

**REGISTERED COMPANY NUMBER: 02506000 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 900621**

**Report of the Trustees and**  
**Unaudited Financial Statements**  
**for the Year Ended 31 March 2021**  
  
**for**  
**Whitchurch Silk Mill Trust**

**Whitchurch Silk Mill Trust**

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**for the Year Ended 31 March 2021**

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**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**INTRODUCTION**

Whitchurch Silk Mill is a working museum and the only place in Britain where people can see skilled workers using historic machinery to weave fine silks. It tells the intriguing story of how a silk industry was established 200 years ago in a small North Hampshire rural town and survives to this day.

The Silk Mill stands prominently in the centre of Whitchurch, surrounded by the River Test, a world famous chalk stream classed as a Site of Special Scientific Interest (SSSI). Dating from 1815-19, the external appearance of the Grade II\* listed building has hardly changed. It was a throwing mill powered by water and producing silk yarn until hand weaving took over in the mid-19th century. In the 1880s the mill was modernised when a new waterwheel and water-powered machinery were installed. This winding, warping and weaving equipment has survived and is used to preserve and demonstrate the traditional craft of making silk cloth.

The Silk Mill was in continuous commercial use until 1985 when it finally closed, obsolete and unprofitable. As a unique example of the English silk industry, it was rescued from redevelopment and refurbished by Hampshire Buildings Preservation Trust. Whitchurch Silk Mill Trust has operated it as a working museum by with a pepper-corn lease since 1990. As a key tourist destination in North Hampshire attracting visitors from far and wide, the Mill is a significant feature of the town's landscape and social history, and a symbol of local civic pride. It also acts as a community hub providing local people with employment, leisure, weaver training and volunteering opportunities.

**Our Vision**

Whitchurch Silk Mill is a thriving living museum which weaves silk and delights all who visit. We aspire to be a Centre for heritage silk weaving with a national reputation.

**Our Mission**

We are committed to:

- Maintaining the Silk Mill as a working museum in North Hampshire
- Engaging fully with the local and wider communities
- Weaving at the Mill

Heritage silk weaving and preserving traditional silk weaving skills are what we are about. Preserving and maintaining our historic machinery in working order and in its environmental setting is fundamental to achieving this, as are retaining and growing our team of skilled and experienced weavers. Commercial production provides an important income stream for the Trust through private commissions and the Mill shop. It enables our visitors to understand the process involved in weaving silk, and to experience the unique atmosphere of a traditional working silk mill. However it needs to be balanced against our charitable purpose of preserving the machinery which forms part of our heritage assets.

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**OBJECTIVES AND ACTIVITIES**

**Purpose and charitable objects**

Our charitable purpose is twofold:

- 1) To educate the public in the history of the production, design, distribution and sale of silk and other textiles and their connections to Whitchurch
- 2) To secure for the benefit of the public the preservation, restoration, improvement, enhancement and maintenance of the features and objects of historical and industrial interest at the Silk Mill, Whitchurch, Hampshire, and its environs, and also the art of silk making

**Strategic aims**

As stewards of the oldest British working silk mill in its original building, the trustees have taken a long term strategic view. We recognise our responsibility for establishing a sustainable future for Whitchurch Silk Mill and some years ago initiated a £2.2mill project to revitalise the Mill. Preserving the Fabric was supported by the National Lottery Heritage Fund and created much improved visitor facilities as well as programmes for conserving the historic machinery and training new weavers. The overall aim of Preserving the Fabric was to enable the Mill to be financially self-sufficient by 2025.

**Objectives and activities**

We are committed to:

- Providing a quality visitor experience which will delight all visitors
- Maintaining the Silk Mill as a major heritage site in North Hampshire
- Increasing visitor numbers
- Embedding a performance culture at the Mill
- Weaving on the Mill's historic machinery

The Mill is open all year Tuesday to Sunday and Bank Holiday Mondays from 10.30am to 5pm. Visitors can learn about 200 years of silk making in Whitchurch and see skilled workers using the historic textile machinery. The cloth made as a result of the demonstrations is made into scarves and other products for the shop or sold to specialist customers. There is also a café which has become a community hub. The Mill organises a programme of changing exhibitions, holiday activities for families, craft workshops and outdoor events. Our aim is that these activities will generate sufficient income to support our charitable purposes.

