

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 2022
for
Whitchurch Silk Mill Trust

Whitchurch Silk Mill Trust

Contents of the Financial Statements
for the Year Ended 31 March 2022

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Notes to the Financial Statements	12 to 21
Detailed Statement of Financial Activities	22 to 23

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

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 the silk industry was established over 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, in a picturesque setting on 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 changed little. 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 with a pepper-corn lease since 1990. As a key tourist destination in North Hampshire attracting visitors from far and wide, the building 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 our core functions. 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.

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.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2022

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. The riverside café is also a community hub. The Mill organises 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.

Significant activities

At the start of the financial year National Lockdown conditions were still in place and the only trading activity we could operate was a takeaway café. On 12 April 2021 the shop opened, and on 19 July normal business restarted at last after 16 months of pandemic disruption. Grants from the Arts Council England (ACE) Recovery Fund and the reduced rates of VAT which were in force until the end of the financial year enabled us to maintain our reserves.

This year our programme of visitor engagement resumed in full. We offered a mix of temporary exhibitions, learning activities targeted at families with children, primary schools, people interested in textile crafts and existing supporters.

Public programmes

Digital engagement

In the course of the year we created the new role of Visitor Experience Assistant to develop and deliver our digital engagement, communications and marketing. As a result our social media following has grown significantly. We continued to offer and develop the online programmes initiated during the first national lockdown, including:

- *Objects in Focus* - a series on working objects that are not normally seen by visitors is undergoing broader dissemination
- *What's in the bag?* - a monthly blog covering themes specific to the Mill's history, heritage assets and specialisms.
- *Podcasts* - a series of six 40-minute episodes on silk weaving aimed at students and special interest groups. Recently launched and picked up by universities
- *Videos* on the waterwheel, the weaver's toolbox and student internships

Exhibitions

Temporary exhibitions lasting from one to three months add value to the experience of visiting the Mill and attract specialist audiences. Some exhibitions involve the local community, offering special interest groups the opportunity to showcase their work.

- *Silk Unwrapped*: silks from the Mill's archives
- *Colour, Light and Play*: a summer holiday exhibition aimed at families with children
- *Threads in Sheds*: works incorporating silk created especially for the exhibition by the British Tapestry Group
- *Made in the Hood* – a Christmas selling exhibition of quality crafts by local makers
- *Basingstoke Creative Stitchers* – works by a local group of embroiderers
- *Works in Silk*: silk ribbon installations by Robert Ely

Family activities

- Two indoor and outdoor children's trails were adapted to meet Covid-19 secure requirements
- *The Silk Mill Fairy Folk* – a children's outdoor trail linked to the Mill's trades

Events:

- *Food Festival* – an open air celebration of local producers and world cuisine
- *Halloween Ghost Hunt and Children's event*
- *Christmas Market* – 40 stalls over two days, with carol singing and children's activities
- *The Weavers' Arms* – pop up pub and pub quiz
- *Winter Lights Festival* – an ambitious project and the Silk Mill's major event of the year spread over 10 days. Opening hours were extended to 9pm. The programme included a celebration of Chinese New Year with a Lion Dance, Well Being workshops and a photography project for local pupils.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2022

Educational activities

- *Pins and Needles* – monthly crafting sessions
- *Make and Take* – children’s holiday workshops
- *Dragon’s Den* – Testbourne Community School
- *Winter Lights photography project* - Testbourne Community School
- *Winchester School of Art Student project* – undergraduates running workshops for 25 Testbourne Community School students
- *Oakley School* – water-based activities in partnership with HIOW Wildlife Trust
- *Student placements and internships* – see below

Internships

This year we hosted two students from Southampton University who created videos for our digital engagement programme. We also hosted an Events Management student from Winchester University who worked on a Christmas events programme.

COMMERCIAL TRADING

We are an entrepreneurial charity and aim to maximise income from visitors' secondary spend in order to fund our charitable activities. The new Welcome Building houses a modern shop and a 34-cover café. A combination of Covid-19 restrictions and people’s reluctance to travel affected our business for most of the year. As a result paid admissions were 40% down on 2019-20, which was the last full year of trading.

