artists;

To provide space for local artists and craft workshops, thereby also enhancing the experience of visitors to the site; and

To continue to research and promote the historical, archaeological and educational aspects of the site.

The trustees' strategy has due regard to the guidance published by the charity commission on public benefit.

Achievements and performance

The COVID-19 world pandemic declared in February 2020 went on to have a severe impact on The Town Mill Trust. The working water mill and the galleries closed in mid March 2020 along with all the public facing activities of the tenants. As national regulations allowed, the complex re-opened in a phased manner but the working water mill remained closed as of 31 October 2020. The organisation and its tenants were supported by the Government's COVID-19 grants and employee furlough scheme and The Trust successfully applied for a Heritage Emergency Fund Grant. The Trust's previous financial performance and its ability to access support has resulted in The Trust weathering the pandemic to date with confidence that it will continue to do so during its continuing impact in 2021.

The Trustees ratified a Business Plan for the Trust for the years 2014-2018 and a Code of Conduct for Trustees in February 2014. These remained relevant for year ending 31 October 2019 and a review of the forward direction of the Trust was due to complete in 2020 but due to COVID-19, this will complete in 2021. In support of the activity, The Trust commissioned 2 studies from external consultants to support and inform the forward direction of The Trust. Reports on the options and potential for the site development and options and potential for the arts are due in early 2021.

The tenants within the mill complex remain an important part of the Trust. The tenants consist of potters, a micro brewery, seamstress, silversmith, artists and graphic designers. The Town Mill Arts continue to occupy the Courtyard and Malthouse galleries. Despite the difficulties of the COVID-19 pandemic, all tenants remain positive about their future at The Town Mill.

Volunteers are at the heart of the operation, supporting day to day running and specific projects across all aspects of The Town Mill Trust's activities. Section 106 grant funding was secured for two of the outdoor spaces at The Town Mill, a garden with a sculpture area was created in front of The Malthouse and the pathways in the Mill Garden were upgraded to make them more accessible to wheeled vehicle users. The work for these 2 projects was supported by our dedicated team of volunteers.

The support team consists of: Finance and Operations Coordinator, Site Services Coordinator and Visitor Experience and Volunteer Leader. There were no redundancies.

THE TOWN MILL TRUST LYME REGIS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

Financial Review

The overall result for the year (net incoming resources before transfers) was a surplus of £23,693, compared with a deficit of £6,670 in 2019.

The surplus on unrestricted funds (which represent the day-to-day operations of the Town Mill site) was £28,345 compared with a deficit of £1,888 in 2019.

The bank balance at the year end was £129,225 compared with £65,632 in 2019.

Reserves and reserves policy

The Trust is responsible for the maintenance of the Town Mill and Malthouse sites, consisting of buildings and equipment with a replacement cost of over £2 million. We consider it prudent to establish and maintain reserves of about £30,000 for repairs and renewals which may be necessary. Although The Trust were able to access financial support during the COVID-19 pandemic, this level of reserves would have provided a degree of continuity, should the support not have been available.

Plans for future periods

The trustees continue to consider ways of developing and enhancing the Town Mill site, as well as maintaining the medieval buildings. The current renewable and assignable lease of The Courtyard Café remains a significant barrier to expanding the Café and enhancing the mill site. The current owner has expressed a desire to sell the business and The Trust are investigating whether it is feasible to purchase the lease and re-gain control of the area, with the view of granting a new lease, with a bigger footprint to a new Cafe owner.

The above report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Signed on behalf of the Council of Management



Robert McLaughlin

Approved by the Council of Management on 21/6/21.

THE TOWN MILL TRUST LYME REGIS

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the company for the year ended 31 October 2020 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, as amended); and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed.....
Rosy Jeffery Ltd
Chartered Certified Accountants

Date: 7/6/21

THE TOWN MILL TRUST LYME REGIS

**STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 OCTOBER 2020**

	Restricted	Unrestricted	2020 Total	2019 Total
	£	£	£	£
Income and endowments (page 7)	-	146,597	146,597	118,415
Expenditure (page 8)	<u>(4,552)</u>	<u>(118,352)</u>	<u>(122,904)</u>	<u>(125,085)</u>
Net income /(expenditure)	(4,552)	28,245	23,693	(6,670)
Funds brought forward 1 November 2019	<u>663,396</u>	<u>61,011</u>	<u>724,407</u>	<u>731,077</u>
Transfer between funds				
Funds carried forward 31 October 2020	<u>£ 658,844</u>	<u>£ 89,256</u>	<u>£ 748,100</u>	<u>£ 724,407</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