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

The financial year began 10 days after the first National Lockdown was imposed, and as it closed the third National Lockdown was in place. In non-pandemic conditions it would have been the second full year of trading since re-opening after the improvement project, during which we would have continued developing and testing new learning and community opportunities to improve the visitor experience generally, broaden the range of audiences to the Mill, and deepen our engagement with the local community. For the whole period the Silk Mill operated outside the normal business planning regime, but with a great deal of resilience and imagination the staff adapted to the prevailing economic conditions and the Trust was able to continue delivering its charitable objectives throughout the period.

Our programme of exhibitions and activities was reorganised to fit in with what could be achieved under lockdown and social distancing requirements. Whilst the Mill was closed planned exhibitions, learning programmes and events were replaced with a range of on-line activities targeted at families with children, primary schools, people interested in textile crafts and existing supporters. In between periods of lockdown we were able to mount emergency exhibitions with items from our archives and with the support of local special interest groups. We also took part in Whitchurch activities organised by local community groups.

**Public programmes**

**Digital engagement**

A significant achievement this year was in the use of social media to support our education programmes. During the first lockdown we created a range of virtual resources launched on Facebook which are now available on the Mill's website, including:

- Ideas for Teachers, Tips for Crafters, Family Fun activities.
- Ripping Yarns: snappy tales exploring the origins of English words originating in the textile industry presented from the Mill by volunteers. In lockdown conditions television broadcasters including sports reporter Mike Bushell and Antiques Road Show expert Lars Tharp, offered their support and presented the yarns from home.
- Bobbin the Elf landed at the Mill in December after the second lockdown and featured in daily social media posts to rekindle interest in visiting the Mill in the run up to Christmas
- Objects in Focus: about objects that are not normally seen by visitors as they are working objects
- Blogs are a new and regular feature of our digital offer for more detailed content. They cover themes specific to the Mill's history, heritage assets and specialisms. Popular topics included:
  - o How the silk yarn used to weave Princess Diana's wedding dress was wound at the Silk Mill, to coincide with a high-profile television drama about the royal family, which was seen by 75,000 on Facebook
  - o International Women's Day: the story of Adelaide Chappell, a Victorian owner and manager of the Silk Mill

**Exhibitions:**

A Single Thread - Silk from the Archives: An in-house exhibition when the Mill reopened in July after the first lockdown, to offset an exhibition postponed until 2022. It showcased silk banners, scarves and other items

- woven on the Mill's looms
- Lockdown Open Art: Arts and crafts created in response to the first lockdown by members of the local community
- Hampshire Artists' Cooperative: a selling exhibition of high quality textiles and artworks

**Family activities**

- Two indoor and outdoor children's trails were adapted to meet Covid-19 secure requirements
- The Silk Mill Fairy Folk was a new outdoor trail consisting of fairy doors which are home to fairy workers linked to the Mill's trades

**Whitchurch events:**

- Friday Country Market: consisting of locally produced and sourced food and crafts stalls. This weekly event took place on the front lawn until the weather became unreliable in early October.

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**OBJECTIVES AND ACTIVITIES**

- Scarecrow Trail - The Mill Weavers' Tea tableau was a popular exhibit on the trail
- Hallowe'en Spooktacular trail
- The Christmas Wishing Tree, on the front lawn and decorated with a lights animation and silk ribbons. It was accessible to all Mill users and visitors, who were invited to attach wishing tags to it for sharing on Facebook in January

The Silk Mill featured on average once a month in local newspapers.

**COMMERCIAL TRADING**

We are an entrepreneurial charity and aim to maximise income from visitors' secondary spend in order to fund our charitable activities. Preserving the Fabric enabled us to create an accessible visitor centre with stunning views of the River Test. This houses a modern shop and a 34-cover café.

This year our commercial activities were severely affected by the pandemic. The Mill, shop and café were open to visitors for a total of five months. The visitor route in and out of different parts of the site had to be reconfigured in order to be awarded the Visit England Covid-19 "Good to Go" accreditation standard. When the Mill was open, footfall was significantly lower than forecast.