The Silk Mill shop

The growth in sales of products made from silk woven on the Mill’s looms continued and represents over 30% of shop sales. The shop is becoming a destination in its own right and the number of return customers is growing.

The Silk Mill café

As the only catering venue by the river for many miles, the café’s success continued to grow, especially with the local community. A friendly and welcoming team of hosts, the provision of good outdoor seating and a picturesque setting make it a favourite meeting venue for families and friends from all over Hampshire. Menus now focus on locally produced ingredients. Total income for the year exceeded our expectations and was 30% greater than in the last full year of trading.

The café continued to hold a 5 Star Food Hygiene certificate and was shortlisted in the Museums and Heritage Awards for the Best Café or Restaurant of the Year Award.

Visitors

Even after the relaxation of Covid-19 restrictions the number of visitors to the Silk Mill continued to be affected by a general reluctance to mix with crowds. Confidence began to grow again after the New Year. By the end of March 2022 admissions were on the increase but not enough to compensate for business lost during three national lockdowns. Nevertheless, we ended the year feeling more optimistic as groups started to book visits again.

VisitEngland carried out an assessment of the Mill’s offer and found that standards had been maintained and even improved since the previous visit, awarding the visitor experience a score of 89%.

HERITAGE

Heritage weaving

Weaving silk is one of our charitable objectives. We continued to employ an experienced weaver who leads two training pathways which are in the last year of funding from the National Lottery Heritage Fund. The scheme consists of a weaver training programme lasting one year, and six-week Heritage Skills placements for undergraduates. This year we were able to resume the Heritage Skills training programme which had been postponed for a year due to Covid-19. We recruited a trainee weaver who started her one year Heritage Skills training programme in September. The summer six week work placement scheme was taken up by three textile students from Norwich University, Nottingham University and Winchester School of Art. In the course of their stay at the Mill they threaded up a tappet loom with a navy spun silk warp for scarves.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2022

As the condition of the machinery improves and weavers are trained, the Mill's output increases. This year approximately 500m of fabric was woven, 120m of which was for external customers. The remainder was for scarves which are sold in the Mill's shop. The Weaving Panel, which includes two professional designers, produced a scarf design to provide warping and threading up experience for the Weaver-Tackler.

Heritage engineering

Conservation to the warping mill was completed. The Silk Mill's contracted industrial heritage conservator also adjusted the motors on three 1890s Smiths tappet looms which had been incorrectly mounted. He also cleaned and repaired the 150 year-old Lieuvains Needle Oilers on the drive train on the winding and warping machinery.

Collections

The Silk Mill was bequeathed approximately 130 objects from the Hide family who previously owned the Silk Mill, including yarn dye baths and a safe originally used at the Mill, historic newspaper cuttings and a collection of books on the silk weaving industry.

Architectural heritage

The main conservation project of the year was the repair of the late 19th century working waterwheel. The job is likely to take about a year at the rate of one day a week. A cradle was created to lift and support the wheel during repairs to the axle and a worn bearing. This was also an opportunity to deep clean the wheelhouse and repair the governor. A Crowdfunding campaign raised £6000 to replace the wheel's wooden backboards, starts and floats.

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.

The gardening and grounds volunteers continued to attend to care for the flower borders and shrubs. They developed ideas to maximise the use of the outside area. A local garden designer donated her time to create a grass maze on the back lawn during the summer. She also helped plant a willow living sculpture on the river bank to add interest for visitors. As part of the Queen's Green Canopy project celebrating the Platinum Jubilee the Silk Mill was allocated one of the native trees distributed by the Woodland Trust.

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.

ACHIEVEMENT AND PERFORMANCE

The pandemic has meant that our 10 year business plan was put aside and targets were continuously reset and reviewed according to the conditions imposed by the government. The emergency and recovery grants we received helped us sustain the operation of the Silk Mill, and we have continued to deliver our charitable objectives throughout the last year:

- We opened under Covid-19 secure conditions whenever it was allowed by the emergency legislation and offered a safe and welcoming environment for local people, for families and friends from Hampshire, and for travellers driving to and from the South coast.
- Weaving continued
- Digital communications are now an essential tool in the delivery of our educational programmes and marketing strategy
- Our future is no longer hanging by a thread
- Groups are making bookings to visit again
- Student placements have resumed and are increasingly competitive