THE TOWN MILL TRUST LYME REGIS

**SUMMARY OF INCOME
YEAR ENDED 31 OCTOBER 2020**

	Restricted	Unrestricted	2020 Total	Restricted	Unrestricted	2019 Total
	£	£	£	£	£	£
Donations and legacies						
Donations	-	7,530	7,530	-	14,212	14,212
Gift aid	-	-	-	-	-	-
Grants (Disabled toilet)	-	-	-	-	4,470	4,470
Grants (Garden)	-	10,507	10,507	-	-	-
Grants (National Heritage)	-	33,300	33,300	-	-	-
Grants (Covid19)	-	28,088	28,088	-	-	-
Donation for Art Course	-	1,320	1,320	-	8,170	8,170
Waterwheel fund donations	-	-	-	-	2,800	2,800
Other trading activities						
Fundraising events	-	-	-	-	-	-
	-	80,745	80,745	-	29,652	29,652
Income from charitable activities						
Mill admission fees	-	3,837	3,837	-	14,522	14,522
Mill shop	-	2,873	2,873	-	6,872	6,872
Rent received	-	34,643	34,643	-	38,051	38,051
Art exhibition commission	-	7,043	7,043	-	9,352	9,352
Gallery hire and exhibition fees	-	9,635	9,635	-	6,092	6,092
Xmas tree sales commission and xmas event	-	793	793	-	223	223
Education room income	-	356	356	-	736	736
Workshops	-	142	142	-	517	517
Service charges	-	4,518	4,518	-	10,257	10,257
Hydro-electric Scheme	-	1,981	1,981	-	2,101	2,101
	-	65,821	65,821	-	88,723	88,723
Investment income						
Bank interest	-	31	31	-	40	40
	-	31	31	-	40	40
Total income	-	146,597	146,597	-	118,415	118,415

THE TOWN MILL TRUST LYME REGIS

**SUMMARY OF EXPENDITURE
YEAR ENDED 31 OCTOBER 2020**

	Restricted	Unrestricted	2020 Total	Restricted	Unrestricted	2019 Total
	£	£	£	£	£	£
Expenditure on raising funds						
Flour purchases	-	2,430	2,430	-	4,925	4,925
Fundraising events	-	1,143	1,143	-	4,449	4,449
	-	3,573	3,573	-	9,374	9,374
Expenditure on charitable activities						
Direct costs						
Maintenance	-	19,698	19,698	-	18,135	18,135
Disabled toilets expense	-	-	-	-	3,894	3,894
Depreciation	4,552	215	4,767	4,782	184	4,966
Shop costs	-	1,202	1,202	-	2,099	2,099
Insurance	-	6,149	6,149	-	6,188	6,188
Water rates	-	1,891	1,891	-	1,963	1,963
Heat, light and power	-	13,424	13,424	-	13,096	13,096
Staff costs	-	50,554	50,554	-	46,944	46,944
Postage, stationery and telephone	-	1,671	1,671	-	2,357	2,357
Professional fees	-	11,368	11,368	-	35	35
Town Mill Arts Guild	-	-	-	-	5,143	5,143
Sundry	-	271	271	-	1,991	1,991
Support costs						
Bank charges	-	1,420	1,420	-	1,390	1,390
Book-keeping and accounting	-	3,905	3,905	-	2,800	2,800
Governance costs	-	800	800	-	800	800
IT	-	180	180	-	160	-
Legal fees	-	1,100	1,100	-	280	280
Publicity	-	931	931	-	3,470	3,470
	4,552	114,779	119,331	4,782	110,929	115,551
Total expenditure	4,552	118,352	122,904	4,782	120,303	124,925

THE TOWN MILL TRUST LYME REGIS

**BALANCE SHEET
YEAR ENDED 31 OCTOBER 2020**

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	5	652,624	656,767
Investments	6	1	1
Current assets			
Stocks		500	500
Debtors	7	6,732	12,761
Cash at bank and in hand		<u>129,225</u>	<u>65,632</u>
		136,457	78,893
Creditors: amounts falling due within one year			
	8	<u>40,982</u>	<u>11,254</u>
Net current assets		<u>95,475</u>	<u>67,639</u>
Total assets less current liabilities		748,100	724,407
Net assets		<u>748,100</u>	<u>724,407</u>
Funds			
Unrestricted		89,256	61,011
Restricted	9	658,844	663,396
	10	<u>748,100</u>	<u>724,407</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Signed on behalf of
the trustees



Robert McLaughlin

Approved by the Council of Management on 21/6/21.

THE TOWN MILL TRUST LYME REGIS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. Statutory Information

The Town Mill Trust Lyme Regis is a registered charity and private company limited by guarantee with no share capital, incorporated in England and Wales. The registered office is The Town Mill, Mill Lane, Lyme Regis, Dorset, DT7 3PU. The nature of the charitable company's operations and activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. Accounting Policies

(a) Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Town Mill Trust Lyme Regis meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

There have been no material departures from Financial Reporting Standard 102.

(b) Preparation of consolidated financial statements

The financial statements contain information about Town Mill Arts Limited as an individual company and do not contain consolidated information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated accounts.

