



Almond Valley Heritage Trust

A Scottish company limited by guarantee

Report and Accounts 1st January - 31st December 2022

Charity No. SC013783
Company No. SC089429

Almond Valley exists to preserve and interpret the history and environment of West Lothian and make this heritage accessible, engaging and enjoyed by all.

Almond Valley Heritage Trust

Trustees report for the year ending 31st December 2022

The Trustees present their report and audited financial statements for the year ended 31st December 2022

Reference and Administrative Information

Charity name:	Almond Valley Heritage Trust
Charity registration number:	SC013783
Company registration number:	SC089429
Registered Office	Almond Valley Heritage Centre Millfield, Livingston, EH54 7AR

Trust Board

Mr W.R.V Percy	Chair (until 18th May 2022)
Ms. A.L. Lusty	Vice Chair (until 16th November 2022)
Cllr. A. Miller	
Mr. W. Simpson	Chair (from 18th May 2022)
Mr. I.R.M Crawford	
Mr. S.P. Mills	
Mr. M.C. Sangster	
Mr. A. Shaw	
Ms. V. Tallon	

Senior Management Team

Dr. R. Chesters - Director,

Auditors

Brian Maloney & Co. Registered Auditors 15a West End, West Calder, EH55 8EH

Bankers

Bank of Scotland, Almondvale Centre, Livingston, EH54 6NB

Professional Advisors

Fairstone Financial T/A Hunter Wealth Management, 2 Maitland St. Edinburgh, EH12 5DS

Structure, Governance and Management

[Governing Document.](#)

Almond Valley Heritage Trust (hereinafter referred to as “the Trust”) is a company limited by guarantee initially incorporated on 27th August 1984 under the name of Livingston Mill Farm Community Project. This name and a new Memorandum of Association and Articles of Association were approved on 11th April 1990. The Trust possesses charitable status. When the Trust was created it incorporated the interests of the Livingston Mill Farm Community Project, and a number of other community initiatives. The current objects of the Trust are detailed in the new Articles of Association adopted on 26th September 2018.

[Recruitment and Appointment of the Board of Trustees.](#)

Following adoption of new Articles of Association on 26th September 2018, the Trust Board comprises of up to 12 members. An option exists to invite West Lothian Council to nominate up to two elected members to serve as Trustees. Other persons invited to join the Board as co-opted members are selected to ensure that an appropriate range of interests, experience, and expertise is represented on the Trust’s governing body. Under the Articles of Association, the Trustees are normally elected for a period of four years after which they must be re-elected at the next Annual General Meeting. The Trust has also adopted a mechanism whereby each year one quarter of the Board is subject to re-election.

[Trustees Induction and Training.](#)

All new Trustees are given an induction course which covers issues dealt with in the booklet “Guidance for Charity Trustees”, produced by OSCR, together with guidance relating that to the specifics of the Trust, including plans, policies and budgets.

[Organisational Structure.](#)

The Trust board meet six times a year. Other informal contact ensures that all remain familiar with the nature of the Trust’s operations and the environment in which the Trust operates. The Trustees appoint a Chief Executive Officer (termed “Director”, but not a member of the board of Trustees), to manage the day to day business of the Trust.

[Pay Policy for Senior Staff.](#)

Trustees set the Director’s salary at a level that they consider to be reasonable for a voluntary sector organisation of this scale, as the absence of equivalent organisations in similar circumstances makes more formal bench-marking impractical.

[Risk Management.](#)

Trustees consider the risks associated with the policies that are adopted and the decisions that are made. An annual review of the Trust’s Forward Plan encompasses an assessment of risk related to management and governance, operational activities, financial management, external influences and compliance with Regulations. Reserves and Risk Management Policies, which include an analysis of the major risks to which the Trust is exposed, is reviewed annually. An organisation-wide annual risk review process informs an annual review of Health and Safety policy, and health and safety matters are reported upon at every Board Meeting.

[Reserves Policy and Going Concern.](#)

In planning a sensible and prudent level of cash reserve, Trustees recognised the effects of seasonal variations in income, the need to accumulate funds for major development works, and the desirability of

holding a reasonable level of reserve funds to safeguard against interruption in business. Prior to the Covid restrictions, Trustees agreed that the level of reserves should not fall below £150,000 at the lowest point of the annual earned income and expenditure cycle. It is anticipated that this level of reserves would maintain the Trust as a viable business for at least three months under circumstances in which Almond Valley was unable to open to visitors and generate income from trading.

The reserve funds are held as a portfolio of investments with Advance which are managed by Fairstone Financial t/a Hunter Wealth Management. At 1st January 2022, £267,809 of unrestricted funds were held in the portfolio of investments. The value of the portfolio of investment was £238,053 at 31st December 2022.

The full financial results are outlined on pages thirteen to twenty seven of this Report.

Objectives and Activities

Formation of the Trust in 1990 brought together a diverse range of interests from a number of community organisations that had been active on the Livingston Mill site, including a community farm and a museum training project. The objectives, ideals, and character of the trust continue to reflect this parentage, combining commitment to community engagement and learning, with the responsibilities of holding a nationally recognised museum collection.

Almond Valley's mission is:

“..... to preserve and interpret the history and environment of West Lothian, and make this heritage accessible, engaging and enjoyed by all.”

The Trust's charitable objectives are:

- ▶ To advance arts, heritage, culture and science by safeguarding and celebrating the heritage and environment of West Lothian.
- ▶ To preserve the heritage of Scotland's shale oil industry by holding collections and engaging in other museum activities that reflect the national and international significance of the industry.
- ▶ To advance education and promote community well-being through activities that support popular engagement in heritage.

The Trust is a fully Accredited Museum which holds a collection that is recognised as being of national importance to Scotland. The Trust offers a quality visitor experience that has achieved four star status under the VisitScotland grading scheme.

What We Do

The Trust's main activity is the operation and development of Almond Valley Heritage Centre (popularly known simply as "Almond Valley"); a 23 acre site centred around the historic buildings of Livingston Mill and Farm. Since its formation in 1990, the Trust has steadily added to the facilities and attractions of the Almond Valley site, progressively developing its popular appeal as a leisure destination that holds particular attraction to families with young children. Admission charges and other visitor services, such as catering, rides and gift sales, provide the Trust's major source of revenue income.

While enjoying a relaxing family day out at Almond Valley, visitors encounter experiences that promote awareness of local identity and may inspire interest in local heritage from an early age. These resources are applied in a more structured way to support formal learning by visiting school groups.

