

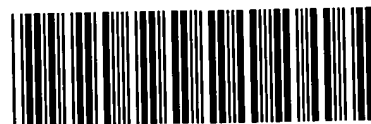
THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2015

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THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

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THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

Trustees Mr W McCosh CBE
Cllr K Allsop (resigned 5 October 2015)
Cllr A Bell
S Bridges

Company registered number 3292500

Charity registered number 1064919

Registered office Chadburn House
Weighbridge Road
Littleworth
Mansfield
Nottinghamshire
NG18 1AH

Company secretary Mrs S Walters

Chief executive officer Mrs S Walters

Accountants Barnett & Turner Accountants Ltd.
Cromwell House
68 West Gate
Mansfield
Nottinghamshire
NG18 1RR

Bankers HSBC Bank plc
1 Leeming Street
Mansfield
Nottinghamshire
NG18 1LU

Solicitors Shacklocks
St Peter's House
Bridge Street
Mansfield
Nottinghamshire
NG18 1AL

Chairman Mr A Camilleri

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Making It Industrial Heritage Trust Limited (the company and the group) for the year ended 30 September 2015. The trustees confirm that the annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company and the group is registered as a charitable company limited by guarantee and was set up by a memorandum of association on 10 December 1996.

The company and the group is constituted under a memorandum of association dated 10 December 1996 and is a registered charity number 1064919.

The principal object of the company and the group is to provide a tourist attraction to advance education.

Method of appointment or election of trustees

As set out in the articles of association the chair of the trustees is nominated by The Making It Industrial Heritage Trust Limited. The minimum number of trustees is set at 3 with the maximum set at 30. Two trustees retire in rotation at each annual general meeting and can be re-elected. Trustees retiring by rotation at the annual general meeting in March 2016 are Mrs S Bridges and Mr W McCosh. There is no limit to the length of service of any trustee.

When considering the appointment of new trustees the board will take into account the specialist skills required by the trust. The current trustees have skills in commercialism, regeneration, public sector and education. The option for a nominated trustee from Mansfield District Council has not been taken up by the authority. One trustee is nominated by Nottinghamshire County Council to assist the trust and represent the interests of the public sector body.

Policies adopted for the induction and training of trustees

New trustees are briefed by the chief executive on their legal obligations under charity and company law and the content of the memorandum and articles of association. New trustees are briefed on the history of the trust and its current business plan and priorities. Trustees will be encouraged to attend external training where appropriate to undertake their role as trustee. Current trustees are brought up to date with new legislation, company law and charity law where appropriate.

Organisational structure and decision making

The board of trustees' main responsibility is to administer the trust. The board meets quarterly to discuss performance of the trading company and other trust related matters. Ad hoc sub-committees are set up to deal with urgent matters as and when they arise. A chief executive is appointed by the trustees to manage the day to day operations of the trust and trading company. To facilitate effective operations, the chief executive has delegated powers, set up by the trustees, for operational matters including finance, personnel, health and safety, marketing and other commercial matters. A remuneration committee was formed in 2008. The committee meets once a year and comprises Mr A Camilleri and any one other representative chosen at random.

Two trustees, Mr McCosh and Mrs Bridges are also directors of Making it! Enterprises Limited, a subsidiary of

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

the trust whose principal activity is the letting of serviced office accommodation, managing The Stovin Bradford Conference Suite. There are three directors of the trading company who are not directors of the trust, namely Mrs Walters, Mr Camilleri and Mr Goad.

Risk management

The trust operates a risk management strategy which is reviewed annually with the assistance of a consultant. There is a system in place for training all staff on risk assessment, management and procedures. This ensures that risks are kept to an absolute minimum. Emergency procedures are in place and are tested to meet legal requirements. Business interruption insurance is in place to safeguard income streams. The trust is mindful that the systems in place can only provide reasonable but not absolute assurance that major risks have been adequately identified and managed. A risk assessment was undertaken by Hiscox Insurance in January 2011 resulting in a clean bill of health and no recommendations to improve procedures.

Liability insurance

During the year the trust purchased trustees' liability insurance at a cost of £646 (2014: £942)

OBJECTIVES AND ACTIVITIES

Policies and objectives

The aims and objectives for which the trust has been established are the advancement of education and running of an interactive discovery centre through the provision of a tourist attraction. The beneficiaries of these aims are school children and families.