THE TOWN MILL TRUST LYME REGIS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2020

- (c) **Tangible fixed assets** are stated at cost less depreciation to date. Depreciation is calculated to write off the cost over their effective useful lives using the straight line basis and the following annual rates:

Buildings	0.33%
Office equipment	33%
Alterations	10%
Hydro-Electric equipment	4%

- (d) **Stock** is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.
- (e) **Income**
Voluntary income including donations, gifts and legacies is recognised when there is entitlement, certainty of receipt, and when the amount can be measured with sufficient reliability. Income from charitable activities is recognised when earned, and grant income when any associated conditions have been satisfied.
- (f) **Expenditure**
Expenditure is recognised when a liability is incurred. Costs of generating funds are those incurred in attracting voluntary income. Charitable activities include expenditure associated with running the Mill site. Support costs are those costs which, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Support costs include Governance costs which are incurred in the governance of the charity and complying with statutory and constitutional requirements.
- (g) **Fund accounting**
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.
Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- (h) **Debtors**
Trade debtors and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- (i) **Creditors**
Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

THE TOWN MILL TRUST LYME REGIS

**NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

3 Trustees' remuneration and benefits

No trustee received any remuneration or benefit during the year (2019 - £nil).

4 Staff Costs

	2020	2019
	£	£
Wages and Salaries	50,554	46,944
Social security costs	-	-
	<u>50,554</u>	<u>46,944</u>

	2020	2019
Average monthly number of employees	3	3

5 Tangible Fixed Assets

	Mill Buildings freehold £	Malthouse freehold £	Hydro electric equipment £	Alterations £	Office equipment £	Total £
Cost						
At 1 November 2019	518,926	145,000	58,531	6,826	4,008	733,291
Additions/(disposals)	-	-	-	-	624	624
At 31 October 2020	<u>518,926</u>	<u>145,000</u>	<u>58,531</u>	<u>6,826</u>	<u>4,632</u>	<u>733,915</u>
Depreciation						
At 1 November 2019	31,122	5,313	29,262	6,826	4,001	76,524
Charge for the year	1,728	483	2,341	-	215	4,767
At 31 October 2020	<u>32,850</u>	<u>5,796</u>	<u>31,603</u>	<u>6,826</u>	<u>4,216</u>	<u>81,291</u>
Net book value						
At 1 November 2019	487,804	139,687	29,269	-	7	656,767
At 31 October 2020	<u>486,076</u>	<u>139,204</u>	<u>26,928</u>	<u>-</u>	<u>416</u>	<u>652,624</u>

6 Fixed asset investments

Cost		Shares in group undertakings £
at 1 November 2019		<u>1</u>
Net book value		
at 31 October 2020		<u>1</u>

The company's investment at the Balance Sheet date is in 100% of the share capital of Town Mill Arts Lyme Regis Ltd. The capital and reserves of Town Mill Arts Lyme Regis Ltd is £1.

7. Debtors

	2020	2019
	£	£
Trade debtors	5,086	9,901
Other debtors	1,646	2,860
	<u>£ 6,732</u>	<u>£ 12,761</u>

THE TOWN MILL TRUST LYME REGIS

**NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	873	3,210
Grants	-	-
Other creditors	36,636	4,057
PAYE payable	1,327	1,877
VAT payable	2,146	2,110
	<u>£ 40,982</u>	<u>£ 11,254</u>

9. Restricted Funds

	Balance 1.11.19	Incoming Resources	Outgoing Resources	Transfers	Balance 31.10.20
	£	£	£	£	£
Mill Fund	487,804		(1,728)		486,076
Malthouse Fund	139,687		(483)		139,204
Garden Fund	14				14
Leat Restoration Fund	6,622				6,622
Hydro Electric Equipment	29,269		(2,341)		26,928
	<u>663,396</u>	-	<u>(4,552)</u>	-	<u>658,844</u>

The Mill Fund comprises the Mill Buildings, which have restrictions on their use as detailed in note 7 below.

The Garden Fund consists of assets, income and expenditure related specifically to the Miller's garden.

The Malthouse, Town Mill Path and Leat Restoration are funded with grant monies, donations and certain income which may only be used for these projects and the assets are therefore kept separate.

10. Analysis of net assets between funds

	Fixed assets	Net Current assets	Total
	£	£	£
Mill Fund	486,076	-	486,076
Malthouse Fund	139,204	-	139,204
Garden Fund	-	14	14
Leat Restoration Fund	-	6,622	6,622
Hydro Electric Equipment	26,928	-	26,928
	<u>652,208</u>	<u>6,636</u>	<u>658,844</u>
Unrestricted funds	416	88,840	89,256
	<u>652,624</u>	<u>95,476</u>	<u>748,100</u>

11. Contingent liabilities

The mill buildings would revert to West Dorset District Council for no consideration if certain covenants regarding their use are not complied with, or if the Trust attempted to sell them before the year 2075. These buildings are therefore held separately within the Mill fund. Lottery grants received for the restoration of the buildings of £240,000 would become repayable if the buildings were sold or were used for purposes not approved of by the National Lottery.