

REGISTERED COMPANY NUMBER: 03203702 (England and Wales)
REGISTERED CHARITY NUMBER: 1071244

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2022
for
HASLEMERE EDUCATIONAL MUSEUM




KNOX CROPPER
chartered accountants

HASLEMERE EDUCATIONAL MUSEUM

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for the Year Ended 31 December 2022**

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HASLEMERE EDUCATIONAL MUSEUM

Report of the Trustees for the Year Ended 31 December 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Strategies to achieve the year's objectives

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Trustees have produced a five year plan covering the years 2022 to 2026. The plan identifies the continued promotion of the Museum as an educational and cultural centre and the engagement of as broad an audience as possible by a full and varied annual programme of events and activities. This is achieved by encouraging and supporting visits and visitors for events for both existing and new audiences.

On the learning and interpretation aspect relating to education, an extensive annual programme was identified, leading to the promotion and use of the education room and grounds of the Museum and further expanding the number of schools and local organisations that use the facilities. This is achieved through a combination of the Museum's website, development of leaflets and promotional material as well as continued contact with schools and other organisations.

Activities and achievements during the year

The Museum has served the town and beyond since 1888, providing education and entertainment and is fully integrated into the fabric of the town, organising and supporting many of the activities which make Haslemere so special.

Whilst coronavirus did not impact the Museum's activities as severely as in 2020 and 2021, the Museum felt the continued impact of lockdown with visitors reluctant to attend events and the Museum itself. This is not unique to the Museum, many other local organisation and venues have also experienced a reduction in visitor numbers. Whilst visitor numbers in 2022 increased to 31,914 compared with 23,474 in 2021, they were still considerably less than the 40,177 in 2019.

This together with the cost of living crisis and the increase in energy costs meant another challenging year for the Museum although we offered the premises as a warm hub for the community during the winter months

FINANCIAL REVIEW

Financial position

The net excess of expenditure over income of the Museum at 31st December 2022, before unrealised losses on investments was £118,323 (2021: £29,150).

The war in Ukraine and the subsequent energy crisis resulted in significant falls in all the main investment markets around the world particularly in the first half of 2022. Investment markets continue to remain volatile with inflation and high interest rates being of concern. In these challenging times, the Museum's investment portfolio reduced in value by £258,580 wiping out the gain achieved in 2021 of £247,652. The Museum depends on the income which its investments produce to assist in funding its core and continuing activities. The income from investments is a vital source of funds and assists the museum in reducing its operating deficit.

Total funds carried forward at 31st December 2022 were £2,179,555 (2021: £2,556,458), of which £1,560,872 was represented by Unrestricted Funds (2021: £2,263,211) and £618,683 (2021: £293,247) by restricted funds.

HASLEMERE EDUCATIONAL MUSEUM

Report of the Trustees for the Year Ended 31 December 2022

FINANCIAL REVIEW

Principal funding sources and expenditure in the year under review

The Museum is reliant on the income earned from various sources to meet its costs, including entry donations, educational income, room hire, membership subscriptions, individual donations, bequests and grants from various bodies. It also generates significant income from its investment portfolio.

The Covid 19 pandemic continued to have a significant adverse impact on many of the Museum's sources of income during the year. Whilst entry donations, educational income, room hire and income generated from exhibitions and similar activities were all below the level budgeted as a result of the reluctance of the community to emerge from lockdown, they were in excess of those achieved in 2021. Individual donations also decreased compared with 2021.

Investment income, which principally relates to the investments underpinning the Museum in a Million Endowment Fund was maintained at a similar level to the previous year at £58,587 (2021: £55,558). This income is vital to assist the Museum in reducing operating deficits which are forecast to continue in future.

Grants were received from a number of sources including Waverley Borough Council and Haslemere Town Council. Grants, which included Covid related grants in 2021, decreased from £71,360 to £40,118 in 2022. The Museum's income from trading activities increased to £73,103 from £36,822 in 2021. Total income amounted to £229,560 (2021: £261,509).

Total expenditure increased to £347,883 (2021: £290,659). This was primarily due to increased salary and energy costs, as well as, increased events and exhibition costs.

Investment policy and objectives

The investment objectives are to generate a sustainable income stream which at least maintains its real value in future years and at least maintains the capital value over the long term. To reduce risk, the Trustees have taken advantage of common investment funds, as they concluded that these funds offer the most cost effective access to a well diversified portfolio that reasonably matches the Museum's requirements and objectives.