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2022

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 and continue to implement the Business Plan 2015-26
- Build up our reserves through fundraising and trading

STRUCTURE, GOVERNANCE AND MANAGEMENT

Whitchurch Silk Mill is a registered charity governed by a Memorandum and Articles of Association. The 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 (PP&C) 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

Our Board meetings were held online until November when we met in person for the first time in 18 months. We have decided that Committee meetings will continue to be held online to make it easier for Trustees who are back in the office and often have long journeys to and from work. The Emergency and Continuity Committee (ECC) which was set up at the start of the pandemic was wound up when lockdown restrictions were lifted.

Our Governance Principles state that the maximum term of office for Trustees is nine years. In the course of the year two Trustees stood down under that ruling. We appointed one new Trustee after an open recruitment process. Work is in progress to recruit fairly and openly a successor for the current Chair whose term of office ends in late 2022.

Staff

The Silk Mill has 17 employees (8 FTE). In recent years the average age has fallen from 47 to 35 years and under 25 year-olds are now the largest group. 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, a Group & Volunteer Co-ordinator, the Weaver-Tackler and the Weaver Trainee, and the Visitor Experience Assistant. Commercial activities and public engagement programmes are managed on a part time basis by the Operations Manager and Visitor Experience Manager respectively.

Volunteers

The Silk Mill Volunteers has 54 who donated 341 days in the course of the year. They gradually resumed their activities when the Mill re-opened in early summer. Volunteers are an invaluable source of assistance and help with events, river maintenance, visitor welcome and orientation, grounds maintenance, gardening, the waterwheel and group catering. Some of younger volunteers work remotely and help with social media. Volunteers generally work in teams according to their role and undergo training as and when appropriate. The Mill staff hold two parties to thank them, one in the summer and one at Christmas.

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.

FINANCIAL REVIEW

Financial review

With a full year of events there has been a surplus on unrestricted fund activities, particularly from the trading surplus generated by the commercial activities of Whitchurch Silk Mill (Trading) Ltd. This has reversed the decline in the unrestricted funds and has resulted in our unrestricted funds increasing to £176,207.

To date (including previous years), we have spent over £1,540,000 on the Preserving the Fabric project and this has been funded from the Heritage Lottery Fund, other trusts and foundations, The Friends of Whitchurch Silk Mill and individual donations. A portion of the expenditure on the improvement of buildings and has been capitalised under restricted funds. The amortisation of these capital costs has resulted in a diminution of our restricted funds from £367,515 to £363,137.

Whitchurch Silk Mill Trust

Report of the Trustees
for the Year Ended 31 March 2022

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 £150,000.

The borough council have indicated their continuing support to the Trust, this, together with other grants provides sufficient funds to support the Mill for the forthcoming year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02506000 (England and Wales)

Registered Charity number
900621

Registered office
28 Winchester Street
Whitchurch
Hampshire
RG28 7AL

Trustees

Christine Beresford
Andy Alferovs
Caroline Barber
Marion Brinton
Samuel Carr
Sharon Egan
Liz Hide
Andrew Mason
Sarah Mitchell
George Oakham
Annette Poulton
Philip Turner
Beverley Vaughan
Kevin Wheeler

Chair

Appointed 24 July 2021
Appointed 24 July 2021

Appointed 7 September 2021

Resigned 11 October 2021

Resigned 6 September 2021
Resigned 15 May 2021

Independent Examiner

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

Whitchurch Silk Mill Trust

Report of the Trustees
for the Year Ended 31 March 2022

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 ...16 JULY 2022... 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 2022.

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.