In furtherance of these aims and objectives, Making it! Enterprises Limited was incorporated on 1 October 1997 as a wholly owned subsidiary of the trust. In the accounting period, the principal activities have been operating the Making it! Discovery Centre for family and educational visitors, the letting of office space and managing conference facilities.

The trust, through its educational galleries, has been able to enhance curriculum activities within local and regional schools in the areas of design and technology, maths and English as well as encouraging local community groups to engage in family related activities up until April 2015 when the visitor centre closed permanently.

The income of the trust shall be applied solely towards the promotion of all or any of the objects of the trust in accordance with clause 4 of the memorandum of association.

The trust shall not engage in any substantial permanent trading activity in raising funds for the objects.

No member shall have any personal claim on any property of the trust and no portion thereof shall be paid directly or indirectly to the members.

No trustee shall be appointed to any office paid by salary or fees, or receive any remuneration or other benefit from the trust.

Strategies for achieving objectives

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the trust should undertake. Through this guidance, trustees have reported that the main beneficiaries of

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

public benefit are defined as school children and family groups visiting the Making it! galleries. There are no restrictions on who can benefit from the activities provided by the trust.

During the financial year 2014/2015, the trustees gave consideration to ensuring that no beneficiaries from the educational sector or general public were excluded from accessing the facilities through poverty or any other restriction. Trustees have also given consideration to the discounts and types of assistance available to beneficiaries. To this end, 11% of family visitors to the centre were admitted on a free of charge basis by way of issuing family vouchers through local schools and various publications and web-based activities. Also, of the 4,079 children visiting the centre on an educational/other group visit, 53% received no funding whilst 47% received differing amounts of funding.

The criteria for school children receiving a free or subsidised visit is based on the school being situated in an area of deprivation, usually based on the percentage of free school meals received at a school.

Activities for achieving objectives

Due to falling visitor numbers and the increasing amount of the trust's funds being used to support the visitor centre, coupled with the requirement to refurbish the interactive exhibits, the visitor centre, café and conference rooms were closed permanently at the end of April 2015. The conference facilities have been moved to Chadburn House.

The main objective for the coming year has been to devise a new way of meeting the aims and objectives of the charity to enhance education for primary school children. The trust will encourage school groups/community groups to apply for grants to meet the cost of extra curricular activities which would not normally be funded through the school/group budgets.

The trustees have agreed to transfer £20,000 of the profits from the trading company into the charity and that the aim should be to make a difference to as many children as possible. Therefore, it has been agreed that the grant monies available would be between £50 - £500 per school/group. Also, groups can apply for free component parts for specialist Design & Technology projects which can be supported by a specialist D&T teacher funded by the charity.

The discovery centre is a leasehold property and plans are in place to explore its future use to secure additional income for the trust.

We will continue to actively market vacant office space to maintain income streams from the serviced office accommodation within Chadburn House.

ACHIEVEMENTS AND PERFORMANCE

Going concern

Since the balance sheet date the directors have confirmed that part of the operation will be ceasing during the year ending 30 September 2015. It is unclear at this time what activities will take the place of the discovery centre, however, discussions are ongoing and the directors confirm that it is their intention for the company to continue to operate until at least March 2017. The financial statements have therefore been prepared on the going concern basis.

Review of activities

Rental levels of serviced office units at the year end were 70%. Licence fees remain competitive with other facilities in the near vicinity.

THE MAKING IT! INDUSTRIAL HERITAGE TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

The Making it! Discovery Centre (since opening Phase II in April 2002) has been host to 79,650 children who visited the galleries to enhance their curriculum lessons in design and technology. A total of 169,756 visitors have been to Making it! since April 2002.

Visitor numbers for the financial year to 30 September 2015 were 31% below budgeted expectations and income was 38% below budget due to the falling number of casual/education visitors to the centre and the closure of the centre in April 2015.

Additional activities undertaken at the visitor centre during the year have included themed events for children during school holidays and themed birthday parties. Brewhouse Crafts offers vintage and modern workshops for adults and children.

Making It! has continued to deliver workshops offsite to satisfy bespoke requirements.