During the year the majority of funds were invested in the COIF Charities Ethical Investment Fund. This fund is managed by CCLA Fund Managers Limited, one of the UK's largest charity fund managers. The investment fund is a mixed asset fund which comprises a diversified portfolio of assets with a substantial exposure to overseas equities with the aim of providing a good level of income and long term protection from inflation.

The Ethical Investment Fund adheres to an ethical policy that imposes a range of investment restrictions. The Fund aims to pursue a long term sustainable investment solution which incorporates environmental, social and governance (ESG) considerations into the investment strategy.

HASLEMERE EDUCATIONAL MUSEUM

Report of the Trustees for the Year Ended 31 December 2022

FINANCIAL REVIEW

Reserves policy

The Trustees have agreed a policy to hold unrestricted and undesignated reserves equivalent to at least six months expenditure, which at 31 December 2022 amounted to £173,941 (2021: £290,659 based on 12 months expenditure policy). These reserves are held in bank accounts or in readily realisable investments. But for the existence of the Museum in a Million Expendable Endowment Fund, the Trustees would have considered it necessary to agree a policy to hold unrestricted reserves equivalent to at least four years' annual expenditure. Total unrestricted reserves at 31 December 2022 amounted to £1,560,872 (2021: £2,263,211).

The reasons why the Trustees consider reserves at this level are required are as follows:

1. Most of the Museum's expenditure comprises fixed costs which relate to the running of the Museum. The majority of this expenditure comprises non discretionary establishment and staff employment costs. Establishment costs are high as the Museum is located in an 18th century listed building set in large grounds.
2. The Museum is critically dependant upon volunteer workers in order to be able to maintain and run its activities. Annual expenditure would increase by around 50% if commercial rates were paid to individuals or outside agencies to carry out the work currently undertaken by volunteers.
3. With the exception of the investment income generated by the designated funds, only a small proportion of the Museum's annual income can be regarded as regular recurring income.
4. Despite the Trustees keeping a tight control over expenditure, the Museum's budgets for 2023 and the coming years anticipate operating deficits (an excess of expenditure over income) in each future financial year. This deficit is after taking account of the investment income generated by the expendable endowment fund.

The principal purpose of the Museum in a Million Expendable Endowment Fund is to generate income to assist in securing the Museum's future. The investment income generated from this Fund provides regular income which partly offsets the annual running costs of the Museum as well as reducing the Museum's annual deficit. All unrestricted funds are held in a combination of investments, term deposit accounts and cash balances.

FUTURE PLANS

The Museum has a full programme of events, exhibitions and activities planned for 2023. Our future plans include the upgrading of the Museum's building fabric. The programme of works is part of a sustainability strategy that aligns closely with the Museum's mission and is an investment that will save money over the longer term.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

HASLEMERE EDUCATIONAL MUSEUM

Report of the Trustees for the Year Ended 31 December 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The Museum was founded in 1888 by Sir Jonathan Hutchinson FRS, an eminent physician and surgeon.

In 1913 a Committee was established to run the Museum which in 1926 concluded an Agreement with the Hutchinson Trustees whereby the Museum was handed over to a new Board of Trustees. In 1934 these Trustees created a Committee of Management. The Trust Deed governing this arrangement was modified in 1990 with the agreement of the Charity Commissioners.

On 24th May 1996 the Museum was incorporated as a Company limited by Guarantee as Company No.3203702. As such it has its Board of Directors, and a Management Committee that reports to the Board. The Museum is registered with the Charity Commission as a Charity, No. 1071244, the Trustees of which are also the members of the Board of Directors of the Company.

The Company holds certain properties comprised in a conveyance dated 5th June 1925 and a deed dated 22nd March 1926 as a Trustee for a separate unincorporated charity No. 1054842 named 'Haslemere Museum Charity' whose objects are to lease or loan the property to the Company or any other charity for any educational or other charitable purpose in such manner as the Trustees see fit. Having regard to the complexity of the inter-relationship between the respective charities No. 1071244 and 1054842 it has been separately agreed by the Charity Commission that the Trustee's Report and the Accounts of the former may incorporate the affairs and financial transactions, if any, of the latter.

Organisational structure

The Board of Directors and the Charity Trustees are legally responsible for the overall management and control of the Museum. Full board meetings are held six times a year scheduled in advance held in alternate months beginning in January of each year. The day to day activities of the charity are handled through a Management Committee consisting of senior Museum staff and the Honorary Treasurer and Honorary Secretary. One Trustee is entitled to attend these meetings. The management committee normally meets every two months and reports to the Board. Other committees may be convened when it is considered necessary, to address specific matters.

