

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 2023
for
Whitchurch Silk Mill Trust

Whitchurch Silk Mill Trust

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for the Year Ended 31 March 2023

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Whitchurch Silk Mill Trust

Report of the Trustees **for the Year Ended 31 March 2023**

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 2023. 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 a 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, 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 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 perpetuate 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.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2023

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. The pandemic in 2020/21 and the cost-of-living crisis in 2022/23 have knocked this plan significantly off track and financial performance this year makes achievement of the goal highly unlikely. Trustees will develop a new five-year Business plan by way of forward planning. (See Future Plans below.)

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 a programme of changing exhibitions, holiday activities for families, craft workshops as well as a programme of indoor 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, the Russian invasion of Ukraine had just started, with the expectation it would be a short war. This did not prove to be the case with fierce and determined resistance on the part of Ukraine. The war aggravated supply chains which exacerbated inflation and caused a significant impact in the cost of living across the UK. The net result was a significant reduction in visitor numbers against Budget, as people stayed away from paid attractions and leisure activities, including eating and drinking away from home. This together with significant increases in the Mill's own costs (energy costs increased to almost three times the Budget) made for a very disappointing performance during the summer - normally peak time for income.

The Trustees are deeply concerned about the impact of the subsequent cost of living crisis and the rapidly increasing rate of inflation which is causing severe problems for the Mill. We set out below some of the main impacts:

The Mill faced rapidly increasing costs across its operations. Energy costs caused significant problems for us as we sought to maintain appropriate conditions for employees, audiences and for the care of the Mill and weaving. The Mill is an energy-hungry heritage building with energy hungry machinery. Other costs have also risen, including wage bills and café ingredients.

The cost-of-living crisis has had a sector wide impact on the demand for visiting heritage attractions. The public is less willing to spend on paid-for museum experiences. ALVA's latest Public Sentiment research shows that the cost of living has now overtaken Covid as the principal reason to not visit an attraction. These stresses arrived at a time when the Mill was still in the process of rebuilding after the pandemic. It has left us in a weak position to deal with this continuing economic shock.

The entire Mill team, including paid staff, volunteer supporters and Trustees galvanised to organise a series of events that were generally low-cost ticket prices, with a marketing approach specifically targeted to attract 'new' people to the Mill. The net result was a significant uplift in fundraising that helped narrow the gap.

Whitchurch Silk Mill Trust

Report of the Trustees **for the Year Ended 31 March 2023**

Public programmes included

Digital engagement

Podcast series, to include the early migration of making thread to weaving at the Mill; the process of silk weaving; how we are preserving traditional silk weaving skills alive at the Mill and our design process,
Blogs; including different activities at the Mill, Platinum Jubilee celebration and the impact of the 1833 Factories Act on silk mills,
Developed Tik Tok videos on weaving and looms; achieved 17.6k followers,
Leveraged Instagram with stories and photos about life at the Mill. 3070 followers,
Facebook and Twitter remained a regular communication channel.

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.

- Basingstoke Creative Stitchers- works by a local group of embroiderers
- Stripes: an exhibition using the Mill's own archive with loans from other organisations
- Dancing in the Womb: an exhibition of work by Rezia Wahid
- Works in Silk: by Robert Ely

Family activities

- A range of family activities during school holidays including a River Day; a Wild and Wonderful Day in partnership with local wildlife charities
- Jubilee Fair (over 1200 people attended)
- Family Nature Weaving workshops

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 and a lantern procession through the town
- Wine tasting
- Bingo
- Sports Quiz
- A series of talks and presentations that included explorers, fossils as well as weaving related topics.

Educational activities

- Pins and Needles - monthly crafting sessions
- Development and delivery of new Weaving workshops, including Weave a Wall Hanging
- Make and Take - children's holiday workshops
- Water Safety Training sessions, delivered by Hampshire and IoW Wildlife Trust
- School visits and home-schooled children undertaking river studies or art based activities
- Heritage Skills Student placements - three students, each for six weeks

COMMERCIAL TRADING

We are an entrepreneurial charity and aim to maximise income from visitors' secondary spend in order to fund our charitable activities. The Welcome Building houses a modern shop and a 34-cover café.