Investment policy and performance

The trustees have investment powers under the memorandum and articles of association to distribute educational grants to schools as they see fit. The chief executive has delegated powers to distribute these funds on behalf of the trust up to a maximum of £500 for any one cause.

Factors relevant to achieve objectives

A business plan is prepared each year and this is agreed and signed by trustees as the working document for the year's performance. Progress is monitored at quarterly trustee meetings.

Profitability for Chadburn House was £40,730 compared with a budget of £1,818, wholly due to the higher than expected occupancy levels during the second half year. The Discovery Centre losses were £43,399 -v- a budgeted loss of £81,010 (as a result of the closure of the visitor centre in April).

The principal funding sources were rental of serviced office accommodation, visitor admissions, café bar and conference facilities.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

FINANCIAL REVIEW

Reserves policy


The trust needs reserves to enable it to meet both its on-going commitments in respect of its general charitable activities and to meet its future operating requirements. The level of unrestricted funds in the trust at 30 September 2015 amounted to £317,340 (2014: £336,483). The level of restricted funds in the trust at 30 September 2015 amounted to £470,199 (2014: £1,499,217). The level of total reserves is judged appropriate for the present situation and needs of the trust. The trustees will review this position and policy on an annual basis.

Future developments

The trust will continue its excellent work to encourage primary school children to develop in the field of Design & Technology through grants to schools and community projects. The trust will work towards collaboration with other charitable organisations to maximise the benefit of its available funds.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the trustees on 7/4/16 and signed on their behalf by:


Mr W McCosh CBE
Trustee

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED

I report on the financial statements of the group for the year ended 30 September 2015 which are set out on pages 9 to 25.

This report is made solely to the group's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the group's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the group and the group's trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. The group's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (The Institute of Chartered Accountants in England and Wales).

Having satisfied myself that the group is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the group and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

D. Wilson

Signed: David Wilson

Dated: 9 May 2016

David Wilson ICAEW
Chartered Accountant
Mansfield

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

| | Note | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | - | 7,603 | 7,603 | 8,567 |
| Activities for generating funds | 3 | 301,051 | - | 301,051 | 308,917 |
| Investment income | 4 | 1,534 | - | 1,534 | 2,279 |
| Incoming resources from charitable activities | 5 | 36,776 | - | 36,776 | 61,314 |
| TOTAL INCOMING RESOURCES | | 339,361 | 7,603 | 346,964 | 381,077 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds: | | | | | |
| Fundraising expenses and other costs | 3 | 276,720 | - | 276,720 | 319,206 |
| Charitable activities | 6 | 76,912 | 47,661 | 124,573 | 150,105 |
| Governance costs | 7 | 3,525 | - | 3,525 | 4,975 |
| TOTAL RESOURCES EXPENDED | | 357,157 | 47,661 | 404,818 | 474,286 |
| NET RESOURCES EXPENDED BEFORE TRANSFERS | | (17,796) | (40,058) | (57,854) | (93,209) |
| Transfers between funds | 15 | (1,347) | 1,347 | - | - |
| NET RESOURCES EXPENDED BEFORE REVALUATIONS | | (19,143) | (38,711) | (57,854) | (93,209) |
| Gains and losses on revaluations of fixed assets for the charity's own use | 10 | - | (990,307) | (990,307) | - |
| NET MOVEMENT IN FUNDS FOR THE YEAR | | (19,143) | (1,029,018) | (1,048,161) | (93,209) |
| Total funds at 1 October 2014 | | 336,483 | 1,499,217 | 1,835,700 | 1,928,909 |
| TOTAL FUNDS AT 30 SEPTEMBER 2015 | | 317,340 | 470,199 | 787,539 | 1,835,700 |

The notes on pages 15 to 25 form part of these financial statements.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

| | | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| | Note | | | | |
| TOTAL INCOME | | 339,361 | 7,603 | 346,964 | 381,077 |
| LESS: TOTAL EXPENDITURE | | 357,157 | 47,661 | 404,818 | 474,286 |
| Net expenditure for the year before transfers | | (17,796) | (40,058) | (57,854) | (93,209) |
| Transfers between funds | 15 | (1,347) | 1,347 | - | - |
| NET EXPENDITURE FOR THE YEAR | 15 | (19,143) | (38,711) | (57,854) | (93,209) |

The notes on pages 15 to 25 form part of these financial statements.