<b>Date</b>	<b>Government Restrictions</b>	<b>Silk Mill Operations</b>
1 April - 4 July	National Lockdown 1	Site closed
4 July - 4 November	Open with social distancing requirements	Mill, shop and outdoor café open
5 November - 1 December	National Lockdown 2	Takeaway café open
3 to 25 December	Tier 2 Restrictions	Fully operational
26 December - 6 January	Tier 4 Restrictions	Mill and shop closed Takeaway café open
6 January - 25 February	National Lockdown 3	Site closed
26 February - 31 March	National Lockdown 3	Mill and shop closed Takeaway café open for half-term and weekends

**The Silk Mill shop**

To maximise the increase in general online shopping during the lockdowns, we created an online shop with a local delivery or click and collect service at a time when no income would have been earned. During the year new stock ranges for adults and children were introduced to reflect the growing interest in gardening and wildlife. Total income for the year was 35% of the normal business plan target.

**The Silk Mill café**

As only a section of the café's indoor seating area complies with Covid-19 safe conditions, we created an outdoor café on the Mill's lawns, with marquees to provide shelter from the sun or the rain. This proved a popular solution and there was a consistently strong demand for it as an all-weather venue except in strong winds and driving rain. As the only catering venue by the river for many miles, it was popular with the local community. With good road access it also proved a favourite meeting venue for families and friends from all over Hampshire wanting to meet up in a safe place when restrictions did not allow them to meet at home. Total income for the year was 48% of the target set in the business plan.

During the October half term the café provided free lunches for vulnerable schoolchildren in Whitchurch.

**Heritage weaving**

Weaving silk is one of our charitable objectives. We employ an experienced weaver who leads two training pathways currently funded by the National Lottery Heritage Fund through Preserving the Fabric. The scheme consist of a Heritage Skills programme lasting one year, and an annual five-week work placements for four textile students.

This year the trainee weaver in post at the start of the pandemic completed her course and was appointed permanent weaver. Recruitment of a replacement trainee weaver was deferred to next year with agreement from NLHF. Because of the nature of the weaving operation which requires close working, the student placements were also postponed until all social distancing restrictions are lifted. With NLHF permission we ran remote Heritage Skills Placements in digital engagement instead.

During the first lockdown a collection of digital weaving resources was produced.

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**OBJECTIVES AND ACTIVITIES**

Weaving resumed when the Mill re-opened to the public and later again during the third lockdown, when the newly qualified weaver was able to work unsupervised. A wall hanging for the Welcome Building was completed. The ribbon loom was threaded up with a new warp for a client commission and 100m was woven to high quality and delivered to client.

**Heritage engineering**

The Industrial Heritage Engineering Conservation Project funded by NLHF as part of Preserving the Fabric continued throughout the year, as our contracted freelance conservator works mainly from his home workshop. Much of his time was devoted to the conservation of the warping mill which was installed at the Mill during the 1880s and has been in constant use since. After a detailed assessment it was cleaned and a plan for its repair was drawn up. This involves making new parts to replace those that are worn, including input drive shaft and collars, grub / machine screws.

**Collections**

The on-going documentation work of the Collections Volunteers was suspended for the year as social distancing requirements cannot be met in their usual workspace.

**Architectural heritage**

The 200 year-old Mill building is in good condition, having been refurbished in 2018 as part of Preserving the Fabric. Minor repairs for storm damage and to make good defects from the capital project are on-going.

Just before the Covid-19 lockdown we discovered that one of the two main bearings on the Victorian cast iron waterwheel had disintegrated. It was secured for an anticipated long period of inactivity whilst the funds needed for its repair were raised. This has now been achieved with help from the Arts Council England Recovery Fund and its restoration is the next building conservation priority.

**Natural heritage**

The Silk Mill grounds are cared for by a combined team of contractors and volunteers. Our aim is to offer year round visitor appeal within the constraints of the River Test which is officially designated as a Site of Special Scientific Interest. We work in close in partnership with the local river-keepers and national agencies. The river weed, lawns and hedges were cut by specialists throughout the year. Planting schemes in the grounds are designed to encourage wildlife, especially bees, butterflies and hopefully water voles which are known to be in the vicinity.

In between lockdowns we were able to initiate our project to improve the Mill pond which has suffered years of neglect. Trees on the riverbank which were overhanging the water and casting deep shade on the water were cut down. The pond is being cleared of decades' worth of building waste which encourages the accumulation of detrimental silt.

**Volunteers**

Volunteers donated over 295 days to the Silk Mill in the course of the year. Their activities were curtailed by lockdowns, except for the river maintenance team who provide assistance during weed-cutting periods and adjust the hatches (sluice gates) to the water flow. Many returned to the Mill when it reopened in July and all undertook training to meet the "Good to Go" standard. They continued to help with customer welcome and orientation, grounds maintenance, gardening, the waterwheel and outdoor catering. We also gained a number of new volunteers with social media skills during the first national lockdown, who helped us develop our digital marketing and online learning activities and audience engagement resources.