The Silk Mill shop

Sales of Whitchurch silk products continued, although the cost-of-living crisis prompted a reduction of silk sales year on year. Other high-quality stock is continually refreshed to encourage returning customers and maintain margins, all evidenced by a consistent 'spend per head' in line with Budget forecasts.

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 wider 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. The café won awards during the year - Beautiful South Tourism Silver award in Best Café category and the Welcome Building Supervisor won Gold in the Unsung Hero category for her kindness.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2023

Using innovative menus that helped reduce waste and maintain margins, café income was almost on Budget and saw a small uplift on the previous year.

Visitors

Just as visitor numbers were expected to grow following the end of the pandemic, the cost-of-living crisis encouraged people to stay at home. Group visitors were severely reduced and those that did visit the Mill usually arranged their trip at extremely short notice and were reluctant to include the cost of a light lunch or tea in their Group ticket. A 31% gap in visitor numbers compared to Budget had a significant impact on Trust income, with a knock-on impact in shop sales, including sales of silk. Despite this, the Mill won two notable tourism awards: Visit England Attraction Accolade for Best Told Story and Beautiful South Tourism Bronze award for best Small Visitor Attraction. The Mill was also awarded the 2022 Travellers' Choice Award by TripAdvisor.

HERITAGE

Heritage weaving

Weaving silk is one of our charitable objectives. The Senior Weaver retired in August, not before the trainee weaver completed her training programme. In September, the newly qualified weaver was recruited as Weaver Tackler and continues to be a valuable member of the Mill team. Preserving traditional silk weaving skills is one of our core functions. The summer six-week work placement scheme was taken up this year by three textile students from Nottingham Trent University, University of Creative Arts, Farnham and Manchester University. During their time at the Mill, they learnt to thread up a tappet loom and wind silk onto bobbins with consistent tension - essential to weave high quality silk.

To ensure that silk product continued to be available for sale in the shop and on-line, two weekend weavers were recruited. Each weaver is at the Mill for one day at the weekend to help 'finish' silk products. They also enhance the overall experience for visitors as they can demonstrate another aspect of weaving, as well as speaking to visitors about silk weaving in general.

Heritage engineering

The outstanding part of the Preserving the Fabric project (see Strategic Aims above) was the conservation and restoration of the Water Wheel. This proved to be a complicated and extensive programme of work as additional factors were identified when work started. A cradle had been created to lift and support the wheel during repairs to the axle and a worn bearing. All the wooden backboards, starts and floats were removed and replaced with new oak boards.

Collections

Cataloguing and archiving over 130 objects bequeathed by the Hide family who previously owned the Silk Mill continued. This is important as the last private owner of the Mill instructed the Mill's own archive to be destroyed when he died.

Architectural heritage

The roof on the Welcome Building was replaced with new slates. Fundraising to cover the costs included a "sponsor a tile" campaign

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. Wooden seating allows visitors to benefit from the peaceful surroundings and enjoy the stunning river views.

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 and cost of living crisis.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2023

ACHIEVEMENT AND PERFORMANCE

The pandemic, closely followed by the cost-of-living crisis has meant that our 10-year business plan was put aside. The emergency and recovery grants we received from the government during the pandemic and the efforts of the whole Mill team helped us sustain the operation of the Silk Mill. We have continued to deliver our charitable objectives throughout the last year:

- We were open to visitors for the whole year
- Weaving continued
- Digital communications have become the principal tool in the delivery of our educational programmes and marketing strategy
- Groups are slowly returning
- Student placements have continued and are increasingly competitive

FUTURE PLANS

Priorities for the next year include:

- Maintain initiatives to attract visitors to the Mill
- Maintain focus on café and shop margins to ensure profitability
- Build up our reserves through fundraising and trading
- Create a five-year Business Plan mindful of the 'new normal' economic situation

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, Finance 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.