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

| | | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| | Note | | | | |
| NET EXPENDITURE FOR THE YEAR | 15 | (19,143) | (38,711) | (57,854) | (93,209) |
| Gains and losses on revaluations of fixed assets for the charity's own use | | - | (990,307) | (990,307) | - |
| TOTAL GAINS AND LOSSES RECOGNISED SINCE 1 OCTOBER 2014 | 15 | (19,143) | (1,029,018) | (1,048,161) | (93,209) |

There is no difference between the (expenditure)/income on ordinary activities for the year stated above and its historical cost equivalent.

The notes on pages 15 to 25 form part of these financial statements.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED

(a company limited by guarantee)

REGISTERED NUMBER: 3292500

**CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2015**

| | Note | £ | 2015 £ | £ | 2014 £ |
|--|------|----------------|------------------|----------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 1,004,270 | | 2,048,729 |
| CURRENT ASSETS | | | | | |
| Stocks | | 1,369 | | 5,569 | |
| Debtors | 12 | 38,787 | | 34,693 | |
| Cash at bank and in hand | | 224,163 | | 261,257 | |
| | | <u>264,319</u> | | <u>301,519</u> | |
| CREDITORS: amounts falling due within one year | 13 | (79,489) | | (94,244) | |
| NET CURRENT ASSETS | | | <u>184,830</u> | | <u>207,275</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>1,189,100</u> | | <u>2,256,004</u> |
| CREDITORS: amounts falling due after more than one year | 14 | | (401,561) | | (420,304) |
| NET ASSETS | | | <u>787,539</u> | | <u>1,835,700</u> |
| CHARITY FUNDS | | | | | |
| Restricted funds | 15 | | 470,199 | | 1,499,217 |
| Unrestricted funds | 15 | | 317,340 | | 336,483 |
| TOTAL FUNDS | | | <u>787,539</u> | | <u>1,835,700</u> |

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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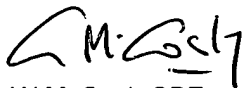
CONSOLIDATED BALANCE SHEET (continued)
AS AT 30 SEPTEMBER 2015

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2015 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the trustees on 7 April 2016 and signed on their behalf, by:



Mr W McCosh CBE

The notes on pages 15 to 25 form part of these financial statements.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED

(a company limited by guarantee)

REGISTERED NUMBER: 3292500

**COMPANY BALANCE SHEET
AS AT 30 SEPTEMBER 2015**

| | Note | £ | 2015 £ | £ | 2014 £ |
|--|------|-----------------|------------------|----------|-----------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 993,585 | | 2,035,213 |
| Investments | 11 | | 1 | | 1 |
| | | | 993,586 | | 2,035,214 |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 179,413 | | 201,677 | |
| Cash at bank | | 2,670 | | 2,664 | |
| | | 182,083 | | 204,341 | |
| CREDITORS: amounts falling due within one year | 13 | (18,913) | | (20,364) | |
| NET CURRENT ASSETS | | | 163,170 | | 183,977 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 1,156,756 | | 2,219,191 |
| CREDITORS: amounts falling due after more than one year | 14 | | (379,892) | | (395,302) |
| NET ASSETS | | | 776,864 | | 1,823,889 |
| CHARITY FUNDS | | | | | |
| Restricted funds | 15 | | 470,199 | | 1,499,217 |
| Unrestricted funds | 15 | | 306,665 | | 324,672 |
| TOTAL FUNDS | | | 776,864 | | 1,823,889 |

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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COMPANY BALANCE SHEET (continued)
AS AT 30 SEPTEMBER 2015

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2015 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the trustees on 7 April 2016 and signed on their behalf, by:



Mr W McCosh CBE

The notes on pages 15 to 25 form part of these financial statements.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £5 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.6 Going concern

The financial statements have been prepared on the going concern basis. The directors believe that the company has the resources to continue to trade until at least March 2017.

1.7 Basis of consolidation

The financial statements consolidate the financial statements of The Making It Industrial Heritage Trust Limited and all of its subsidiary undertaking ('subsidiary').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own income and expenditure account.

The income and expenditure account for the year dealt with in the financial statements of the company was £(1,047,025) (2014 - £(85,197)).