The museum displays of the shale oil museum form part of Almond Valley's appeal and provide a venue for workshops and activities that involve children and families in heritage-related games and activities. Much of the work of the museum however, serves specialist audiences and goes unseen by most visitors to Almond Valley. The Trust's collection from the Scottish shale oil industry is recognised as being of National significance, and the museum is also custodian of the company records of those shale oil companies that became part of the BP group. Since 2010, an ambitious programme of digitisation has been underway to digitise these unique records and make them publicly available through the Trust's scottishshale website. The museum engages in research, recording and publication, and is recognised as the authoritative source of knowledge on the Scottish shale oil industry and its influence both locally and nationally.

Review of the Year

Visitor Operations

2022 marked a gradual return to normality following release from the constraints and uncertainties imposed by Covid 19 restrictions. The recovery in visitor numbers was supported by participation in the VisitScotland Days Out Incentive Fund, which extended into the early part of January, and by other grant support during the early part of the year, intended to combat the continuing impact of the Omicron variant of Covid.

The seasonal pattern of visitors returned to something close to that of pre-covid times and the monthly visitor totals reached normal levels in most months. There were some differences in number and distribution of school and group visits, an audience that has been particularly disrupted by Covid restrictions, although some of this variation was by design; numbers being deliberately limited so as not to exceed the comfortable capacity of our site.

Significant rises in the cost of living impacted on family budgets and influenced the behaviour of many of our visitors. In this climate, all efforts were made to contain costs and help ensure that Almond Valley remained affordable to all; however this tightening of the family purse strings had an impact of secondary spend on things like catering and sales. Amongst some living locally, there was also a move away from purchase of day admission tickets and towards purchase of annual passes, enabling unlimited repeat visits. The various annual passes available to organisations, charities, childminders and carers also showed an increase in uptake and use.

The established pattern of seasonal events was fully resumed, with a range of special activities and attractions offered to coincide with school holidays. Over the summer break, additional animal talks and encounters were complemented by an ambitious programme of scarecrow building. These characterful tattiebogles emerged again at Halloween to guard the pumpkin patch, where huge quantities of pumpkins were gathered by smiling children equipped with tiny wheelbarrows.

A illuminated trail through woodlands and fields was set up once more as part of an extremely popular after-dark Halloween trail, operating over two evenings. The illuminations were further extended for the pre-Christmas season, as part of a magical trail to the land of the reindeer that was complemented with a visit to Father Christmas. In past years the Christmas after-dark experience was a separately ticketed event, but recognising tough economic times, this was presented as part of a programme of extended opening hours, covered by a standard admission ticket.

There were significant increases in operating costs, with wage levels being increased to keep pace with the rising cost of living, and with substantial increases in the price of energy. Fixed-rate supply contracts provided some initial insulation from the hike in power costs, and many practical measures were implemented to reduce energy consumption. As part of a more strategic response to reducing our environmental impact, plans were developed for fitting solar panels to the main museum building, coupled with battery storage provision. A grant application to Museum Galleries Scotland to fund this work was unsuccessful, however a second bid remained under consideration at the end of the year. A grant from the VisitScotland Tourism Recovery Fund partially funded the installation of electric vehicle charging points in our car park

Governance and Strategy

The year marked the retirement of Bill Percy as Chair, following 32 years service in the role. Continuing as a board member, Bill was succeeded as Chair by Wayne Simpson. The year also marked the retirement of Elaine Dunsire, who had served as Administrator since the earliest days of the Trust.

The final workshop of a “future state and succession planning” management consultancy study concluded at the start of the year. The study proved an inspiring and thought-provoking exercise, although provided no clear blueprint for action. Continued dialogue within the Board subsequently led to agreement of a Strategic Plan establishing our key aims for the next three years. Significant among these were building a stronger constituency of support for our museum activities, and increased engagement of family visitors with heritage and learning. Development projects to progress for each of these objectives were the subject of grant funding applications, but neither has yet secured funding.

These aims remain active priorities. Advances were also made in the continuing development of the Board, and in planning for the succession of senior staff.

Statistics

Visitor numbers by Month

	<u>2022</u>	<u>2021</u>
January	5,508	0
February	3,839	0
March	9,539	0
April	17,934	13,300
May	12,164	12,523
June	13,407	11,963
July	20,751	20,017
August	16,069	16,085
September	8,862	8,572
October	12,986	10,029
November	4,116	5,115
December	<u>5,353</u>	<u>6,529</u>
Total for year	<u>130,528</u>	<u>104,133</u>

Visitor admissions by Type

	<u>2022</u>	<u>2021</u>
Adults	33,325	34,882
Child or Senior	28,391	26,116
School and group visitors	7,419	0
Birthday parties	1,306	19
Friends members	33,031	25,992
Corporate & other passes	23,921	16,137
Promotions & events	1,899	486
Complimentary & carers	1,236	501
Total for year	<u>130,528</u>	<u>104,133</u>

Plans for the Future

By chance and good fortune, the Trust was able to accumulate funds during the trying and unpredictable period of the Covid pandemic. These were ring-fenced to fund capital works that would support the long-term sustainability of Almond Valley and progress our cultural objectives.

The initial intention was to apply these funds to enable the construction of a new entrance hall, reception point and shop. This building would incorporate new museum exhibitions and community facilities, that would be sited outwith the paid admission perimeter. An architectural study for this “Big Welcome” development was commissioned to develop layouts and assess costs, however this reached the unexpected conclusion that a budget in excess of £5m would be necessary to achieve these plans. It was considered that current pressures on public and grant resources, and wider economic uncertainty, would make raising this amount very unlikely at this point of time. Big Welcome remains a long term objective, and consideration was given to how incremental progress might be made towards this.

Creation of a new road access, and improvements to car parking would be an essential prerequisite to construction of the Big Welcome, and provide immediate benefits. A grant offer of £153k towards the work was secured through the Council's Place Based Investment Fund, and at the year end, efforts to secure planning consent were well advanced

Consideration was also given to a major capital project that would add to the appeal of Almond Valley to our core audience of families and young children. A design study was commissioned for “Drover's Camp”, a large environmentally sensitive adventure play structure, reflecting local heritage. It is intended that, during 2023, significant progress will be made with these projects, and with many smaller-scale improvements.

