



**Churchill Forge Trust Limited – Annual Report and Financial
Statements for 2020/21**

Reference and Administrative Information

Charity Name: Churchill Forge Trust Limited
Charity Number: 511381
Company Number: 1554470
Registered Office: Churchill Forge House, Churchill, Kidderminster. DY10 3LX.

Management Committee

Mr A Davison Chairman / Treasurer
Mr D Bache
Mr D Galley
Mrs P Dunn
Ms B Hayward
Mrs P Hayward

Governing Document: Articles of Association

Constitution: Limited Company

Purpose and Achievements of the Charity

The purpose of the charity as defined in our governing document is:

The restoration, preservation and upkeep of the water driven forge known as Churchill Forge (the 'Forge') for the benefit of persons resident in Churchill near Kidderminster and the public at large, such premises being of historical, industrial architectural and constructional interest.

Since its formation in 1981 the trust has succeeded in maintaining the forge and ensuring that it is open to the public through both group visits and regular open days throughout the summer season. Members have also presented on the history of the forge at a variety of events.

Specific achievements since the formation of the trust include:

- Securing the forge buildings, which were in a semi-derelict condition at the time when the trust was formed.
- Maintaining the larger of the two water-wheels in working condition and returning the smaller wheel to working condition (this wheel had been inoperable since the 1940s).
- Creating a display and information area to showcase the history of the site.
- Progressively opening up further display areas throughout the site to show the tools and machinery used at the forge through its various phases of operation.
- Maintaining the mill pool, dam and sluices as essential components in the operation of the forge.
- Opening the site to the public on a regular basis both through organised group visits and general open days. Members of the trust have also delivered presentations on the forge and its history to interested groups.

How our Activities Deliver Public Benefit

The site is a unique example of a forge mill, once typical of the area in which is located, which has been maintained in original condition. As such it is recognised by English Heritage as a heritage asset of national significance.

Having the opportunity to visit the site and understand its workings gives the public the opportunity to understand the origins of industry, how a water powered forge mill and its associated machinery operated and the working and living conditions experienced by past generations.

All activities are carried out with regard to the guidance issued by the Charity Commission on public benefit.

A selection of photographs illustrating the nature of the site can be found at Appendix 2 to this report.

Structure, Governance and Management

The trust is formed as a limited company and registered charity with a management committee of between 6 and 10 director / trustees including 2 representatives of the Bache family, the last working owners of the site. This committee has responsibility for the overall management and operation of the company and the site.

Governance requirements are defined the Articles of Association which were last updated in September 2019 to ensure compliance with statutory requirements. As defined in these articles, trustees are required to meet at least 4 times a year. All meetings are minuted.

All company documentation is held in an electronic document management system including meeting minutes and more detailed information on company policies.

Trustees are appointed based on their specific and experience. In addition to the aforementioned Bache family representatives, the trust also aims to include 2 trustees who represent the local area.

Contribution made by volunteers

As of the 31st March 2021, the trust has 6 trustees and a pool of around 25 volunteers who support maintenance of the site (1 day per week for around 5 volunteers) and opening (6 days per year for around 12 volunteers) plus group visits and presentations as arranged.

The trust does not have any employed staff.

Summary of activities and achievements for the 2020-21 financial year

As with most other such organisations, Churchill Forge Trust's activity for 2020-21 were severely impact by the Covid-19 pandemic. Owing to a combination of the physical layout of the site, which does not lend itself to social distancing, and the age profile of the volunteers, many of whom were required to self-isolate, no open days were held. Similarly, the activities of the group of volunteers who meet regularly to carry out maintenance activities on the site were several constrained. Also, due to the suspension of project funding activity within Heritage Lottery, no further progress has been possible on the site development project. It is anticipated that it will be possible to resume work on this project in 2021.

One very significant improvement was, however, made. With the support of emergency funding from Heritage Lottery and Historic England, work was carried out to stabilise and partially rebuild the overflow spillway from the pool. Although this work is only viewed as temporary and does not, for example, address the requirements around flood management previously highlighted it represents, nevertheless, a major step forward in securing the site water assets and thus of overall future of the forge as a whole.