1.8 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.9 Tangible fixed assets and depreciation

All assets costing more than £50 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|------------------------------|---|---|
| Freehold property | - | Not depreciated |
| Long-term leasehold property | - | The shorter of the period of the lease and 50 years |
| Fixtures and fittings | - | 20% straight line basis |

No depreciation is provided on freehold land in accordance with statement of financial reporting Standard 15.

Where in the opinion of the trustees the costs of alterations and improvements to leasehold property enhance its value, the costs are capitalised. All other costs are charged in the statement of financial activities when incurred.

1.10 Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.12 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. VOLUNTARY INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-----------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Donations | - | 7,603 | 7,603 | 8,567 |

THE MAKING IT INDUSTRIAL HERITAGE TRUST, LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

3. TRADING ACTIVITIES

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Charity trading income | | | | |
| Trading income in subsidiary | 301,051 | - | 301,051 | 308,917 |
| Fundraising trading expenses | | | | |
| Trading expenses in subsidiary | 276,720 | - | 276,720 | 319,206 |
| Net income/(expenditure) from trading activities | 24,331 | - | 24,331 | (10,289) |

The charity owns all of the issued share capital of Making It! Enterprises Limited a company registered in England. The subsidiary is used for trading purposes. All activities have been consolidated on a line by line basis in the statement of financial activities.

Turnover in Making It! Enterprises Limited amounted to £301,051 (2014 - £308,917), trading expenses were £276,720 (2014 - £319,206) and interest receivable of £1,532 (2014 - £2,277) resulting in a net loss of £1,137 (2014 - £8,012). The aggregate amount of assets was £272,289 (2014 - £312,370) and the aggregate amount of liabilities was £261,615 (2014 - £300,559), in total representing capital and reserves of £10,674 (2014 - £11,811).

4. INVESTMENT INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-----------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Investment income | 2 | - | 2 | 2 |
| Bank interest in subsidiary | 1,532 | - | 1,532 | 2,277 |
| | 1,534 | - | 1,534 | 2,279 |

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| General fund | 36,776 | - | 36,776 | 61,314 |

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**NOTES TO THE FINANCIAL STATEMENTS
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6. DIRECT COSTS

| | General fund £ | Phase I £ | Phase II £ | Educational visits fund £ | Total 2015 £ | Total 2014 £ |
|----------------------------|----------------------|--------------|---------------|---------------------------------|--------------------|--------------------|
| Rates | 2,181 | - | - | - | 2,181 | 2,427 |
| Light and heat | 4,377 | - | - | - | 4,377 | 6,624 |
| Repairs and renewals | 2,447 | - | - | - | 2,447 | 5,434 |
| Insurance | 8,272 | - | - | - | 8,272 | 6,513 |
| Advertising | 2,353 | - | - | - | 2,353 | 5,502 |
| Equipment leasing | 437 | - | - | - | 437 | 573 |
| Bank charges | 662 | - | - | - | 662 | 967 |
| Telephone and postage | 918 | - | - | - | 918 | 1,730 |
| Sundry expenses | 440 | - | - | - | 440 | 749 |
| Educational awards made | 977 | - | - | 10,773 | 11,750 | 12,843 |
| Exhibition materials | 2,338 | - | - | - | 2,338 | 6,338 |
| Professional fees | 1,182 | - | - | - | 1,182 | 990 |
| Loan interest payable | 11,827 | - | - | - | 11,827 | 12,859 |
| Wages and salaries | 24,067 | - | - | - | 24,067 | 35,234 |
| Depreciation | 14,434 | 2,558 | 34,330 | - | 51,322 | 51,322 |
| | <u>76,912</u> | <u>2,558</u> | <u>34,330</u> | <u>10,773</u> | <u>124,573</u> | <u>150,105</u> |

7. GOVERNANCE COSTS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Independent examination | <u>3,525</u> | <u>-</u> | <u>3,525</u> | <u>4,975</u> |

THE MAKING IT INDUSTRIAL HERITAGE TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

8. NET RESOURCES EXPENDED

This is stated after charging:

| | 2015 £ | 2014 £ |
|---|---------------|---------------|
| Depreciation of tangible fixed assets: - owned by the charitable group | <u>57,207</u> | <u>59,215</u> |

During the year, no trustees received any remuneration (2014 - £NIL).