Financial Review

The audited financial statements for the year to 31 December 2022 show total income of £1,575,275, an increase of £116,065 on last year, and total expenditure of £1,490,585, an increase of £257,869 compared to last year. The net loss on investments was £30,732 (£13,110 gain -year ended 31st December 2021) and led to net movement in funds for the year of £53,958 (£239,604 - year ended 31st December 2021).

Total funds at 31st December 2022 were £2,734,497 comprising unrestricted general funds of £2,075,560, unrestricted designated funds of £500,000 and restricted funds of £158,937. 'Free' reserve funds have fallen by £417,787 compared to last year.

Total cash and cash equivalents figure at 31st December 2022 was £898,816 an increase of £54,744 compared to the last balance sheet date of 31st December 2021.

The reasons for the results have been outlined in the previous pages of this report. The Trustees believe that the plans they have put in place, along with funding secured for this year and the forthcoming year provide the Trust with a solid platform to survive ongoing economic uncertainty caused by underlying factors such as the cost of living crisis and the ongoing war in Ukraine, and push forward with the plans outlined in this report.

Trustees' responsibilities in relation to the financial statements

The Charity Trustees (who are directors for the purposes of company law and Trustees for the purposes of charity law) are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and,
- the Trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution to re-appoint Brian Maloney & Co as the charity's auditors for the ensuing year will be proposed at the forthcoming Annual General meeting.

Approved by the Board of Trustees on 15th March 2023 and signed on its behalf by:



Wayne Simpson, Chair

Independent Auditor's Report to trustees and members of Almond Valley Heritage Trust

Opinion

We have audited the financial statements of Almond Valley Heritage Trust (the "charitable company") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2022 and of its surplus/deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for use.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit,

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report. We have nothing to report in respect to the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

Independent Auditor's report (continued)

- ♦ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of directors' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations required for our audit; or
- ♦ the directors were not entitled to prepare the financial statements in accordance with the small companies regime, and take advantage of the small companies exemptions in preparing the director's report and the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Trustees' Responsibilities Statement on page 10, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

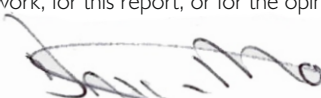
A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Board and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company and charity legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- As with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Brian Mitchell Maloney, (Senior Statutory Auditor)

date

17 March 2023

For and on behalf of Brian Maloney & Co., Chartered Certified Accountants, 15A West End, West Calder, EH55 8EH
Brian Maloney is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Almond Valley Heritage Trust

Statement of Financial Activities

(including Income and Expenditure Account)
for the year ended 31st December 2022

Income	Notes	Unrestricted (£)	Restricted (£)	Total Funds 2022 (£)	Total Funds 2021 (£)
Income and Endowments from:					
<i>Donations and legacies</i>	6	34,566	-	34,566	26,982
Income from Charitable Activities:					
<i>Grants & contracts</i>	4,5	14,471	40,292	54,763	343,490
<i>Income from visitor centre operation</i>	5	1,481,092	-	1,481,092	1,087,149
Investment Income					
<i>Interest Received</i>		1,658	-	1,658	-
<i>Listed Investments</i>		3,196	-	3,196	1,589
Total Income		1,534,983	40,292	1,575,275	1,459,210
Expenditure					
<i>Charitable activities</i>	18	(1,419,818)	(68,547)	(1,488,365)	(1,231,341)
Raising Funds					
<i>Investment manager's fees</i>		(2,220)	-	(2,220)	(1,375)
Total expenditure		(1,422,038)	(68,547)	(1,490,585)	(1,232,716)
Net income/(expenditure)		112,945	(28,255)	84,690	226,494
Net (losses)/gains on investments		(30,732)	-	(30,732)	13,110
Transfers					
<i>Gross transfers between funds</i>	15	-	-	-	-
Net Movement in Funds	15	82,213	(28,255)	53,958	239,604
Reconciliation of Funds					
Total Funds Brought Forward	15	2,493,347	187,192	2,680,539	2,440,935
Total Funds Carried Forward		2,575,560	158,937	2,734,497	2,680,539

The statement of financial activities include all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 27 form part of these financial statements.

Almond Valley Heritage Trust

Balance Sheet

at 31st December 2022

		At 31st December 2022	At 31st December 2021
	note	(£)	(£)
Fixed Assets			
<i>Tangible Fixed Assets</i>	7	1,608,660	1,619,114
<i>Intangible Fixed Assets</i>	8	20,407	38,179
<i>Investments</i>	32	238,053	267,809
Total Fixed Assets		<u>1,867,120</u>	<u>1,925,102</u>
Current Assets			
<i>Stocks</i>	9	60,072	58,211
<i>Debtors and Prepayments</i>	10	60,498	47,787
<i>Cash at Bank and in Hand</i>	11	<u>898,816</u>	<u>844,072</u>
Total Current Assets		1,019,386	950,070
Liabilities			
<i>Creditors: amounts falling due within one year</i>	12	<u>(102,426)</u>	<u>(110,050)</u>
Net Current Assets		<u>916,960</u>	<u>840,020</u>
Total Assets less Current Liabilities		2,784,080	2,765,122
<i>Creditors: amounts falling due after more than one year</i>	13	(49,583)	(84,583)
Net assets		<u>2,734,497</u>	<u>2,680,539</u>
The Funds of the Charity			
<i>Restricted Funds</i>	15	158,937	187,192
<i>Unrestricted: General Funds</i>	15	2,075,560	2,493,347
<i>Unrestricted: Designated Funds</i>	15	500,000	-
		<u>2,734,497</u>	<u>2,680,539</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements on pages thirteen to twenty seven were approved by the Board of Trustees on 15th of March 2023 and are signed on their behalf by:



Wayne Simpson, Chair

15th March 2023

Almond Valley Heritage Trust

Statement of Cashflows

for the year ended 31st December 2022

		Year ended 31st December 2022. (£)	Year ended 31st December 2021 (£)
Cash flows from operating activities	Note		
Cash flows provided by operating activities	29	<u>212,629</u>	<u>362,482</u>
Cash flows from investing activities			
<i>Dividends and interest received from investments</i>		3,196	1,589
<i>Purchase of property, plant and equipment</i>		(89,889)	(44,128)
<i>Purchase of intangible fixed assets</i>		(1,976)	(57,269)
<i>Purchase and proceeds of investments</i>		682	(150,213)
Net Cash provided by/(used in) investing activities		<u>(87,987)</u>	<u>(250,021)</u>
Cash flows from financing activities			
<i>Repayments of borrowing</i>		(71,220)	(63,882)
<i>Interest paid</i>		1,322	4,590
<i>Cash inflows from new borrowings</i>		-	-
Net Cash provided by/(used in) financing activities		<u>(69,898)</u>	<u>(59,292)</u>
Reconciliation of Net cash flow to Movement in bank and cash balances			
<i>Increase / (decrease) in cash and cash equivalents for the year</i>		54,744	53,169
<i>Cash and cash equivalents at the beginning of the year</i>		844,072	790,903
Total cash and cash equivalents at the end of the year	30	<u>898,816</u>	<u>844,072</u>

Notes to the Accounts

1.) Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Articles of Association and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The Trustees are of the view that the charity is a going concern on the basis that there enough 'free' reserves and secured grant funding for the next year. A statement of Cashflows is detailed on page fifteen.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services and facilities

Donated items are recorded at nil value due to the prohibitive cost of obtaining a valuation.