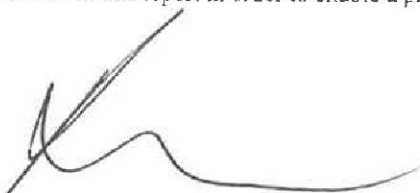
Independent examiner's statement

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

Date: 16th JULY 2022

Whitchurch Silk Mill Trust

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	189,452	75,338	264,790	389,497
Other trading activities	4	25,600	-	25,600	8,565
Other income		<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>12,000</u>
Total		245,052	75,338	320,390	410,062
EXPENDITURE ON					
Raising funds	5	4,040	1,883	5,923	9,247
Charitable activities					
Preserving The Fabric project costs	6	-	61,054	61,054	29,012
Core charitable activities		48,235	-	48,235	39,568
Other		<u>210,486</u>	<u>48,562</u>	<u>259,048</u>	<u>199,899</u>
Total		262,761	111,499	374,260	277,726
Net gains/(losses) on investments		<u>16,618</u>	<u>-</u>	<u>16,618</u>	<u>(9,101)</u>
NET INCOME/(EXPENDITURE)		(1,091)	(36,161)	(37,252)	123,235
Transfers between funds	16	<u>(31,783)</u>	<u>31,783</u>	<u>-</u>	<u>-</u>
Net movement in funds		(32,874)	(4,378)	(37,252)	123,235
RECONCILIATION OF FUNDS					
Total funds brought forward		209,081	367,515	576,596	453,361
TOTAL FUNDS CARRIED FORWARD		<u>176,207</u>	<u>363,137</u>	<u>539,344</u>	<u>576,596</u>

The notes form part of these financial statements

Whitchurch Silk Mill Trust

Balance Sheet
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	4,593	346,207	350,800	371,364
Investments	12	<u>97,118</u>	<u>-</u>	<u>97,118</u>	<u>80,500</u>
		101,711	346,207	447,918	451,864
CURRENT ASSETS					
Stocks	13	20,607	-	20,607	4,281
Debtors	14	3,741	5,200	8,941	95,495
Cash at bank		<u>141,929</u>	<u>11,730</u>	<u>153,659</u>	<u>174,243</u>
		166,277	16,930	183,207	274,019
CREDITORS					
Amounts falling due within one year	15	(91,781)	-	(91,781)	(149,287)
		<u>74,496</u>	<u>16,930</u>	<u>91,426</u>	<u>124,732</u>
NET CURRENT ASSETS					
		<u>176,207</u>	<u>363,137</u>	<u>539,344</u>	<u>576,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>176,207</u>	<u>363,137</u>	<u>539,344</u>	<u>576,596</u>
NET ASSETS					
		<u>176,207</u>	<u>363,137</u>	<u>539,344</u>	<u>576,596</u>
FUNDS					
	16			176,207	209,081
Unrestricted funds				<u>363,137</u>	<u>367,515</u>
Restricted funds					
TOTAL FUNDS					
				<u>539,344</u>	<u>576,596</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

The notes form part of these financial statements

Whitchurch Silk Mill Trust

Balance Sheet - continued
31 March 2022

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 ~~16 June 2022~~ 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 2022

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 2022

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

	2022	2021
	£	£
Donations	9,913	44,472
Gift aid	40,777	8,987
Grants	186,299	326,893
Subscriptions	1,954	1,575
Admissions	<u>25,847</u>	<u>7,570</u>
	<u>264,790</u>	<u>389,497</u>

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

	2022	2021
	£	£
Hampshire County Council	-	15,000
Basingstoke and Deane Borough Council	21,804	21,803
Others	-	10,827
The National Lottery	75,340	85,014
Basingstoke and Deane Borough Council Covid Support	16,000	41,057
The Pilgrim Trust	10,000	10,000
Swire Trust	-	12,000
Arts Council England - Culture Recovery Grant	63,155	118,395
HMRC - Coronavirus Job Retention Schemes	<u>-</u>	<u>12,797</u>
	<u>186,299</u>	<u>326,893</u>

Whitechurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	4,890	50
Weaving sales	17,694	8,270
Sundry income	<u>3,016</u>	<u>245</u>
	<u>25,600</u>	<u>8,565</u>

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Costs of fundraising	<u>334</u>	<u>162</u>

Other trading activities

	2022	2021
	£	£
Purchases	<u>5,589</u>	<u>9,085</u>
Aggregate amounts	<u>5,923</u>	<u>9,247</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Preserving The Fabric project costs	21,295	39,759	61,054
Core charitable activities	<u>48,235</u>	<u>-</u>	<u>48,235</u>
	<u>69,530</u>	<u>39,759</u>	<u>109,289</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Other resources expended	243,271	1,906	13,871	259,048
Preserving The Fabric project costs	<u>39,759</u>	<u>-</u>	<u>-</u>	<u>39,759</u>
	<u>283,030</u>	<u>1,906</u>	<u>13,871</u>	<u>298,807</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

8. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	49,560	47,642
Examiner's fees	<u>2,400</u>	<u>500</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	166,526	124,702
Social security costs	9,151	7,435
Other pension costs	<u>4,009</u>	<u>3,221</u>
	<u>179,686</u>	<u>135,358</u>

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

	2022	2021
Management	3	3
Visitor services	<u>5</u>	<u>4</u>
	<u>8</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 2022

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2021	324,400	2,904	159,755	487,059
Additions	<u>28,996</u>	<u>-</u>	<u>-</u>	<u>28,996</u>
At 31 March 2022	<u>353,396</u>	<u>2,904</u>	<u>159,755</u>	<u>516,055</u>
DEPRECIATION				
At 1 April 2021	39,150	1,306	75,239	115,695
Charge for year	<u>16,486</u>	<u>576</u>	<u>32,498</u>	<u>49,560</u>
At 31 March 2022	<u>55,636</u>	<u>1,882</u>	<u>107,737</u>	<u>165,255</u>
NET BOOK VALUE				
At 31 March 2022	<u>297,760</u>	<u>1,022</u>	<u>52,018</u>	<u>350,800</u>
At 31 March 2021	<u>285,250</u>	<u>1,598</u>	<u>84,516</u>	<u>371,364</u>

12. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2021	80,500
Additions	<u>16,618</u>
At 31 March 2022	<u>97,118</u>
NET BOOK VALUE	
At 31 March 2022	<u>97,118</u>
At 31 March 2021	<u>80,500</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2022 is represented by:

	Unlisted investments £
Valuation in 2022	22,118
Cost	<u>75,000</u>
	<u>97,118</u>

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 2022

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	31.3.21
	£	£
Aggregate capital and reserves	97,118	80,500
Profit/(loss) for the year	<u>16,618</u>	<u>(9,101)</u>

13. STOCKS

	2022	2021
	£	£
Finished goods	<u>20,607</u>	<u>4,281</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts owed by group undertakings	-	83,328
Prepayments and accrued income	<u>8,941</u>	<u>12,167</u>
	<u>8,941</u>	<u>95,495</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	7,428	12,265
Amounts owed to group undertakings	77,688	133,248
Accrued expenses	<u>6,665</u>	<u>3,774</u>
	<u>91,781</u>	<u>149,287</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	138,983	(1,091)	(38,583)	99,309
Designated Loom Restoration	20,098	-	-	20,098
Designated Built Heritage	20,000	-	-	20,000
Designated Access Improvement	10,000	-	-	10,000
Designated Heritage Skills	20,000	-	1,025	21,025
Designated Water Wheel	-	-	5,775	5,775
	<u>209,081</u>	<u>(1,091)</u>	<u>(31,783)</u>	<u>176,207</u>
Restricted funds				
Education Fund	6,137	-	-	6,137
Storage Fund	7,093	(1,500)	-	5,593
Preserving the Fabric - Lottery Bid	<u>354,285</u>	<u>(34,661)</u>	<u>31,783</u>	<u>351,407</u>
	<u>367,515</u>	<u>(36,161)</u>	<u>31,783</u>	<u>363,137</u>
TOTAL FUNDS	<u>576,596</u>	<u>(37,252)</u>	<u>-</u>	<u>539,344</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	245,052	(262,761)	16,618	(1,091)
Restricted funds				
Storage Fund	-	(1,500)	-	(1,500)
Preserving the Fabric - Lottery Bid	<u>75,338</u>	<u>(109,999)</u>	<u>-</u>	<u>(34,661)</u>
	<u>75,338</u>	<u>(111,499)</u>	<u>-</u>	<u>(36,161)</u>
TOTAL FUNDS	<u>320,390</u>	<u>(374,260)</u>	<u>16,618</u>	<u>(37,252)</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
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>	-	209,081
Restricted funds				
Education Fund	6,137	-	-	6,137
Storage Fund	8,593	(1,500)	-	7,093
Preserving the Fabric - Lottery Bid	<u>351,611</u>	<u>2,674</u>	-	<u>354,285</u>
	<u>366,341</u>	<u>1,174</u>	-	<u>367,515</u>
TOTAL FUNDS	<u><u>453,361</u></u>	<u><u>123,235</u></u>	-	<u><u>576,596</u></u>