The Board of Trustees meets four times a year in person, with an AGM that all volunteers and supporters are welcome to attend. As a number of Trustees are employed, we have decided that Committee meetings will continue to be held online. This will be reviewed regularly.

Our Governance Principles state that the maximum term of office for Trustees is nine years. In the course of the year the Chair of Trustees stood down under that ruling and another stood down due to work commitments. We appointed two new Trustees after an open recruitment process. One of those new Trustees was appointed as Chair.

During the year, Trustees reviewed the Articles of Association. Changes were made; Members advised and all amendments were approved at the AGM in August. Trustees had the opportunity along with staff and volunteers to attend Diversity Training. They reviewed the Equality, Diversity and Inclusion Policy and all Governance procedures and protocols. Small changes were agreed.

Staff

The Silk Mill had an average of 27 employees (11 FTE). In recent years the average age has fallen to 29 years and under 25 year-olds remain 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) and two weavers. During the year, aside from the regular turnover of young people working in the café, three staff left the Mill. We have decided not to replace two positions at this time. This position will be reviewed on a regular basis, depending on the financial performance of the Mill. 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 has 61 volunteers who donated a total of 342 days during the year. They are an invaluable source of assistance and help with events, river maintenance, visitor guides and orientation, grounds maintenance, gardening, the waterwheel and group catering. 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.

Whitchurch Silk Mill Trust

Report of the Trustees for the Year Ended 31 March 2023

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.

INVESTMENT POLICY

In light of increasing interest rates, the charity has decided to remain cautious in its policy with regards to investing its cash at hand. Any cash not immediately needed is held in an instant access savings account to take advantage of current interest rates.

FINANCIAL REVIEW

Despite a full year of events there has been a reduction of unrestricted funds, driven by reduced visitor numbers, significantly increased energy costs and a reduced trading surplus generated by the commercial activities of Whitchurch Silk Mill (Trading) Ltd. This has resulted in our unrestricted funds decreasing to £92,607 (2022: £176,207).

To date (including previous years), we have spent over £2.2m 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 £366,341 to £298,403

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity. Prompted by the impact of the pandemic and the cost-of-living crisis, Trustees have decided to increase the target level of unrestricted reserves to cover twelve months of support costs. This is estimated to be £300,000. Although the charity is not currently at this level, this remains the charity's aim.

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

Linda Palmer	Chair - Appointed 14 May 2022
Andy Alferovs	
Chloe Ashfield	Appointed 8 July 2022
Caroline Barber	
Christine Beresford	Resigned 1 September 2022
Marion Brinton	
Samuel Carr	Resigned 8 May 2022
Sharon Egan	Resigned 5 April 2023
Liz Hide	
Andrew Mason	
Sarah Mitchell	Resigned 5 November 2022
Steven Owens	Appointed 1 September 2022
Annette Poulton	
Kevin Wheeler	

Whitchurch Silk Mill Trust

Report of the Trustees
for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Kerry Lawrance FCA
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.

31/08/2023

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

Linda Palmer

.....
L A Palmer - 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 2023.

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 member of the Institute 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
The Institute of Chartered Accountants in England and Wales

Compass Accountants Limited
Venture House
The Tanneries
East Street
Titchfield
Hampshire
PO14 4AR

Date: 31/08/2023

Whitchurch Silk Mill Trust

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	135,489	112,811	248,300	264,790
Other trading activities	4	15,696	-	15,696	25,600
Other income		<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
Total		<u>181,185</u>	<u>112,811</u>	<u>293,996</u>	<u>320,390</u>
 EXPENDITURE ON					
Raising funds	5	10,335	-	10,335	5,923
Charitable activities					
Preserving The Fabric project costs	6	-	124,399	124,399	61,054
Core charitable activities		31,699	-	31,699	48,235
Other		<u>240,731</u>	<u>53,146</u>	<u>293,877</u>	<u>259,048</u>
Total		<u>282,765</u>	<u>177,545</u>	<u>460,310</u>	<u>374,260</u>
Net gains on investments		<u>17,980</u>	<u>-</u>	<u>17,980</u>	<u>16,618</u>
NET INCOME/(EXPENDITURE)		(83,600)	(64,734)	(148,334)	(37,252)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>176,207</u>	<u>363,137</u>	<u>539,344</u>	<u>576,596</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>92,607</u></u>	<u><u>298,403</u></u>	<u><u>391,010</u></u>	<u><u>539,344</u></u>