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are set up by the trustees to earmark assets from the general fund for a specific purpose. Restricted funds are subjected to the statement to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (i) Costs of raising funds include the costs of managing the investments.
- (ii) Expenditure on charitable activities includes the costs of events, curatorial and other educational activities to further the purposes of the charity and their associated support costs.
- (iii) Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

I.) Accounting policies (continued)

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 19.

Operating Leases.

Operating lease rentals are charged against income on a straight line basis over the period of the lease, see note 28.

Tangible Fixed Assets

Depreciation of fixed assets are stated at cost less depreciation. The cost of minor additions or those costing below £1,000 are not capitalised.

Building Improvements	2%	straight line
Computers and electronic equipment	25%	reducing balance
Plant, equipment, displays, fittings, furnishings & railway	15%	reducing balance
Vehicles	25%	reducing balance
Site Improvements	33.33%	straight line
Assets Under Construction	0%	
Paraffin Works	4%	straight line

Website Development

It is the policy of the charitable company to amortise website development costing more than £2,000 over three years, being the estimated useful economic life as assessed by the trustees.

Amortisation of intangible fixed assets are stated at cost less amortisation as follows:

Website development	3 years
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Stock

Goods for resale, and livestock, are valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes short term highly liquid investment with short maturity.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after any trade discounts due.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.) Accounting policies (continued)

Pensions

In June 2015 the charity opened a retirement solutions group personal plan which was open to all employees. At 31 December 2022, 19 employees were members of the pension scheme (year ended 31st December 2021 - 22 employees). The charity also operates two separate self administered defined contribution schemes on behalf of two employees who are not members of the group personal pension plan. Further details pertaining to the pension schemes is detailed in note 24.

Heritage Assets

It is the policy of the charitable Trust not to capitalise Heritage Assets. This is discussed more fully in note 23.

Legal Status of the Trust

The Trust is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £1.

Investments

The charity holds assets in an Advance investment portfolio managed by Hunter Wealth Management. These assets are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using a mid-market value. Net gains and losses arising on revaluations and disposals during the period are included in the Statement of Financial Activities.

Impairment of Fixed Assets

At each reporting end date, the charitable company review the carrying amounts of its tangible fixed assets to determine whether there is an indication that these assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.) Net income/(expenditure) for year is stated after charging:

	31st December 2022	31st December 2021
	(£)	(£)
Depreciation	100,343	101,470
Amortisation	19,748	19,090
Operating Lease Costs	2,943	2,685
Audit Fees	4,140	4,160
Accountancy and Payroll Fees	<u>7,291</u>	<u>6,019</u>

3.) Taxation

The charitable company is exempt from corporation tax on its charitable activities. The charitable company is registered for VAT. Much of the income is exempt or outwith the scope of VAT. Consequently, it is not possible to recover all of the VAT paid on expenditure.

4.) Grants & Contracts Income

	Unrestricted (£)	Restricted (£)	2022 (£)	2021 (£)
<i>Revenue Grants and Payments</i>				
WLC - Maintenance Reimbursement	-	32,129	32,129	10,889
<i>Covid Emergency and Recovery Funds</i>				
WLC - Business Temporary Closure Grants	-	-	-	53,500
WLC - January Business Support Fund Top-up	3,150	-	3,150	-
VisitScotland - Visitor Attraction Support Fund	-	-	-	64,000
VisitScotland - Visitor Attraction Support Omicron Fund	6,800	-	6,800	-
Museums Galleries Scotland (MGS) Recovery Fund	-	-	-	69,000
HMRC - Coronavirus Job Retention Scheme	-	-	-	69,604
HMRC - Coronavirus SSP Rebate Scheme	1,021	-	1,021	-
Government Grant - 5 year 0% SIS loan	3,500	-	3,500	3,500

4.) Grants & Contracts Income (continued)

	Unrestricted (£)	Restricted (£)	Total 2022 (£)	Total 2021 (£)
<i>Project Grants</i>				
MGS - Revealing the plot project	-	-	-	16,356
MGS - Sunny Adventures	-	-	-	21,000
WLC Re-turning the Wheel	-	-	-	4,176
VisitScotland - Days Out Incentive Fund	-	-	-	23,000
MGS - Safe Reopening in 2021	-	-	-	7,465
MGS - Lost Creatures and Hidden Rivers	-	-	-	1,000
VisitScotland - Tourism Recovery Fund, EV point	-	8,163	8,163	-
-	-	-	-	-
	<u>14,471</u>	<u>40,292</u>	<u>54,763</u>	<u>343,490</u>

5.) Income from Charitable Activities

	Unrestricted (£)	Restricted (£)	Total 31st December 2022 (£)	Total 31st December 2021 (£)
Grants and Contracts (see note 4)	14,471	40,292	54,763	343,490
Income from Visitor Centre Operation	<u>1,481,092</u>	<u>-</u>	<u>1,481,092</u>	<u>1,087,149</u>
	<u>1,495,563</u>	<u>40,292</u>	<u>1,535,855</u>	<u>1,430,639</u>

6.) Income from Donations and Legacies

	Unrestricted (£)	Restricted (£)	Total 31st December 2022 (£)	Total 31st December 2021 (£)
Sundry Donations and Other Income	222	-	222	4,900
Gift Aid	<u>34,344</u>	<u>-</u>	<u>34,344</u>	<u>22,082</u>
	<u>34,566</u>	<u>-</u>	<u>34,566</u>	<u>26,982</u>