Principle Risks Faced by the Charity / Uncertainties about the Charity as a Going Concern

The major risks faced by the charity are as follows:

Description of Risk	Comments
The physical deterioration of the site and the need to improve the resilience of the site to anticipated major rainfall/flood events.	This is being addressed through the development project work being carried out with Caroline Taylor Consulting. Work is now being started to prepare a funding bid to enable these issues to be resolved.
The trust is unable to raise the funding required to continue to meet the costs associated with the operation of the site – in particular insurance costs.	<p>The work carried out to date with Caroline Taylor Consulting has led to the creation of a plan for the future development and exploitation of the site. In the next phase of this work these plans will be further refined and funding sought to develop the site to improve the visitor experience and increase the visitor numbers and the revenues.</p> <p>It should be noted that such plan have needed at all times to take account of the physical positioning of the site with very close neighbours and limited access meaning that there is natural limit to the degree of exploitation that can take place.</p>
The trust is unable to attract trustees and volunteers with the skills and experience needed to both manage the trust and maintain the site	This issue will be addressed during the next phase of the development project work with further trustees being sought and work initiated to attract new volunteers.
Risk of injury of volunteers or members of the public while on site	Appropriate insurance is in place. Policies are in place to ensure that appropriate assessments and precautions taken.

Statement of Financial Activities for year ending 31 March 2021

The following statement of financial activities has been independently reviewed by an appropriately qualified individual. The report associated with that review is filed with this document.

CHURCHILL FORGE TRUST LIMITED			
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)			
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2021			
	2021	2020	
Income – Receipts and Bank Interest	£325.64	1455.93	
Income – Grants	£91,726.00	33450.00	
Total Turnover	£92,051.64	34905.93	
Expenditure – Maintenance & Consultancy	£50,632.20	£18,606.33	
Expenditure - Operational expenses	£1,481.43	£1,649.93	
Total Expenditure	£52,113.63	£20,256.26	
(Deficit)/Surplus for the year	£39,938.01	14649.67	
Balance brought forward from the previous year	£29,434.98	14785.31	
Balance carried forward	£69,372.99	29434.98	
BALANCE SHEET AS AT 31st MARCH 2021			
Current Assets			
Cash at Bank	£69,372.99	£29,434.98	
	<u>£69,372.99</u>	<u>£29,434.98</u>	
Reserves			
Income & Expenditure Account	£69,372.99	29434.98	
	<u>£69,372.99</u>	<u>29434.98</u>	
(a)	For the year ended 31 March 2021 the Trust was entitled to exemption under section 249A (1) of the Companies Act 1985		
(b)	No members have required the Trust to obtain an audit of its accounts for the year in question in accordance with section 249B (2)		
(c)	The Members of the Managing Committee acknowledge their responsibility for:		
	(i) ensuring the Trust keeps accounting records which comply with section 221; and		
	(ii) preparing accounts which give a true and fair view of the state of affairs of the Trust as at the end of its financial year, and of its income and expenditure for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Trust.		
(d)	The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small/medium companies.		

Notes on Financial Activities

The trust has no fixed assets other than the cash balance held. The forge buildings themselves, although owned by the trust, as assessed as having a zero value given that, given their status as a scheduled ancient monument, it would not, realistically, be possible to sell them.

The cash balance is made up of a mixture of a general expenditure budget and a number of ring-fenced budgets, the latter being associated with specific project and activities – generally linked to specific grants. These are detailed at Appendix 1 to this document. Of the total £69,372.99 cash at bank as of 31 March 2021, £44,113.16 is money allocated to specific projects and activities and £25,259.83 is for general expenditure.

In the absence of visitor revenue the only sources of non-grant income were from payments from Gift Aid rebates and charitable schemes, primarily Wyre Forest Lottery, totalling £175.64 and £150 received from the sale of a dolls house left to the trust as a bequest.

Outside of this, the trust received 3 Covid-19 support grants from Wyre Forest District Council £19,431. These are not allocated to any specific activities and thus form part of the general expenditure budget.

Routine operational expenditure totalled £1,481.43. This was primarily insurance (£1,203.89) and utilities (£159.29).