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

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

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. **MOVEMENT IN FUNDS - continued**

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

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	76,654	131,238	(108,583)	99,309
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	-	-	21,025	21,025
Designated Water Wheel	-	-	5,775	5,775
	<u>87,020</u>	<u>120,970</u>	<u>(31,783)</u>	<u>176,207</u>
Restricted funds				
Education Fund	6,137	-	-	6,137
Storage Fund	8,593	(3,000)	-	5,593
Preserving the Fabric - Lottery Bid	<u>351,611</u>	<u>(31,987)</u>	<u>31,783</u>	<u>351,407</u>
	<u>366,341</u>	<u>(34,987)</u>	<u>31,783</u>	<u>363,137</u>
TOTAL FUNDS	<u>453,361</u>	<u>85,983</u>	<u>-</u>	<u>539,344</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 £
Unrestricted funds				
General fund	570,098	(446,377)	7,517	131,238
Designated Loom Restoration	<u>1</u>	<u>(10,269)</u>	<u>-</u>	<u>(10,268)</u>
	570,099	(456,646)	7,517	120,970
Restricted funds				
Storage Fund	-	(3,000)	-	(3,000)
Preserving the Fabric - Lottery Bid	<u>160,353</u>	<u>(192,340)</u>	<u>-</u>	<u>(31,987)</u>
	<u>160,353</u>	<u>(195,340)</u>	<u>-</u>	<u>(34,987)</u>
TOTAL FUNDS	<u>730,452</u>	<u>(651,986)</u>	<u>7,517</u>	<u>85,983</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

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 £7,800 (2021 - £5,400).

Whitchurch Silk Mill Trust

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	2022	2021
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	9,913	44,472
Gift aid	40,777	8,987
Grants	186,299	326,893
Subscriptions	1,954	1,575
Admissions	<u>25,847</u>	<u>7,570</u>
	264,790	389,497
Other trading activities		
Fundraising events	4,890	50
Weaving sales	17,694	8,270
Sundry income	<u>3,016</u>	<u>245</u>
	25,600	8,565
Other income		
Management charge	<u>30,000</u>	<u>12,000</u>
Total incoming resources	320,390	410,062
EXPENDITURE		
Raising donations and legacies		
Costs of fundraising	334	162
Other trading activities		
Purchases	2,192	1,928
Education resources	<u>3,397</u>	<u>7,157</u>
	5,589	9,085
Charitable activities		
Wages	57,475	38,983
HLF costs and consultancy	6,093	1,970
Weaving purchases	5,962	14,484
Education resources	<u>-</u>	<u>11,780</u>
	69,530	67,217
Support costs		
Management		
Wages	109,051	85,719
Social security	9,151	7,435
Pensions	4,009	3,221
Rates and water	1,026	(558)
Insurance	9,125	9,269
Carried forward	132,362	105,086

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Whitchurch Silk Mill Trust
Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	2022	2021
	£	£
Management		
Brought forward	132,362	105,086
Light and heat	21,871	9,478
Telephone	1,419	1,588
Postage and stationery	4,572	3,336
Marketing costs	31,823	3,349
Equipment hire and maintenance	6,879	1,696
Repairs and renewals	27,139	15,978
Security	1,671	786
Travelling	2,839	121
Subscriptions	1,006	812
Training	1,889	681
Depreciation of tangible and heritage assets	<u>49,560</u>	<u>47,643</u>
	283,030	190,554
Finance		
Bank charges	1,906	811
Governance costs		
Accountancy fees	7,800	5,400
Legal and professional fees	3,671	3,997
Examiner's fees	<u>2,400</u>	<u>500</u>
	<u>13,871</u>	<u>9,897</u>
Total resources expended	<u>374,260</u>	<u>277,726</u>
Net (expenditure)/income	<u>(53,870)</u>	<u>132,336</u>

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