7.) Tangible Fixed Assets

Cost	Buildings Improvements £	Site Improvements £	Plant & Equipment £	Computers £	Vehicles £	Paraffin Works £	Payments on Account and Assets under Construction £	Total £
At 1st January 2022	1,540,184	420,704	968,240	52,104	19,437	360,194	4,288	3,365,151
Additions	-	60,759	12,610	1,225	-	-	15,295	89,889
Disposals	-	-	-	-	-	-	-	-
At 31st Dec. 2022	<u>1,540,184</u>	<u>481,463</u>	<u>980,850</u>	<u>53,329</u>	<u>19,437</u>	<u>360,194</u>	<u>19,583</u>	<u>3,455,040</u>
<u>Depreciation</u>								
At 1st January 2022	430,247	412,003	803,502	38,018	19,044	43,223	-	1,746,037
Disposals	-	-	-	-	-	-	-	-
Charge for Year	<u>30,804</u>	<u>24,603</u>	<u>26,602</u>	<u>3,828</u>	<u>98</u>	<u>14,408</u>	<u>-</u>	<u>100,343</u>
At 31st Dec. 2022	<u>461,051</u>	<u>436,606</u>	<u>830,104</u>	<u>41,846</u>	<u>19,142</u>	<u>57,631</u>	<u>-</u>	<u>1,846,380</u>
<u>Net Book Amount</u>								
At 31st Dec. 2022	<u>1,079,133</u>	<u>44,857</u>	<u>150,746</u>	<u>11,483</u>	<u>295</u>	<u>302,563</u>	<u>19,583</u>	<u>1,608,660</u>
At 31st Dec. 2021	<u>1,109,937</u>	<u>8,701</u>	<u>164,738</u>	<u>14,086</u>	<u>393</u>	<u>316,971</u>	<u>4,288</u>	<u>1,619,114</u>

8.) Intangible Fixed Assets

	Website development (£)
As at 1st January 2022	57,269
Additions	<u>1,976</u>
As at 31st December 2022	<u>59,245</u>
<u>Amortisation</u>	
As at 1st January 2022	19,090
Charge for the year	<u>19,748</u>
As at 31st December 2022	<u>38,838</u>
<u>Net Book Amount</u>	
At 31st December 2022	<u>20,407</u>
At 31st December 2021	<u>38,179</u>

9.) Stocks

	31st Dec. 2022 (£)	31st Dec. 2021 (£)
Livestock and Goods for Resale	<u>60,072</u>	<u>58,211</u>

10.) Debtors

	31st Dec. 2022 (£)	31st Dec. 2021 (£)
Grants Receivable	28,163	12,598
Trade Debtors	10,093	20,242
Income Tax Receivable (Gift Aid)	15,487	9,196
Prepayments	<u>6,755</u>	<u>5,751</u>
	<u>60,498</u>	<u>47,787</u>

11.) Cash at Bank and In Hand

	31st Dec. 2022 (£)	31st Dec 2021 (£)
Bank: Current Account	397,848	842,755
Bank: 32 day Call Account	500,000	-
Cash at Hand	<u>968</u>	<u>1,317</u>
	<u>898,816</u>	<u>844,072</u>

12.) Creditors: amounts falling due within one year

	31st Dec. 2022 (£)	31st Dec. 2021 (£)
Trade Creditors	27,620	17,446
Tax and Social Security Costs	18,658	13,280
Accruals	16,577	5,484
Loan - Bank of Scotland	-	34,898
Loan - Social Investment Scotland	35,000	35,000
Bank - Credit Card	<u>4,571</u>	<u>3,942</u>
	<u>102,426</u>	<u>110,050</u>

13.) Creditors: amounts falling due after more than one year

	31st Dec. 2022 (£)	31st Dec. 2021 (£)
Due within Two and Five Years		
Loan: Bank of Scotland	-	-
Loan: Social Investment Scotland	49,583	84,583
Due after more than Five Years:		
Loan: Bank of Scotland	-	-
Loan: Social Investment Scotland	<u>-</u>	<u>-</u>
	<u>49,583</u>	<u>84,583</u>

14.) Share Capital

The charity is limited by guarantee and as such does not have a share capital.

15.) Analysis of Charitable Funds

	As at 1st January 2022	Transfer of Funds	Incoming Resources	Outgoing Resources	Gains/(Losses) on investments	As at 31/12/22
	(£)	(£)	(£)	(£)	(£)	(£)
Analysis of movements in restricted funds						
WLC Maintenance Fund	-	-	32,129	(32,129)	-	-
MGS - Recovery & Resilience	38,778	-	-	(18,520)	-	20,258
MGS - Revealing the Plot	3,100	-	-	(1,550)	-	1,550
WLC - Town Centre Fund - Mill	11,750	-	-	(2,065)	-	9,685
MGS - Digital Resilience Fund	564	-	-	(283)	-	281
LEADER - Oil Works Discovery Space	133,000	-	-	(14,000)	-	119,000
VS - EVCPT Recovery Fund	-	-	8,163	-	-	8,163
Total	187,192	-	40,292	(68,547)	-	158,937
Analysis of movements in unrestricted funds						
General Fund	2,493,347	(500,000)	1,534,983	(1,422,038)	(30,732)	2,075,560
Designated Fund - Site Development	-	500,000	-	-	-	500,000
Total	2,493,347	-	1,534,983	(1,422,038)	(30,732)	2,575,560
Total Funds	2,680,539	-	1,575,275	(1,490,585)	(30,732)	2,734,497

The analysis of charitable funds for the year ended 31 December 2021, the comparative period, is as follows

Analysis of Charitable Funds for year ended 31 December 2021:

	As at 1st January 2021	Transfer of Funds	Incoming Resources	Outgoing Resources	Gains/(Losses) on investments	As at 31/12/21
	(£)	(£)	(£)	(£)	(£)	(£)
Analysis of movements in restricted funds						
WLC Maintenance Fund	-	-	10,889	(10,889)	-	-
MGS - Recovery & Resilience	-	-	69,000	(30,222)	-	38,778
MGS - Revealing the Plot	-	-	16,356	(13,256)	-	3,100
MGS - Safe Reopening in 2021	-	-	7,465	(7,465)	-	-
MGS - Sunny Adventures	-	-	21,000	(21,000)	-	-
MGS - Lost Creatures and Hidden Rivers	-	-	1,000	(1,000)	-	-
VisitScotland - Days Out Incentive Fund	-	-	23,000	(23,000)	-	-
WLC - Town Centre Fund - Mill	9,639	-	4,176	(2,065)	-	11,750
MGS - Digital Resilience Fund	847	-	-	(283)	-	564
LEADER - Oil Works Discovery Space	147,000	-	-	(14,000)	-	133,000
Total	157,486	-	152,886	(123,180)	-	187,192
Analysis of movements in unrestricted funds						
General Fund	2,283,449	-	1,306,324	(1,109,536)	13,110	2,493,347
Total	2,283,449	-	1,306,324	(1,109,536)	13,110	2,493,347
Total Funds	2,440,935	-	1,459,210	(1,232,716)	13,110	2,680,539

General Funds

The general fund represents income received and expenditure incurred in respect of the day to day running of the charity. Decision making on how general fund income and expenditure is utilised is at the discretion of the Trustees. During the financial year £500,000 was transferred from unrestricted: general funds to designated funds (see section below).