In addition to the non-grant income described above, the trust received:

- Grants totalling £52,295 from Historic England and Heritage Lottery fund as funding for the emergency repair work on the pool spillway.¹ As of the 31 March 2021 £43,899.18 of this funding had been spent, all falling within the 2020-21 financial year.²
- A further grant of £20,000 of funding from Norman Dawson trust as start up funding for development project phase 3 (this is in addition to the £24,000 received for this work during the 19-20 financial year). A total of £5,400 was spent against this budget in 2020-21 on legal fees associated with this activity.

The accounting policies applied are as defined in the articles of association and in supporting policy documents held in the trust's document management system.

These accounts are prepared under the cash accounting principle as Income and Expenditure accounts and therefore do not record debtors or creditors. The only material creditor is the £4,182 held as a completion retention for Birch Brothers referred to above.

¹ This represents the total grant income awarded for this work except a final payment of £6,199.00 to be paid at the end of project

² The only outstanding payment due is a retainer of £4182.00 owing to Birch Brothers, the contractor who carried out this work. The project is therefore expected to underspend against the total grants received/due by £10,412.82. Discussion is ongoing with Historic England on how this underspend should be managed.

Declaration

The trustees declare that they have approved the trustees/directors report and financial statement above.

Signed on behalf of the charity's trustees/directors

Signature	
Full Name	Adam Davison
Position	Chairman
Date	

Appendix 1 – Breakdown of Ring-Fenced Budgets

Budget Description	Source of Funding	Total Amount Received as of 31/03/20	Balance 01/04/20	Received during 2020-21 FY	Spend during 2020-21 FY	Balance 31/03/21	Notes
Total Cash in Bank	Not Applicable	Not Applicable	£29,434.98	£92,051.64	£52,113.63	£69,372.99	As reported in the financial statement at page 5 to this document.
General Maintenance Expenses	Norman Dawson Trust	£5000.00	£2,416.29	£0.00	£254.09	£2162.20	The money from this budget is used for materials required for the general maintenance of the site such as drive belting, repair materials and similar.
	Midland Mills Group	£400.00		£0.00			
Tree Clearing	Norman Dawson Trust	£7,000.00	£6,500.00	£0.00	£1,270.00	£5,230.00	

Budget Description	Source of Funding	Total Amount Received as of 31/03/20	Balance 01/04/20	Received during 2020-21 FY	Spend during 2020-21 FY	Balance 31/03/21	Notes
Development Project Phase 3	Norman Dawson Trust	£24,000.00	£13,365.14	£20,000	£5040.00	£28,325.14	Funding received for initial work on Development Project Phase 3. This work has generally been on hold though 2020-21 due to the suspension of Heritage Lottery Funding applications although some, relatively minor, legal and consultancy costs have been paid.
Emergency Spillway Repairs	Heritage Lottery Fund	£0.00	Not applicable	£27,500.00	£27,500	£8,395.82	Final payment of £6,199.00 due from Historic England on completion of project. Payment of retainer of £4182.00 owing to contractor.
	Historic England	£0.00		£24,795.00	£16,399.18		
General Expenditure, Not Ring Fenced	Not applicable	Not Applicable	£7,153.55	£19,756.64	£1,650.36	£25,259.83	Increase from 2019-20 due to receipt of Covid-19 support grants from Wyre Forest District Council.

Appendix 2 – Site Photographs





Pool spillway at start of repair work



Pool spillway once repair work completed.

2020-21

CHURCHILL FORGE TRUST LIMITED : Year ended 31st March 2021

Income - Admission and Donations and Miscellaneous

	Receipts	Interest	Other	Notes
05/21/2020 Payment Amazon Smile			£5.00	
10/02/2020 Paypal giving fund			£10.00	
12/09/2020 Wyre Forest Lottery			£22.00	
01/12/2021 Wyre Forest Lottery			£35.00	
02/02/2021 Wyre Forest Lottery			£8.00	
03/09/2021 Wyre Forest Lottery			£14.00	
03/22/2021 HMRC Gift Aid Claim			£81.64	
03/30/2021 Payment Dolls House Bequest			£150.00	
<u>Sub totals for year</u>	<u>£0.00</u>	<u>£0.00</u>	<u>£325.64</u>	