During the successive lockdowns the volunteers' monthly coffee meetings were held online, as was the annual Christmas party.

**Public benefit**

The trustees have regard for the Charity Commission's guidance on public benefit. They consider that the charity has complied with its duty in section 17 of the Charities Act 2011 by adapting its programme of learning opportunities to the conditions created by the pandemic Government restrictions.

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**ACHIEVEMENT AND PERFORMANCE**

The pandemic meant that our 10 year business plan was put aside and targets were continuously reviewed and reset according to the conditions imposed by the government. We were fortunate to be awarded a number of emergency and recovery grants which meant that we could confidently sustain the operation of the Silk Mill and continue delivering our charitable objectives:

- We opened under Covid-19 secure conditions whenever it was allowed by the emergency legislation  
The Silk Mill was a safe and welcoming meeting venue in between national lockdowns for local people, for families and friends from Hampshire, and for travellers driving to and from the South coast.
- Weaving continued whenever possible  
The entire Mill team became proficient with video-conferencing and regular schedule of staff, committee and board meetings continued to take place as and when required
- Digital communications are now an essential tool in the delivery of our educational programmes and marketing strategy
- The Silk Mill received a Travellers' Choice Award

**Visitors**

The Silk Mill was open to the public for five months of this year, during which it maintained the Visit England "Good to Go" standard. Visitor numbers were seriously affected by travel restrictions and a general reluctance to mix with crowds. Paying visitor numbers were 13% of the target, totalling 2,216. In addition 1,657 visitors had free entry as Friends, holders of Gift Aid annual passes or complimentary tickets (advocacy visits, beneficiaries of community event raffle prizes). Admissions income was 16% of the target for the year. All group bookings were cancelled but many were carried over to next year.

Our TripAdvisor ranking is 29th out of 94 museums in Hampshire, and 95% of reviewers rated the museum as very good or excellent.

**FINANCIAL REVIEW**

**Financial review**

As has been mentioned elsewhere, the effects of lockdown on our trading income have been quite severe, with our trading subsidiary achieving less than half the turnover of our previous year and posting a small profit of £3,898 before any contribution to the Trust compared to a £41,568 profit in the previous 12 months.

However, we have been well supported by the Arts Council, The National Lottery, Basingstoke and Deane Borough Council and various other bodies. Please see Note 3 on donations and legacies for the full list.

With the buildings closed and staff on furlough (some of which was supported by the government's furlough scheme prior to the Arts Council stepping in) our overhead expenses have reduced this year. We have also come towards the end of our expenditure on the Preserving The Fabric project, although some of this has been extended due to the interruptions in the past year, which means that our expenditure on this project has also diminished.

Overall, this has had an effect of increasing our unrestricted reserves by £123,235 this year. Some of these reserves, however, have been earmarked for particular projects. We have already mentioned the waterwheel which is in need of refurbishment, but we have also put aside funds for looking after the Welcome Building, which needs attention to the roof and various access projects that will be vital to keeping the Mill a welcoming and vibrant destination.

**Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which is sufficient to covers six months of support costs. This is estimated to be £200,000.

With the surplus this year our unrestricted funds at the year end amount to £209,081 with restricted funds, mostly related to the capital costs incurred in the Preserving the Fabric project, amounting to a further £367,515.

**FUTURE PLANS**

Priorities for the next year include:

- Return operations to their pre-pandemic level
- Recover as much of the business lost during this financial year as possible so that we can continue to implement the Business Plan 2015-26
- Build up our reserves through fundraising and trading

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Whitchurch Silk Mill is a registered charity governed by a Memorandum and Articles of Association. The Board of Trustees meet quarterly to guide strategy, approve policies, monitor the annual Business Plan and support the staff. The Board delegates some of its responsibilities to an Audit and Risk (A&R) Committee, and a People, Performance and Culture Committee. There is also a weaving panel of professional textile designers on whom the Mill Director can call for advice and specialist knowledge. Trustees are recruited in an open and fair competition to fill specific gaps in skills and experience. New trustees are briefed about their responsibilities by the Chair and receive an induction by the Mill Director. The Board delegates management of the Silk Mill to the Mill Director who manages the wholly owned subsidiary trading company with the support of 8.5 full time equivalent staff.