Objectives and policies

The 1934 Deed defined the objects of the Museum as being 'to forward and advance the study of Science, Literature and the Fine Arts by means of a well equipped Museum of Natural History and objects of art and of a scientific literary and historical nature'. These are embodied unchanged in the Company's Memorandum of Association.

From its establishment in 1888 the emphasis has been on education and life long learning, particularly of young people - in 1898 it became the first institution of its kind in the country to provide regular lessons and practical demonstrations to visiting school parties. The Agreement of 1926 referred to above required that the Museum retained the name 'Haslemere Educational Museum' and the educational function continues to be at the forefront of the Museum's activities. In furtherance of this function a full-time Education Officer was appointed, and has been in place since the beginning of 2001.

While admission is free, visitors are encouraged to make a donation. Access to the Museum by all members of the public is important to the charity in promoting the importance of education for everyone.

HASLEMERE EDUCATIONAL MUSEUM

Report of the Trustees for the Year Ended 31 December 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment, induction and training of Trustees

Trustees are appointed for an initial period of three years, after which there is the possibility of re-appointment for a second three year term, subject to approval. After this second period of appointment unless co-opted by the Board, Trustees must stand down and may not be appointed again for a period of at least 12 months.

New Trustees are provided with an information pack including the charity's governing document giving explanations of the charitable objectives, together with copies of the financial statements and other relevant information, to allow them to understand and be aware of the activities of the charity.

Trustees are appointed from a broad cross section of the surrounding area and bring with them knowledge and skills which help with the management and directional leadership of the museum.

Employment Policy

The Museum places importance on the involvement of its employees and there are regular meetings with them. Where training for improved job performance is required every effort is made to ensure it is provided.

Work experience is offered to students, particularly if they are interested in a career in museums

Risk assessment

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that policies and systems are in place to mitigate exposure.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03203702 (England and Wales)

Registered Charity number

1071244

Registered office

78 High Street
Haslemere
Surrey
GU27 2LA

Trustees

Dr M J Clayton
Ms M J Odell MBE (Chairman and President)
C J F Reay FCA
Sir A J Rose CBE FRSA (deceased 9.2.23)
R C Sabin
J R Pile RIBA (appointed 20.9.22)
R A M Manyon (appointed 1.3.23)

Company Secretary

Ms S A Porter

Independent Examiner

Knox Cropper LLP
Chartered Accountants
Office Suite 1
Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

HASLEMERE EDUCATIONAL MUSEUM

**Report of the Trustees
for the Year Ended 31 December 2022**

Approved by order of the board of trustees on 18 September 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'C J F Reay', written over a horizontal line.

C J F Reay - Trustee

Independent Examiner's Report to the Trustees of Haslemere Educational Museum

Independent examiner's report to the trustees of Haslemere Educational Museum ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

James Holland-Leader FCA

Knox Cropper LLP
Chartered Accountants
Office Suite 1
Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

18 September 2023

HASLEMERE EDUCATIONAL MUSEUM

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

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	54,502	33,266	87,768	158,305
Charitable activities					
Charitable Objectives	5	10,102	-	10,102	9,824
Other trading activities	3	72,355	748	73,103	36,822
Investment income	4	58,587	-	58,587	55,558
Other income		-	-	-	1,000
Total		195,546	34,014	229,560	261,509
EXPENDITURE ON					
Raising funds	6	4,587	-	4,587	6,389
Charitable activities					
Charitable Objectives	7	286,122	57,174	343,296	284,270
Total		290,709	57,174	347,883	290,659
Net gains/(losses) on investments		(258,580)	-	(258,580)	247,652
NET INCOME/(EXPENDITURE)					
Transfers between funds	20	(353,743)	(23,160)	(376,903)	218,502
		(348,596)	348,596	-	-
Net movement in funds		(702,339)	325,436	(376,903)	218,502
RECONCILIATION OF FUNDS					
Total funds brought forward		2,263,211	293,247	2,556,458	2,337,956
TOTAL FUNDS CARRIED FORWARD		1,560,872	618,683	2,179,555	2,556,458