During the year, no trustees received any benefits in kind (2014 - £NIL).

During the year, no trustees received any reimbursement of expenses (2014 - £NIL).

9. STAFF COSTS

Staff costs were as follows:

| | 2015 £ | 2014 £ |
|--------------------|----------------|----------------|
| Wages and salaries | <u>164,843</u> | <u>194,082</u> |

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

| | 2015 No. | 2014 No. |
|-----------------------|-------------|-------------|
| Charitable activities | <u>14</u> | <u>19</u> |

No employee received remuneration amounting to more than £60,000 in either year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

10. TANGIBLE FIXED ASSETS

| Group | Freehold property £ | Long-term leasehold property £ | Fixtures and fittings £ | Total £ |
|---|------------------------------------|---|--|--------------------|
| Cost | | | | |
| At 1 October 2014 | 150,951 | 2,610,759 | 343,778 | 3,105,488 |
| Additions | - | - | 5,382 | 5,382 |
| Disposals | - | - | (7,664) | (7,664) |
| At 30 September 2015 | 150,951 | 2,610,759 | 341,496 | 3,103,206 |
| Depreciation | | | | |
| At 1 October 2014 | 37,366 | 689,131 | 330,262 | 1,056,759 |
| Charge for the year | - | 51,321 | 5,886 | 57,207 |
| On disposals | - | - | (5,337) | (5,337) |
| Impairment charge | - | 990,307 | - | 990,307 |
| At 30 September 2015 | 37,366 | 1,730,759 | 330,811 | 2,098,936 |
| Net book value | | | | |
| At 30 September 2015 | 113,585 | 880,000 | 10,685 | 1,004,270 |
| At 30 September 2014 | 113,585 | 1,921,628 | 13,516 | 2,048,729 |
| Company | Freehold property £ | Long-term leasehold property £ | Fixtures and fittings £ | Total £ |
| Cost | | | | |
| At 1 October 2014 and 30 September 2015 | 150,951 | 2,597,279 | 241,699 | 2,989,929 |
| Depreciation | | | | |
| At 1 October 2014 | 37,366 | 675,651 | 241,699 | 954,716 |
| Charge for the year | - | 51,321 | - | 51,321 |
| Impairment charge | - | 990,307 | - | 990,307 |
| At 30 September 2015 | 37,366 | 1,717,279 | 241,699 | 1,996,344 |
| Net book value | | | | |
| At 30 September 2015 | 113,585 | 880,000 | - | 993,585 |
| At 30 September 2014 | 113,585 | 1,921,628 | - | 2,035,213 |

The total potential liabilities owed to the secured creditors at 30 September 2015 amounted to £390,971 which represents 39.3% of the net book value of the group's tangible fixed assets at that date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

11. FIXED ASSET INVESTMENTS

| Company | Shares in group undertakings £ |
|--|---|
| Market value | |
| At 1 October 2014 and 30 September 2015 | 1 |
| Company investments at market value comprise: | |
| | 2015 £ |
| Group | 1 |
| | 2014 £ |
| | 1 |

The charity owns all of the issued share capital of Making It! Enterprises Limited, a company registered in England. The subsidiary is used for trading purposes. All activities have been consolidated on a line by line basis in the statement of financial activities.

12. DEBTORS

| | Group | Company |
|------------------------------------|----------------|----------------|
| | 2015 £ | 2014 £ |
| Trade debtors | 28,394 | 24,424 |
| Amounts owed by group undertakings | - | - |
| Prepayments and accrued income | 10,393 | 10,269 |
| | 38,787 | 34,693 |
| | 2015 £ | 2014 £ |
| | 45 | - |
| | 179,368 | 201,677 |
| | - | - |
| | 179,413 | 201,677 |

**13. CREDITORS:
Amounts falling due within one year**

| | Group | Company |
|------------------------------------|---------------|----------------|
| | 2015 £ | 2014 £ |
| Secured loans | 14,746 | 14,746 |
| Other loans | 4,000 | 4,000 |
| Trade creditors | 6,020 | 16,040 |
| Other taxation and social security | 9,070 | 12,166 |
| Other creditors | 26,918 | 24,901 |
| Accruals and deferred income | 18,735 | 22,391 |
| | 79,489 | 94,244 |
| | 2015 £ | 2014 £ |
| | 14,746 | 14,746 |
| | 667 | 667 |
| | - | - |
| | - | - |
| | - | - |
| | 3,500 | 4,951 |
| | 18,913 | 20,364 |