Total income from admissions and donations

£325.64

Income - Grants

	Receipts	Interest	Other
05/21/2020 WYRE FOREST DC Covid 19 Payment			£10,000.00
06/10/2020 Grant Norman Dawson Trust Development Project Phase 3			£20,000.00
09/21/2020 HLF Emergency Dam Work			£27,500.00
01/11/2021 Grant Historic England Emergency Dam work			£24,795.00
02/24/2021 WYRE FOREST DC Covid 19 Payment			£7,335.00
03/12/2021 WYRE FOREST DC Covid 19 Payment			£2,096.00
<u>Sub totals for year</u>	<u>£0.00</u>	<u>£0.00</u>	<u>£91,726.00</u>

Total income from grants

£91,726.00

Overall Total Income for year

£92,051.64

Outgoings - Operating Expenses

	Insurance	Utilities	Materials	Other	Notes
04/02/2020 Service Charge TSB				£5.00	Refunded 06/04/20
04/06/2020 Refund of TSB Service charge				-£5.00	
04/03/2020 One off fee Box Document Management - Adam Davison				£81.60	
04/03/2020 Fee annual return Companies House - Adam Davison				£13.00	
04/15/2020 Hiscox Insurance	£98.99				
05/03/2020 Service Charge TSB				£5.00	Refunded 05/05/20

2020-21				
05/05/2020 Refund of TSB Service charge				-£5.00
05/15/2020 Hiscox Insurance	£98.99			
06/02/2020 Service Charge TSB				£5.00 Refunded 04/06/20
06/04/2020 Refund of TSB Service charge				-£5.00
06/15/2020 Hiscox Insurance	£98.99			
07/03/2020 Service Charge TSB				£5.00 Refunded 09/07/20
07/09/2020 Refund of TSB Service charge				-£5.00
07/15/2020 Hiscox Insurance	£98.99			
08/02/2020 Service Charge TSB				£5.00 Refunded 05/08/20
08/05/2020 Refund of TSB Service charge				-£5.00
08/13/2020 Cheque A Davison Npower charge 22/11/19 - 30/01/20		£13.72		
08/13/2020 Cheque A Davison TSO charge domain name		£8.34		
08/13/2020 Cheque A Davison Npower Charge 31/01/20 - 14/05/20		£32.60		
08/17/2020 Hiscox Insurance	£101.07			
09/02/2020 Service Charge TSB				£5.00 Refunded 09/09/20
09/09/2020 Refund of TSB Service charge				-£5.00
09/15/2020 Hiscox Insurance	£100.98			
09/03/2020 Service Charge TSB				£5.00
10/15/2020 Hiscox Insurance	£100.98			
10/27/2020 Refund of TSB Service charge				-£5.00
11/02/2020 Service Charge TSB				£5.00
11/04/2020 Refund of TSB Service charge				-£5.00
11/10/2020 A Davison refund expense Npower Bill 15/05/20 - 10/08/20		£27.97		
11/14/2020 Npower Charge 10/08/20 - 13/11/20		£31.19		Account now transfers to E.ON Next
11/16/2020 Hiscox Insurance	£100.98			
12/03/2020 Service Charge TSB				£5.00
12/15/2020 Hiscox Insurance	£100.98			
12/15/2020 Refund of TSB Service charge				-£5.00
01/02/2021 Service Charge TSB				£5.00
01/06/2021 Electricity E.ON Next		£12.94		
01/15/2021 Hiscox Insurance	£100.98			
01/22/2020 Electricity E.ON Next		£13.74		
02/02/2021 Service Charge TSB				£5.00
02/15/2021 Hiscox Insurance	£100.98			
02/15/2020 Companies House confirmation annual fee				£13.00 Refund to A Davison
02/27/2021 Electricity E.ON Next		10.23		
03/05/2021 Service Charge TSB				£0.65
03/15/2021 Hiscox Insurance	£100.98			
03/31/2021 Electricity E.ON Next		£8.56		
Sub totals for year	£1,203.89	£159.29	£0.00	£118.25