During the year we continued to fulfil our normal governance responsibilities by holding all Board and committee meetings online. As soon as the first national lockdown was imposed the Board established a Covid-19 Emergency and Continuity Committee (ECC) to support it in its responsibilities during the pandemic and its immediate aftermath. The committee was authorized to make decisions on behalf of the Board for the duration of the Covid-19 emergency, always bearing in mind the Trust's charitable objectives. It called two emergency board meetings to consider options for the future of the Mill, and to review the cash forecast. It met fortnightly until September 2020 and monthly thereafter, as the financial position improved thanks to government emergency and recovery funding.

In November we learnt with great sadness of the sudden death of Dr Geoff Hide, a member of the family which owned the Silk Mill from 1887 to 1955. As a child he used to play in the grounds of the Mill and his experience gained in the 1940s and 1950s enhanced our understanding of its history. He was a loyal supporter of the Mill, becoming Chairman of the Friends and subsequently a Trustee of the Mill. On his retirement from the Board he was appointed a Patron, and he continued to take a lively interest in events and developments at the Mill. He is much missed

**Staff**

Under normal conditions a high proportion of our employees work part-time flexible hours in the shop and café to meet business needs. Full-time staff include the Mill Director who is an experienced museum curator and qualified heritage manager, an Operations Manager, a Group & Volunteer Co-ordinator, and the Weaver Trainee. The educational and events programme is delivered by a part-time Visitor Experience Manager who is also responsible for interpretation and training of volunteers, and a part-time Activity Co-ordinator funded by Preserving the Fabric.

The Mill was closed for a total of seven months during this financial year. When lockdown conditions were in force the management team worked from home and front of house staff were furloughed either under the Job Retention Scheme or under the Mill's own financial plan funded by Arts Council England. From July the Operations and Visitor Experience Managers were both on maternity leave. For financial and practical reasons we decided against recruiting new staff to cover their absence during the pandemic. Their responsibilities were temporarily delegated to existing staff, an arrangement which worked well in the working conditions shaped by Covid emergency regime.

During the year a younger member of staff became a champion for diversity, having carried out an audit and produced an Action Plan.

**Risk Management**

The Trustees have identified the risks to which the charity is exposed and have ensured that appropriate controls are in place to provide reasonable assurance against fraud and error. Their attitude to risk is "cautious but not averse", as they have a duty to consider actions that may cost the Silk Mill or affect its reputation. The Risk Register forms part of the annual business plan. It is monitored quarterly by the Audit and Risk Committee, and annually by the Board. This year the Covid-19 Emergency and Continuity Committee also regularly reviewed the Risk Register.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

02506000 (England and Wales)

**Registered Charity number**

900621

**Registered office**

28 Winchester Street  
Whitchurch  
Hampshire  
RG28 7AL

**Whitchurch Silk Mill Trust (Registered number: 02506000)**

**Report of the Trustees**  
**for the Year Ended 31 March 2021**

**Trustees**

Christine Beresford  
Andy Alferovs  
Caroline Barber  
Sharon Egan  
David George  
Liz Hide  
Sarah Mitchell  
George Oakham  
Annette Poulton  
Phil Turner  
Beverley Vaughan  
Kevin Wheeler

Chair

**Independent Examiner**

Kerry Lawrance FCA  
Chartered Accountants in England and Wales  
Compass Accountants Limited  
Venture House  
The Tanneries  
East Street  
Titchfield  
Hampshire  
PO14 4AR

**Accountants**

Wheeler & Co  
The Shrubbery  
14 Church Street  
Whitchurch  
Hampshire  
RG28 7AB

**Bankers**

National Westminster Bank  
3 London Street  
Basingstoke  
Hampshire  
RG21 7NS

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

Approved by order of the board of trustees on 24 July 2021 and signed on its behalf by:

C D Beresford - Trustee

**Independent Examiner's Report to the Trustees of  
Whitchurch Silk Mill Trust**

**Independent examiner's report to the trustees of Whitchurch Silk Mill Trust ('the Company')**

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

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

Kerry Lawrance FCA  
Chartered Accountants in England and Wales  
Compass Accountants Limited  
Venture House  
The Tanneries  
East Street  
Titchfield  
Hampshire  
PO14 4AR