The notes form part of these financial statements

Whitchurch Silk Mill Trust

Balance Sheet
31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	2,154	307,111	309,265	350,800
Investments	12	<u>115,098</u>	<u>-</u>	<u>115,098</u>	<u>97,118</u>
		117,252	307,111	424,363	447,918
CURRENT ASSETS					
Stocks	13	15,309	-	15,309	20,607
Debtors	14	25,917	10,230	36,147	8,941
Cash at bank		<u>17,687</u>	<u>48,297</u>	<u>65,984</u>	<u>153,659</u>
		58,913	58,527	117,440	183,207
CREDITORS					
Amounts falling due within one year	15	<u>(83,558)</u>	<u>(67,235)</u>	<u>(150,793)</u>	<u>(91,781)</u>
NET CURRENT ASSETS					
		<u>(24,645)</u>	<u>(8,708)</u>	<u>(33,353)</u>	<u>91,426</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>92,607</u>	<u>298,403</u>	<u>391,010</u>	<u>539,344</u>
NET ASSETS					
		<u>92,607</u>	<u>298,403</u>	<u>391,010</u>	<u>539,344</u>
FUNDS					
	16				
Unrestricted funds				92,607	176,207
Restricted funds				<u>298,403</u>	<u>363,137</u>
TOTAL FUNDS					
				<u>391,010</u>	<u>539,344</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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 2023

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 on31/08/2023..... and were signed on its behalf by:

Linda Palmer

.....
L A Palmer - Trustee

Whitchurch Silk Mill Trust

Notes to the Financial Statements for the Year Ended 31 March 2023

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 2023

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

	2023	2022
	£	£
Donations	40,177	9,913
Gift aid	27,134	40,777
Grants	147,228	186,299
Subscriptions	1,676	1,954
Admissions	<u>32,085</u>	<u>25,847</u>
	<u>248,300</u>	<u>264,790</u>

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

	2023	2022
	£	£
Basingstoke and Deane Borough Council	21,803	21,804
Others	12,614	-
The National Lottery	112,811	75,340
Basingstoke and Deane Borough Council Covid Support	-	16,000
The Pilgrim Trust	-	10,000
Arts Council England - Culture Recovery Grant	<u>-</u>	<u>63,155</u>
	<u>147,228</u>	<u>186,299</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	656	4,890
Weaving sales	12,106	17,694
Sundry income	<u>2,934</u>	<u>3,016</u>
	<u>15,696</u>	<u>25,600</u>

5. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Costs of fundraising	<u>582</u>	<u>334</u>

Other trading activities

	2023	2022
	£	£
Purchases	<u>9,753</u>	<u>5,589</u>
Aggregate amounts	<u>10,335</u>	<u>5,923</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Preserving The Fabric project costs	121,480	2,919	124,399
Core charitable activities	<u>31,699</u>	<u>-</u>	<u>31,699</u>
	<u>153,179</u>	<u>2,919</u>	<u>156,098</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Other resources expended	281,929	1,293	10,655	293,877
Preserving The Fabric project costs	<u>2,919</u>	<u>-</u>	<u>-</u>	<u>2,919</u>
	<u>284,848</u>	<u>1,293</u>	<u>10,655</u>	<u>296,796</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Depreciation - owned assets	51,280	49,560
Examiner's fees	<u>1,000</u>	<u>2,400</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	170,968	166,526
Social security costs	11,973	9,151
Other pension costs	<u>4,587</u>	<u>4,009</u>
	<u>187,528</u>	<u>179,686</u>