2020-21

Total operational expenditure

£1,481.43

Outgoings - Maintenance and Consultancy

Insurance Utilities Materials Other

04/22/2020 David Bache - materials - General Maintenance Budget			£168.93	
06/16/2020 Cheque Higgs & Co Legal Costs - Development Project Phase 3				£4,500.00 Payment of creditor from 20-21
10/08/2020 Higgs and Sons - Land Registry Fee - Development Project Phase 3				£540.00
10/26/2020 Coleford Brick - Materials - Emergency Dam Repairs			£956.70	
11/05/2020 Caroline Taylor Consulting - Emergency Dam Repairs				£1,905.45
11/05/2020 Coleford Brick - Materials - Emergency Dam Repairs			£1,364.70	
11/10/2020 A Davison Refund of expense NECC3 contract Birch Bros				£39.88
11/25/2020 Refund Dave Bache Maintenance expenses			£254.09	
12/14/2020 Birch Brothers - spillway rebuild				£32,400.00
12/17/2020 Chris Pike Associates - spillway rebuild				£1,152.00
12/17/2020 Keith Felton Tree Felling				£1,270.00
02/01/2021 Birch Brothers - spillway rebuild				£5,238.00
02/15/2020 A Davison Mileage Spillway Repairs 128 miles @ 45p/mile				£57.60
02/15/2020 A Bache misc expenses for materials for spillway repairs			£88.55	
02/15/2020 BD Bache mileage spillway repairs 334 miles @ 45p/mile				£150.30
03/10/2021 Caroline Taylor Consulting - Emergency Dam Repairs				£150.00
03/18/2021 Chris Pike Associates - spillway rebuild				£396.00
Sub totals for year	£0.00	£0.00	£2,832.97	£47,799.23

Total maintenance expenditure

£50,632.20

Overall Total expenditure for year

£52,113.63

2020-21

CHURCHILL FORGE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2021

	<u>2021</u>	<u>2020</u>
Income - Receipts and Bank Interest	£325.64	1455.93
Income - Grants	£91,726.00	33450.00
<u>Total Turnover</u>	<u>£92,051.64</u>	<u>34905.93</u>
Expenditure - Maintenance & Consultancy	£50,632.20	£18,606.33
Expenditure - Operational expenses	£1,481.43	£1,649.93
<u>Total Expenditure</u>	<u>£52,113.63</u>	£20,256.26
(Deficit)/Surplus for the year	£39,938.01	14649.67
Balance brought forward from the previous year	<u>£29,434.98</u>	<u>14785.31</u>
<u>Balance carried forward</u>	<u><u>£69,372.99</u></u>	<u><u>29434.98</u></u>

BALANCE SHEET AS AT 31st MARCH 2021

Current Assets		
Cash at Bank	<u>£69,372.99</u>	<u>£29,434.98</u>
	<u>£69,372.99</u>	<u>£29,434.98</u>
Reserves		
Income & Expenditure Account	<u>£69,372.99</u>	<u>29434.98</u>

- (a) For the year ended 31 March 2021 the Trust was entitled to exemption under section 249A (1) of the Companies Act 1985
- (b) No members have required the Trust to obtain an audit of its accounts for the year in question in accordance with section 249B (2)
- (c) The Members of the Managing Committee acknowledge their responsibility for:
- (i) ensuring the Trust keeps accounting records which comply with section 221; and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the Trust as at the end of its financial year, and of its income and expenditure for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Trust.

2020-21

(d) The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small/medium companies.

A DAVISON - Chairman

P HAYWARD - Secretary



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Churchill Forge Trust Ltd

**On accounts for the year
ended**

31 March 2021

**Charity no
(if any)**

511381

Set out on pages

1-11

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended

**Responsibilities and
basis of report**

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

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

**Independent
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:

Date:

30 June 2021

Name:

Peter Bridgewater

**Relevant professional
qualification(s) or body
(if any):**

FCA, Institute of Chartered Accountants in England and Wales

Address:

25, Combrook

Warwick

CV35 9HP

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.