24 September 2021

**Whitchurch Silk Mill Trust**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	304,482	85,015	389,497	272,780
Other trading activities	4	8,565	-	8,565	7,929
Other income		12,000	-	12,000	12,000
<b>Total</b>		<u>325,047</u>	<u>85,015</u>	<u>410,062</u>	<u>292,709</u>
 <b>EXPENDITURE ON</b>					
Raising funds	5	3,427	5,819	9,246	6,288
<b>Charitable activities</b>					
Preserving The Fabric project costs	6	-	29,012	29,012	67,942
Core charitable activities		39,568	-	39,568	36,812
Other		150,889	49,011	199,900	257,193
<b>Total</b>		<u>193,884</u>	<u>83,842</u>	<u>277,726</u>	<u>368,235</u>
Net gains/(losses) on investments		(9,101)	-	(9,101)	29,568
<b>NET INCOME/(EXPENDITURE)</b>		<u>122,062</u>	<u>1,173</u>	<u>123,235</u>	<u>(45,958)</u>
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		87,020	366,341	453,361	499,319
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>209,082</u></u>	<u><u>367,514</u></u>	<u><u>576,596</u></u>	<u><u>453,361</u></u>

The notes form part of these financial statements

**Whitchurch Silk Mill Trust (Registered number: 02506000)**

**Balance Sheet**  
**31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	7,091	364,273	371,364	413,314
Investments	12	80,500	-	80,500	89,601
		<u>87,591</u>	<u>364,273</u>	<u>451,864</u>	<u>502,915</u>
<b>CURRENT ASSETS</b>					
Stocks	13	4,281	-	4,281	5,924
Debtors	14	71,934	23,561	95,495	49,996
Cash at bank		110,572	63,671	174,243	17,832
		<u>186,787</u>	<u>87,232</u>	<u>274,019</u>	<u>73,752</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(65,297)	(83,990)	(149,287)	(123,306)
		<u>121,490</u>	<u>3,242</u>	<u>124,732</u>	<u>(49,554)</u>
<b>NET CURRENT ASSETS</b>					
		<u>209,081</u>	<u>367,515</u>	<u>576,596</u>	<u>453,361</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>209,081</u>	<u>367,515</u>	<u>576,596</u>	<u>453,361</u>
<b>NET ASSETS</b>		<u>209,081</u>	<u>367,515</u>	<u>576,596</u>	<u>453,361</u>
<b>FUNDS</b>	16				
Unrestricted funds				209,081	87,020
Restricted funds				367,515	366,341
<b>TOTAL FUNDS</b>				<u>576,596</u>	<u>453,361</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

**Whitchurch Silk Mill Trust (Registered number: 02506000)**

**Balance Sheet - continued**

**31 March 2021**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24 July 2021 and were signed on its behalf by:

C D Beresford - Trustee

## Whitchurch Silk Mill Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 1. COMPANY INFORMATION

Whitchurch Silk Mill Trust is a private company limited by guarantee. It is incorporated in England and Wales and its registration number is 02506000. Its registered office is 28 Winchester Street Whitchurch Hampshire RG28 7AL.

#### 2. ACCOUNTING POLICIES

##### **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 2019)', 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Trustees consider that the charity is a going concern.

With the onset of the COVID19 pandemic an Emergency and Continuity committee was formed. This committee reviewed the financial state of the charity and considered the options available to the Trustees.

The Trustees have compiled a rolling twelve month forecast to predict, as far as is possible, future cash flows and reserves and are confident that the charity has the funds to survive for, at least, the next twelve months.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Whitchurch Silk Mill Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has not taken advantage of the option of preparing consolidated financial statements provided by Section 398 of the Companies Act 2006.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on reducing balance, 10% on reducing balance and 2% on cost
Plant and machinery	- 20% on reducing balance, 20% on cost and 15% on reducing balance
Fixtures and fittings	- 33% on cost, 20% on reducing balance and 20% on cost

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2021**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

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

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**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.