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

	2023	2022
Management	4	3
Visitor services	<u>7</u>	<u>5</u>
	<u>11</u>	<u>8</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 2023

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2022	353,396	2,904	159,755	516,055
Additions	<u>9,745</u>	<u>-</u>	<u>-</u>	<u>9,745</u>
At 31 March 2023	<u>363,141</u>	<u>2,904</u>	<u>159,755</u>	<u>525,800</u>
DEPRECIATION				
At 1 April 2022	55,636	1,882	107,737	165,255
Charge for year	<u>18,265</u>	<u>576</u>	<u>32,439</u>	<u>51,280</u>
At 31 March 2023	<u>73,901</u>	<u>2,458</u>	<u>140,176</u>	<u>216,535</u>
NET BOOK VALUE				
At 31 March 2023	<u>289,240</u>	<u>446</u>	<u>19,579</u>	<u>309,265</u>
At 31 March 2022	<u>297,760</u>	<u>1,022</u>	<u>52,018</u>	<u>350,800</u>

12. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2022	97,118
Revaluations	<u>17,980</u>
At 31 March 2023	<u>115,098</u>
NET BOOK VALUE	
At 31 March 2023	<u>115,098</u>
At 31 March 2022	<u>97,118</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2023 is represented by:

	Unlisted investments £
Valuation in 2023	40,098
Cost	<u>75,000</u>
	<u>115,098</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 2023

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

	31.3.22	31.3.21
	£	£
Aggregate capital and reserves	115,098	97,118
Profit for the year	<u>17,980</u>	<u>16,618</u>

13. STOCKS

	2023	2022
	£	£
Finished goods	<u>15,309</u>	<u>20,607</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Amounts owed by group undertakings	35,230	-
Prepayments and accrued income	<u>917</u>	<u>8,941</u>
	<u>36,147</u>	<u>8,941</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	564	7,428
Amounts owed to group undertakings	138,879	77,688
Accruals and deferred income	8,035	-
Accrued expenses	<u>3,315</u>	<u>6,665</u>
	<u>150,793</u>	<u>91,781</u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	99,309	(83,600)	51,898	67,607
Designated Loom Restoration	20,098	-	(10,098)	10,000
Designated Built Heritage	20,000	-	(10,000)	10,000
Designated Access Improvement	10,000	-	(10,000)	-
Designated Heritage Skills	21,025	-	(16,025)	5,000
Designated Water Wheel	<u>5,775</u>	<u>-</u>	<u>(5,775)</u>	<u>-</u>
	176,207	(83,600)	-	92,607
Restricted funds				
Education Fund	6,137	-	-	6,137
Storage Fund	5,593	(1,500)	-	4,093
Preserving the Fabric - Lottery Bid	<u>351,407</u>	<u>(63,234)</u>	<u>-</u>	<u>288,173</u>
	<u>363,137</u>	<u>(64,734)</u>	<u>-</u>	<u>298,403</u>
TOTAL FUNDS	<u><u>539,344</u></u>	<u><u>(148,334)</u></u>	<u><u>-</u></u>	<u><u>391,010</u></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	181,185	(282,765)	17,980	(83,600)
Restricted funds				
Storage Fund	-	(1,500)	-	(1,500)
Preserving the Fabric - Lottery Bid	<u>112,811</u>	<u>(176,045)</u>	<u>-</u>	<u>(63,234)</u>
	<u>112,811</u>	<u>(177,545)</u>	<u>-</u>	<u>(64,734)</u>
TOTAL FUNDS	<u><u>293,996</u></u>	<u><u>(460,310)</u></u>	<u><u>17,980</u></u>	<u><u>(148,334)</u></u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for 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	<u>-</u>	<u>-</u>	<u>5,775</u>	<u>5,775</u>
	209,081	(1,091)	(31,783)	176,207
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><u>576,596</u></u>	<u><u>(37,252)</u></u>	<u><u>-</u></u>	<u><u>539,344</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	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><u>320,390</u></u>	<u><u>(374,260)</u></u>	<u><u>16,618</u></u>	<u><u>(37,252)</u></u>