Designated Funds

On February 8th February 2022, the trustees decided to transfer £500,000 from the current bank account to a 32 day call notice account for the purpose of earmarking funds to enable future major site development and capital works to take place, should they be required.

Purpose of Restricted Funds

WLC Maintenance Fund

Reimbursement by West Lothian Council of expenditure incurred in works associated with the upkeep of the buildings and site at Almond Valley, covering the financial year from April to the following March. Funding cannot be carried over from one year to another.

MGS Recovery and Resilience Fund

A Museums Galleries Scotland grant of £207,000 (being 75% of a total award of £276,000) to support revenue costs during Covid restrictions between November 2020 and March 2021, and also funding improvements that would improve future sustainability. Defined objectives included the development of administrative software with an associated website, and organisational development works including a governance review. At the end of the year, the objectives of the first phase of work had been met. The remaining 25% of the grant (£69,000) was released during the year following expenditure on approved purposes.

MGS - Revealing the Plot

A project funded from the Museum and Galleries Scotland's Recognition Fund to create a new web presence for the Museum of the Scottish shale oil industry, contributing 91% of costs up to £50,000. The project was completed in April 2021.

MGS - Safe Reopening in 2021

Funding from Museums Galleries Scotland to support the additional cost of materials and equipment required to reopen in compliance with Covid restrictions.

MGS Digital Resilience Fund

A Museum Galleries Scotland fund to support home working and other digital responses to the Covid pandemic. The grant funded purchase of two laptops. Depreciation of 25% reducing balance method has been applied to capital expenditure.

LEADER - Oil Works Discovery Space ("The Paraffin Works")

A grant fund operated by LEADER which has created an innovative play and learning space in Charlesfield, based on the processes of the shale oil industry, that will reflect local identity and attract additional visitors. Depreciation at 4% straight line method has been applied to capital expenditure.

WLC - Town Centre Fund, Livingston Mill

A project partially funded by two awards from West Lothian Council's Town Centre Capital Grants fund towards capital improvements at Livingston Mill, including refurbishment of the waterwheel. Depreciation of 15% reducing balance method has been applied as the expenditure was capital in nature.

MGS - Lost Creatures and Hidden Rivers

Funding awarded from Museum Galleries Scotland COP26 conversations fund towards a programme of events exploring climate change issues.

MGS - Sunny Adventures

Grant awarded by Museums Galleries Scotland under the "Summer of Fun" programme involving learning activities and special out-of-hours openings for disadvantaged families in which the cost of admission and catering were covered by the grant.

VisitScotland Days Out incentive Fund

A fund administered by VisitScotland that enabled admission to be offered at half price during November and December 2021.

Visit Scotland - Electric Vehicle Charge Point- Tourism Recovery Fund.

A fund administered by Visit Scotland and delivered through the Energy Saving Trust contributing toward the cost of installing electric vehicle charging points in our car park. The costs associated with this fund have not been fully spent and are included in assets under construction as the electric vehicle charge points were not fully operational until after the financial year end. Grant income of £8,163 has been accrued in respect of the costs incurred during the financial year.

16.) Loans and Floating Charges

On 29th November 2013, a bond and floating charge was secured on the whole of the property at Mill Farm, Millfield, Livingston Village in favour of the Bank of Scotland prior to a loan advance of £250,000 provided to Almond Valley Heritage Trust on 29th April 2014. This loan is repayable over 8 years at a fixed rate interest of 8.89% per annum. The final payment towards this loan was made on 29th September 2022. The bond and floating charge security, secured on the whole assets of the charitable company in favour of the Bank of Scotland was satisfied on 26 January 2023.

A loan advance of £140,000 was provided by Social Investment Scotland Ltd. on 19th of June 2020 to aid cashflow over the course of the Covid crisis. The loan is repayable over 5 years with no repayments due in the first year of the loan. Loan repayments started on the 13th month of the loan i.e. on the 30th June 2021. There are no bonds or floating charges held over the assets of the charitable company in favour of Social Investment Scotland Ltd as a result of securing this loan. A Government grant and loan interest of £3,500 have been included in the financial statements to reflect that the Government are paying the interest payments on the loan, despite the fact that the charitable company are paying 0% interest.

17.) Trustees Remuneration and Related Party Transactions

No members of the Board of Trustees received remuneration during the year ended 31 December 2022, (year ended 31st December 2021 - £nil - no trustees). Travel costs amounting to £118 were reimbursed to one member of the board of Trustees (year ended 31 December 2021 - £396 - one trustee). During the year, no further expense claims were reimbursed to any Trustee for any other purpose (year ended 31st December 2021 - £nil, - no trustees).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period (year ended 31st December 2021 - £ nil - no trustees). No charity Trustee received any other benefit or received payment for professional services supplied to the charity during the period, (year ended 31st December 2021 - £ nil - no trustees).