The secured loans are secured on the charity's land and buildings.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. CREDITORS:
Amounts falling due after more than one year

| | Group | | Company | |
|---------------|----------------|----------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 |
| | £ | £ | £ | £ |
| Secured loans | 376,228 | 390,971 | 376,228 | 390,971 |
| Other loans | 25,333 | 29,333 | 3,664 | 4,331 |
| | 401,561 | 420,304 | 379,892 | 395,302 |

Creditors include amounts not wholly repayable within 5 years as follows:

| | Group | | Company | |
|--------------------------|--------------|-------------|----------------|-------------|
| | 2015 | 2014 | 2015 | 2014 |
| | £ | £ | £ | £ |
| Repayable by instalments | 326,575 | 345,320 | 318,238 | 333,650 |

The secured loans are secured on the charity's land and buildings.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS

| | Brought forward £ | Incoming resources £ | Resources expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried forward £ |
|-----------------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| Designated funds | | | | | | |
| Educational visits fund | 5,824 | - | (977) | (1,347) | - | 3,500 |
| General funds | | | | | | |
| General Funds | 330,659 | 339,361 | (356,180) | - | - | 313,840 |
| Total Unrestricted funds | 336,483 | 339,361 | (357,157) | (1,347) | - | 317,340 |
| Restricted funds | | | | | | |
| Phase I | 94,670 | - | (2,558) | - | - | 92,112 |
| Phase II | 1,402,724 | - | (34,330) | - | (990,307) | 378,087 |
| Educational visits | 1,823 | 7,603 | (10,773) | 1,347 | - | - |
| | 1,499,217 | 7,603 | (47,661) | 1,347 | (990,307) | 470,199 |
| Total of funds | 1,835,700 | 346,964 | (404,818) | - | (990,307) | 787,539 |

Purposes of funds

Unrestricted funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds

The restricted fund was initially represented by specific grants from the European Regional Development Fund and Mansfield District Council to purchase leasehold property and fixtures and fittings, in connection with Phase I of the trust's objectives.

The restricted fund has been further enhanced by grants from various sources to fund Phase II of the trust's objectives. Freehold property has been purchased together with the services of professional firms in connection with surveying, architectural, project management, research and marketing skills. Construction work on the development of the leasehold property for Phase II of the project commenced in March 2001 and was completed during March 2003. The buildings are considered to have an impairment of £990,307 which have been written off against this fund during the year.

This educational visits fund represents funding received from Nottinghamshire County Council to cover the costs of educational visits.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Tangible fixed assets | 124,270 | 880,000 | 1,004,270 | 2,048,729 |
| Current assets | 264,320 | - | 264,320 | 301,519 |
| Creditors due within one year | (49,578) | (29,912) | (79,490) | (94,244) |
| Creditors due in more than one year | (21,672) | (379,889) | (401,561) | (420,304) |
| | <u>317,340</u> | <u>470,199</u> | <u>787,539</u> | <u>1,835,700</u> |

17. OPERATING LEASE COMMITMENTS

At 30 September 2015 the group had annual commitments under non-cancellable operating leases as follows:

| Group | 2015 £ | 2014 £ |
|-----------------------|--------------|--------------|
| Expiry date: | | |
| Between 2 and 5 years | <u>1,796</u> | <u>1,796</u> |

18. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption available under FRS8 'Related party transactions' that permits non-disclosure of transactions with wholly owned group undertakings that are eliminated on consolidation.

19. PRINCIPAL SUBSIDIARIES

| Company name | Country | Percentage Shareholding | Description |
|--------------------------------|-------------------|----------------------------|---|
| Making It! Enterprises Limited | England and Wales | 100 | Letting of office and conference facilities and operation of cafe bar and shop. |

20. GOING CONCERN NOTE

During April 2015 the discovery centre closed. Discussions are ongoing regarding alternative uses for this building. The directors confirm that it is their intention for the company to continue to operate until at least April 2017. The financial statements have therefore been prepared on the going concern basis.