Whitchurch Silk Mill Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

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

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	138,983	(84,691)	13,315	67,607
Designated Loom Restoration	20,098	-	(10,098)	10,000
Designated Built Heritage	20,000	-	(10,000)	10,000
Designated Access Improvement	10,000	-	(10,000)	-
Designated Heritage Skills	<u>20,000</u>	<u>-</u>	<u>(15,000)</u>	<u>5,000</u>
	209,081	(84,691)	(31,783)	92,607
Restricted funds				
Education Fund	6,137	-	-	6,137
Storage Fund	7,093	(3,000)	-	4,093
Preserving the Fabric - Lottery Bid	<u>354,285</u>	<u>(97,895)</u>	<u>31,783</u>	<u>288,173</u>
	<u>367,515</u>	<u>(100,895)</u>	<u>31,783</u>	<u>298,403</u>
TOTAL FUNDS	<u><u>576,596</u></u>	<u><u>(185,586)</u></u>	<u><u>-</u></u>	<u><u>391,010</u></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	426,237	(545,526)	34,598	(84,691)
Restricted funds				
Storage Fund	-	(3,000)	-	(3,000)
Preserving the Fabric - Lottery Bid	<u>188,149</u>	<u>(286,044)</u>	<u>-</u>	<u>(97,895)</u>
	<u>188,149</u>	<u>(289,044)</u>	<u>-</u>	<u>(100,895)</u>
TOTAL FUNDS	<u><u>614,386</u></u>	<u><u>(834,570)</u></u>	<u><u>34,598</u></u>	<u><u>(185,586)</u></u>

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 £6,350 (2022 - £7,800).

Whitchurch Silk Mill Trust

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	40,177	9,913
Gift aid	27,134	40,777
Grants	147,228	186,299
Subscriptions	1,676	1,954
Admissions	<u>32,085</u>	<u>25,847</u>
	248,300	264,790
Other trading activities		
Fundraising events	656	4,890
Weaving sales	12,106	17,694
Sundry income	<u>2,934</u>	<u>3,016</u>
	15,696	25,600
Other income		
Management charge	<u>30,000</u>	<u>30,000</u>
Total incoming resources	293,996	320,390
EXPENDITURE		
Raising donations and legacies		
Costs of fundraising	582	334
Other trading activities		
Purchases	8,837	2,192
Education resources	<u>916</u>	<u>3,397</u>
	9,753	5,589
Charitable activities		
Wages	42,564	57,475
HLF costs and consultancy	70,818	6,093
Weaving purchases	<u>39,797</u>	<u>5,962</u>
	153,179	69,530
Support costs		
Management		
Wages	128,404	109,051
Social security	11,973	9,151
Pensions	4,587	4,009
Rates and water	1,443	1,026
Insurance	10,326	9,125
Light and heat	33,582	21,871
Carried forward	190,315	154,233

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Whitchurch Silk Mill Trust

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	2023	2022
	£	£
Management		
Brought forward	190,315	154,233
Telephone	1,945	1,419
Postage and stationery	(271)	4,572
Marketing costs	5,456	31,823
Equipment hire and maintenance	10,478	6,879
Repairs and renewals	15,046	27,139
Security	2,434	1,671
Travelling	1,742	2,839
Subscriptions	1,543	1,006
Training	4,880	1,889
Depreciation of tangible and heritage assets	<u>51,280</u>	<u>49,560</u>
	284,848	283,030
Finance		
Bank charges	1,293	1,906
Governance costs		
Accountancy fees	6,350	7,800
Legal and professional fees	3,305	3,671
Examiner's fees	<u>1,000</u>	<u>2,400</u>
	<u>10,655</u>	<u>13,871</u>
Total resources expended	<u>460,310</u>	<u>374,260</u>
Net expenditure	<u>(166,314)</u>	<u>(53,870)</u>

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