18.) Analysis of Expenditure on Charitable Activities

	Delivering the user experience (£)	Maintaining the user experience (£)	Curatorial works (£)	31st Dec. 2022 (£)	31st Dec.2021 (£)
Shop Stock Costs	63,224	-	-	63,224	28,795
Catering and Confectionery Costs	140,976	-	-	140,976	102,175
Farm Costs	35,429	-	-	35,429	29,922
Home-grown Produce Costs	14	-	-	14	67
Play Area Costs	1,687	-	-	1,687	478
Discounted admission funded by grant	-	-	-	-	32,534
Salaries and National Insurance (inc'd pension)	661,341	-	24,359	685,700	498,432
Staff Travel and Training	3,573	-	-	3,573	2,072
Telephone and Internet Charges	4,179	-	464	4,643	7,722
Post, Stationery, Adverts	21,775	-	5,444	27,219	13,819
Professional Fees	13,568	-	-	13,568	16,712
Heating, Lighting and Water	62,111	-	15,528	77,639	50,447
Site & Plant Maintenance (incl'd salaries)	-	116,283	57	116,340	136,410
Rent	185	-	-	185	185
Insurance	21,328	-	-	21,328	17,443
Janitorial Costs	11,699	-	2,925	14,624	13,572
Museum Budgets	-	-	2,488	2,488	1,967
Event and Service Costs	13,943	-	10	13,953	10,848
Depreciation (including impairment of fixed assets)	64,684	55,407	-	120,091	120,560
Governance Costs (see note 19)	118	-	-	118	396
Support Costs (see note 19)	145,566	-	-	145,566	146,785
	<u>1,265,400</u>	<u>171,690</u>	<u>51,275</u>	<u>1,488,365</u>	<u>1,231,341</u>

Expenditure on charitable activities was £1,488,365 (year ended 31 December 2021 - £1,231,341) of which £1,419,818 was unrestricted (year ended 31 December 2021 - £1,108,161) and £68,547 was restricted (year ended 31 December 2021 - £123,180).

19.) Analysis of Support and Governance Costs

The Trust initially identifies the costs of the support functions. It then identifies which costs related to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable objectives undertaken in the year. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	General Support 2022 (£)	General Support 2021 (£)	Governance Function 2022 (£)	Governance Function 2021 (£)	Total 2022 (£)	Total 2021 (£)	Basis of Apportionment
Wages and National Insurance	103,318	117,623	-	-	103,318	117,623	allocated on time
Trust Administration	2,894	3,658	-	-	2,894	3,658	direct
Lease and Rental Charges	2,943	2,685	-	-	2,943	2,685	direct
Bank Charges	20,158	4,550	-	-	20,158	4,550	direct
Loan Interest	4,822	8,090	-	-	4,822	8,090	direct
Audit and Accountancy Fees	11,431	10,179	-	-	11,431	10,179	direct
Trustee Travel Reimbursements	-	-	118	396	118	396	governance
	<u>145,566</u>	<u>146,785</u>	<u>118</u>	<u>396</u>	<u>145,684</u>	<u>147,181</u>	

20.) Summary Analysis of Expenditure and Related Income for Charitable Activities

	Delivering the User Experience (£)	Maintaining the User Experience (£)	Curatorial Works (£)	Total for year ended 31st Dec. 2022 (£)	Total for year ended 31st Dec. 2021 (£)
Costs	(1,265,400)	(171,690)	(51,275)	(1,488,365)	(1,231,341)
Grants	-	-	-	-	-
Admission Charges	696,687	-	-	696,687	540,066
	<u>(568,713)</u>	<u>(171,690)</u>	<u>(51,275)</u>	<u>(791,678)</u>	<u>(691,275)</u>
Direct Grant Support	-	-	-	-	-
Net cost funded from other income	<u>(568,713)</u>	<u>(171,690)</u>	<u>(51,275)</u>	<u>(791,678)</u>	<u>(691,275)</u>

21.) Staff Costs and Numbers

	Total for year ended 31st Dec. 2022 (£)	Total for year ended 31st Dec. 2021 (£)
Salaries and Wages	722,921	627,764
Social Security Costs	52,735	43,928
Employment Allowance	(5,000)	(4,000)
Pension Costs	18,362	15,539
Total	<u>789,018</u>	<u>683,231</u>

No employee received emoluments of more than £60,000. Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds. The total employee benefits of the key management personnel of the Trust was £92,654 (year ended 31 December 2021 - £93,062). Details of the payments made to Trustees are outlined in note 16 of the financial statements. The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	<u>2022</u>	<u>2021</u>
Chief Executive	1	1
Management Team	5	5
Catering Staff	12	15
Part-time and Temporary Staff	16	18
Museum Staff	1	1
Total	<u>35</u>	<u>40</u>

The average headcount during the period was 46 staff, (2021 - 38 staff).

22.) Analysis of Net Assets between Funds

	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Funds (£)
Tangible Fixed Assets	1,474,796	-	133,864	1,608,660
Intangible Fixed Assets	3,497	-	16,910	20,407
Investments	238,053	-	-	238,053
Current Assets	511,223	500,000	8,163	1,019,386
Current Liabilities	(102,426)	-	-	(102,426)
Non Current Liabilities	(49,583)	-	-	(49,583)
Net Assets at 31st December 2022	<u>2,075,560</u>	<u>500,000</u>	<u>158,937</u>	<u>2,734,497</u>

The analysis of net assets between funds for the year ended 31 December 2021, the comparative period, is as follows:

	General Funds (£)	Designated Funds (£)	Restricted Funds (£)	Total Funds (£)
Tangible Fixed Assets	1,465,791	-	153,323	1,619,114
Intangible Fixed Assets	4,360	-	33,819	38,179
Investments	267,809	-	-	267,809
Current Assets	950,020	-	50	950,070
Current Liabilities	(110,050)	-	-	(110,050)
Non Current Liabilities	(84,583)	-	-	(84,583)
Net Assets at 31st December 2021	<u>2,493,347</u>	<u>-</u>	<u>187,192</u>	<u>2,680,539</u>

23.) Heritage Assets

Almond Valley is a fully Accredited Museum. This accreditation process involves external examination of museum policies and a verification that they meet nationally agreed standards. The museum policies governing the acquisition and disposal of collection items define the types of objects that may be accessioned into the collection, makes clear the expectation that all will be held in perpetuity, but provides a process by which items might be disposed of under exceptional circumstances. The museum collection is maintained principally for its contribution to knowledge and culture. Trustees do not consider such "heritage assets" to be operational assets and therefore do not include these in the balance sheet.

Due to the specialist nature of the collecting areas defined in the collecting policy, it is unlikely that the museum will ever acquire objects of substantial financial value. At the end of December 2022, the collection consisted of approximately 5,000 items or groups of items representing a total value of £74,674. Full details of the collection are recorded in the Trust's Accession Register. Other than one object with an estimated value of £15,000, and six with values between £1,000 and £10,000, all objects were valued at less £1,000, with the vast majority of objects (more than 95% of the collection) being valued at less than £50. Valuations are derived from purchase cost at acquisition, or a Curator's estimate of the value of donated objects. During the year ending 31st December 2022, items valued at £1,062 were added to the museum collection by purchase (£1,250 in year ended 31 December 2021), collection items valued at £200 were donated (£nil in year to 31 December 2021). No collection items were disposed of over that period, and no change in value occurred in respect of impairment of collection items.