Designated funds are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**3. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	44,472	44,539
Gift aid	8,987	47,827
Grants	326,893	137,481
Subscriptions	1,575	1,975
Admissions	7,570	40,958
	<hr/>	<hr/>
	389,497	272,780
	<hr/> <hr/>	<hr/> <hr/>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Hampshire County Council	15,000	15,000
Basingstoke and Deane Borough Council	21,803	21,803
Others	10,827	300
The National Lottery	85,014	85,378
Drapers Chaitable Trust	-	15,000
Basingstoke and Deane Borough Council Covid Support	41,057	-
The Pilgrim Trust	10,000	-
Swire Trust	12,000	-
Arts Council England - Culture Recovery Grant	118,395	-
HMRC - Coronavirus Job Retention Schemes	12,797	-
	<hr/>	<hr/>
	326,893	137,481
	<hr/> <hr/>	<hr/> <hr/>

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**4. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Fundraising events	50	135
Weaving sales	8,270	4,915
Sundry income	245	2,879
	<u>8,565</u>	<u>7,929</u>

**5. RAISING FUNDS**

**Raising donations and legacies**

	2021	2020
	£	£
Costs of fundraising	162	68
	<u>162</u>	<u>68</u>

**Other trading activities**

	2021	2020
	£	£
Purchases	9,084	6,220
	<u>9,084</u>	<u>6,220</u>
Aggregate amounts	<u>9,246</u>	<u>6,288</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Preserving The Fabric project costs	27,649	1,363	29,012
Core charitable activities	39,568	-	39,568
	<u>67,217</u>	<u>1,363</u>	<u>68,580</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Other resources expended	189,192	811	9,897	199,900
Preserving The Fabric project costs	1,363	-	-	1,363
	<u>190,555</u>	<u>811</u>	<u>9,897</u>	<u>201,263</u>

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2021**

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	47,642	47,160
Examiner's fees	500	1,905
	<u>          </u>	<u>          </u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**10. STAFF COSTS**

	2021	2020
	£	£
Wages and salaries	124,702	141,738
Social security costs	7,435	9,343
Other pension costs	3,221	3,535
	<u>          </u>	<u>          </u>
	<u>135,358</u>	<u>154,616</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Management	3	3
Visitor services	4	4
	<u>          </u>	<u>          </u>
	<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**11. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2020	324,400	2,904	155,231	482,535
Additions	-	-	5,692	5,692
Disposals	-	-	(1,168)	(1,168)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	324,400	2,904	159,755	487,059
<b>DEPRECIATION</b>				
At 1 April 2020	22,950	730	45,541	69,221
Charge for year	16,200	576	30,866	47,642
Eliminated on disposal	-	-	(1,168)	(1,168)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	39,150	1,306	75,239	115,695
<b>NET BOOK VALUE</b>				
At 31 March 2021	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**12. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>MARKET VALUE</b>	
At 1 April 2020	89,601
Revaluations	(9,101)
	<hr/>
At 31 March 2021	80,500
<b>NET BOOK VALUE</b>	
At 31 March 2021	<hr/> <hr/>
At 31 March 2020	<hr/> <hr/>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2021 is represented by:

	Unlisted investments £
Valuation in 2021	5,500
Cost	75,000
	<hr/>
	<hr/> <hr/>

The company's investments at the balance sheet date in the share capital of companies include the following:

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**12. FIXED ASSET INVESTMENTS - continued**

**Whitchurch Silk Mill (Trading) Limited (01968546)**

Registered office: 28 Winchester Street, Whitchurch, Hampshire, RG28 7AL

Nature of business: Trading co. in support of charity parent

Class of share: % holding  
Ordinary shares 100

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	80,500	89,601
(Loss)/profit for the year	(9,101)	29,568
	<u>          </u>	<u>          </u>

**13. STOCKS**

	2021	2020
	£	£
Finished goods	4,281	5,924
	<u>          </u>	<u>          </u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Amounts owed by group undertakings	83,328	25,096
Prepayments and accrued income	12,167	24,900
	<u>          </u>	<u>          </u>
	95,495	49,996
	<u>          </u>	<u>          </u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade creditors	12,265	4,619
Amounts owed to group undertakings	133,248	96,722
Accrued expenses	3,774	21,965
	<u>          </u>	<u>          </u>
	149,287	123,306
	<u>          </u>	<u>          </u>