	Year ended 31 Dec. 2022 £	Year ended 31 Dec. 2021 £	Year ended 31 Dec 2020 £	Year ended 31 Dec. 2019 £	Year ended 31 Dec. 2018 £	Period ended 31 Dec. 2017 £
Opening Balance	74,674	73,424	72,097	69,850	68,335	66,335
Heritage Assets Acquired by Purchase	1,062	1,250	1,327	1,997	1,515	1,250
Heritage Assets Acquired by Donation (at Curator's Estimated Value)	200	-	-	250	-	750
Heritage Assets Disposals	-	-	-	-	-	-
Closing Balance	<u>75,936</u>	<u>74,674</u>	<u>73,424</u>	<u>72,097</u>	<u>69,850</u>	<u>68,335</u>

24.) Pension

During the year, the charitable company contributed £4,187 (year ended 31 December 2021 - £4,488) into two separate self administered defined contribution pension schemes for two employees (year ended 31 December 2021 - 2) and £13,693 (year ended 31 December 2021 - £11,027) into a retirements solutions group pension plan administered by Royal London for the remaining staff. In respect of the Royal London plan there were outstanding pension contributions of £2,699 due at the year end (year ended 31 December 2021 - £2,413). £1,161 was due in respect to the two separate self administered plans at the year end (year ending 31 December 2021 - £1,373)

25.) Non Audit Services

In common with many other organisations of its size and nature, the Trust uses its auditors to assist with the preparation of the statutory financial statements.

26.) Capital Commitments

At 31st December 2022 the charitable company had no contracted commitments (year ended 31 Dec. 2021 - £nil).

27.) Taxation

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

The charitable company is registered for VAT. Much of the income is exempt or outwith the scope of VAT. Consequently it is not possible to recover all of the VAT paid on expenditure.

28.) Operating Lease Commitments

Annual commitments under operating leases are as follows:

	year ending 31st December 2022 (£)	year ending 31st December 2021 (£)
Amounts due within one year	1,696	2,242
Amounts due within one and two years	180	1,696
Amounts due within two and five years	-	226
Amounts due after more than five years	-	-
	<u>1,876</u>	<u>4,164</u>

The operating lease commitment relates to the lease of five credit card machines.

The amounts have been stated net of VAT and do not include non-recoverable VAT.

29.) Reconciliation of Net Income/(Expenditure) to net cash flow from operating activities

	year ended 31st December 2022 (£)	year ended 31st December 2021 (£)
Net Movement in Funds	53,958	239,604
Adjustments for:		
Interest received	(1,658)	-
Dividends	(3,196)	(1,589)
Depreciation and Amortisation charges	120,091	120,560
Loss/(Gains) on investments	30,732	(13,110)
Decrease/(Increase) in Stocks	(1,861)	(12,740)
Decrease/(Increase) in Debtors	(12,711)	11,817
Increase/(Decrease) in Creditors	27,274	17,940
Net Cash provided by Operating Activities	<u>212,629</u>	<u>362,482</u>

30.) Analysis of Cash and Cash Equivalents

	year ended 31st December 2022 (£)	year ending 31st December 2021 (£)
Cash at hand	398,816	844,072
Notice deposits (less than 12 months)	500,000	-
Overdraft facility repayable on demand	-	-
Cash and Cash Equivalents at the end of the year	<u>898,816</u>	<u>844,072</u>

31.) Analysis of Changes in Net Debt

	At 1 Jan. 2022 £	Cashflows £	Other non-cash changes £	At 31 Dec. 2022 £
Cash and cash equivalents				
Cash	844,072	54,744	-	898,816
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>844,072</u>	<u>54,744</u>	<u>-</u>	<u>898,816</u>
Borrowings				
Debt due within one year	(69,898)	69,898	(35,000)	(35,000)
Debt due after one year	(84,583)	-	35,000	(49,583)
	<u>(154,481)</u>	<u>69,898</u>	<u>-</u>	<u>(84,583)</u>
Total	<u>689,591</u>	<u>124,642</u>	<u>-</u>	<u>814,233</u>

32.) Investments

	year ended 31st December 2022	year ended 31st December 2021
Listed Investments		
	(£)	(£)
Fair Value at beginning of year	267,510	104,186
Purchases/(Disposals) during the year	-	150,000
Fees charged	(2,221)	(1,375)
Dividends/Interest	3,196	1,589
Movement on Investments	<u>(30,732)</u>	<u>13,110</u>
Market value at end of period	<u>237,753</u>	<u>267,510</u>
Investments held in cash	<u>300</u>	<u>300</u>
Fair value at end of period	<u>238,053</u>	<u>267,810</u>
Book cost of investments	<u>246,533</u>	<u>258,663</u>

The asset allocation within the investments were as follows:

	31st Dec. 2022	31st Dec. 2021
	(£)	(£)
UK holdings	44,930	47,751
Overseas holdings	192,823	219,759
Cash held for reinvestment	<u>300</u>	<u>300</u>
	<u>238,053</u>	<u>267,810</u>

The following holdings comprise more than 5% of the investment portfolio:

ASI Balanced Growth Platform I Acc.	21,117	23,904
Aviva Inv Multi asset I 2	41,564	46,028
Aviva Inv Multi asset III 2	31,445	34,791
Axa Global Distribution Z Acc	31,107	36,546
Premier Multi-Asset Growth & Income C Acc	39,482	44,479
SEI Balanced Sterling Wealth A GBP	29,935	32,984
Vanguard Life Strategy 60% Equity A Acc	<u>43,094</u>	<u>48,852</u>

32.) Contingent Liability

At the year end there is a potential debt due from Almond Valley Heritage Trust to the main energy supplier in respect of retrospective invoices issued due to alleged undercharge of vat and climate change levy for the previous 6 years. The trustees are of the view that Almond Valley Heritage Trust are not due the full amount of this debt and are currently involved in negotiations with the energy supplier to come to an amicable agreement to determine what the outstanding debt should be.

No adjustment has been included in the financial statements for year ended to recognise any of the potential debt due to the energy supplier. The maximum potential debt due is £30,740.42 with £22,484.79 relating to vat. Should any of the potential debt become due, a proportion will be reclaimable by Almond Valley Heritage Trust under the vat partial exemption vat rules.