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**16. MOVEMENT IN FUNDS**

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	76,654	132,329	(70,000)	138,983
Designated Loom Restoration	10,366	(10,268)	20,000	20,098
Designated Built Heritage	-	-	20,000	20,000
Designated Access Improvement	-	-	10,000	10,000
Designated Heritage Skills	-	-	20,000	20,000
	<u>87,020</u>	<u>122,061</u>	<u>-</u>	<u>209,081</u>
<b>Restricted funds</b>				
Education Fund	6,137	-	-	6,137
Storage Fund	8,593	(1,500)	-	7,093
Preserving the Fabric - Lottery Bid	351,611	2,674	-	354,285
	<u>366,341</u>	<u>1,174</u>	<u>-</u>	<u>367,515</u>
<b>TOTAL FUNDS</b>	<u>453,361</u>	<u>123,235</u>	<u>-</u>	<u>576,596</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	325,046	(183,616)	(9,101)	132,329
Designated Loom Restoration	1	(10,269)	-	(10,268)
	<u>325,047</u>	<u>(193,885)</u>	<u>(9,101)</u>	<u>122,061</u>
<b>Restricted funds</b>				
Storage Fund	-	(1,500)	-	(1,500)
Preserving the Fabric - Lottery Bid	85,015	(82,341)	-	2,674
	<u>85,015</u>	<u>(83,841)</u>	<u>-</u>	<u>1,174</u>
<b>TOTAL FUNDS</b>	<u>410,062</u>	<u>(277,726)</u>	<u>(9,101)</u>	<u>123,235</u>

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**16. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
<b>Unrestricted funds</b>			
General fund	55,648	21,006	76,654
Designated Loom Restoration	10,366	-	10,366
	<u>66,014</u>	<u>21,006</u>	<u>87,020</u>
<b>Restricted funds</b>			
Education Fund	6,137	-	6,137
Storage Fund	10,093	(1,500)	8,593
Preserving the Fabric - Lottery Bid	417,075	(65,464)	351,611
	<u>433,305</u>	<u>(66,964)</u>	<u>366,341</u>
<b>TOTAL FUNDS</b>	<u>499,319</u>	<u>(45,958)</u>	<u>453,361</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	207,330	(215,892)	29,568	21,006
<b>Restricted funds</b>				
Storage Fund	-	(1,500)	-	(1,500)
Preserving the Fabric - Lottery Bid	85,379	(150,843)	-	(65,464)
	<u>85,379</u>	<u>(152,343)</u>	<u>-</u>	<u>(66,964)</u>
<b>TOTAL FUNDS</b>	<u>292,709</u>	<u>(368,235)</u>	<u>29,568</u>	<u>(45,958)</u>

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**16. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	55,648	153,335	(70,000)	138,983
Designated Loom Restoration	10,366	(10,268)	20,000	20,098
Designated Built Heritage	-	-	20,000	20,000
Designated Access Improvement	-	-	10,000	10,000
Designated Heritage Skills	-	-	20,000	20,000
	<u>66,014</u>	<u>143,067</u>	-	209,081
<b>Restricted funds</b>				
Education Fund	6,137	-	-	6,137
Storage Fund	10,093	(3,000)	-	7,093
Preserving the Fabric - Lottery Bid	417,075	(62,790)	-	354,285
	<u>433,305</u>	<u>(65,790)</u>	-	367,515
<b>TOTAL FUNDS</b>	<u>499,319</u>	<u>77,277</u>	-	<u>576,596</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	532,376	(399,508)	20,467	153,335
Designated Loom Restoration	1	(10,269)	-	(10,268)
	<u>532,377</u>	<u>(409,777)</u>	20,467	143,067
<b>Restricted funds</b>				
Storage Fund	-	(3,000)	-	(3,000)
Preserving the Fabric - Lottery Bid	170,394	(233,184)	-	(62,790)
	<u>170,394</u>	<u>(236,184)</u>	-	(65,790)
<b>TOTAL FUNDS</b>	<u>702,771</u>	<u>(645,961)</u>	20,467	<u>77,277</u>

**Transfers between funds**

The Trustees have investigated the historical analysis of the various funds in the accounts and have discovered two errors of fact. The Loom Restoration fund has been described as a restricted fund when it was originally a fund designated out of general reserves. This has been corrected in these accounts. Similarly, the investigation revealed the Endowment fund actually consists of the original capital introduced by the Hampshire Buildings Preservation Trust to enable the Silk Mill Trust to operate. This was not intended to be held as an endowment fund and has now been transferred to general reserves.

**Whitchurch Silk Mill Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2021**

**17. RELATED PARTY DISCLOSURES**

The trust employs the services of Wheeler & Co Ltd for bookkeeping and accountancy services. Mr K Wheeler is a director of said company and also a trustee. The amount paid in relation to these services was £5,400 (2020 - £5,400).