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

HASLEMERE EDUCATIONAL MUSEUM

Balance Sheet 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	18,306	210,307	228,613	241,203
Investments	15	<u>1,526,821</u>	<u>385,512</u>	<u>1,912,333</u>	<u>2,125,647</u>
		1,545,127	595,819	2,140,946	2,366,850
CURRENT ASSETS					
Stocks	16	6,246	-	6,246	3,636
Debtors	17	23,145	-	23,145	21,351
Investments	18	-	-	-	114,001
Cash at bank and in hand		<u>14,440</u>	<u>22,864</u>	<u>37,304</u>	<u>71,260</u>
		43,831	22,864	66,695	210,248
CREDITORS					
Amounts falling due within one year	19	<u>(28,086)</u>	-	<u>(28,086)</u>	<u>(20,640)</u>
NET CURRENT ASSETS		<u>15,745</u>	<u>22,864</u>	<u>38,609</u>	<u>189,608</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,560,872</u>	<u>618,683</u>	<u>2,179,555</u>	<u>2,556,458</u>
NET ASSETS					
		<u>1,560,872</u>	<u>618,683</u>	<u>2,179,555</u>	<u>2,556,458</u>
FUNDS					
Unrestricted funds	20			<u>1,560,872</u>	<u>2,263,211</u>
Restricted funds				<u>618,683</u>	<u>293,247</u>
TOTAL FUNDS				<u>2,179,555</u>	<u>2,556,458</u>

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

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

The trustees acknowledge their responsibilities for

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

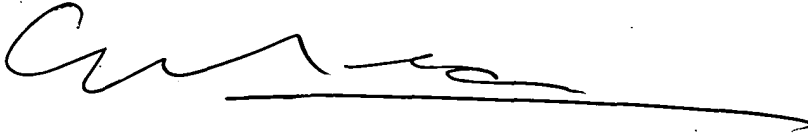
The notes form part of these financial statements

HASLEMERE EDUCATIONAL MUSEUM

Balance Sheet - continued
31 December 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 18 September 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C J F Reay', is written over a horizontal line. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

C J F Reay - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Museum has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Museum's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The curator's employment requirement was to live on site in the Museum's adjoining property known as the "flat". The curator has contributed £75 per month, £900 per annum, towards the utility bills with monthly deductions taken at source through the curator's PAYE.

The curator's element of utility bills is subject to estimation uncertainty as the flat shares supplies with other Museum premises.

Income

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

Donations, Legacies and Collections

Grants are accounted for when Haslemere Educational Museum is notified of its legal entitlement and the amount due is probable.

Investment and Investment Income

Investments are stated at market value-bid price. The income element of any accumulation shares is shown as income with the corresponding amount shown as an addition to the investments.

Expenditure

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

Tangible fixed assets

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

Building Improvements	- 2% on cost
Galleries Improvements	- 5% on cost
Plant and machinery	- 20% on cost

HASLEMERE EDUCATIONAL MUSEUM

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

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

Tangible fixed assets comprising the freehold land and buildings at High Street, Haslemere are used to meet the charitable objectives. The original Museum buildings are grade II listed property and, as such, are considered to be 'Heritage Assets'. As permitted by the SORP, these buildings have not been capitalized, but expenditure on the improvement of the buildings and the galleries has been capitalized.

The Museum Collection has not been capitalized as the Trustees consider that it is impractical to ascertain either a cost or a market value. Consistent with this, object purchases and acquisition expenses are written off via the Statement of Financial Activities, in the year of acquisition.

Certain of the freehold land and buildings and the artefacts in the collection are held by the company as a Trustee for a separate charity named Haslemere Museum Charity (Charity No. 1054842) whose objectives are to lease or loan such property to the Company or any other charity for any educational or other charitable purpose and to benefit the Museum or any of the educational or other charitable purposes in such manner as the Trustees see fit.

Stocks

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

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Debtors

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

Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

HASLEMERE EDUCATIONAL MUSEUM

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

1. ACCOUNTING POLICIES - continued

Creditors

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 reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Financial Instruments

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

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	24,648	69,917
Gift aid	5,440	11,481
Legacies	5,000	-
Grants	40,118	71,360
Membership subscriptions	12,562	5,547
	<u>87,768</u>	<u>158,305</u>

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

	2022	2021
	£	£
Brighton & Hove	-	1,248
JRS Grant	-	10,870
Waverley Borough Council	7,750	36,690
Haslemere Town Council	5,400	10,000
Wild Escapes	18,765	-
Other grants	8,203	12,552
	<u>40,118</u>	<u>71,360</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Special events & Exhibitions	58,273	26,351
Shop sales	14,830	10,471
	<u>73,103</u>	<u>36,822</u>

HASLEMERE EDUCATIONAL MUSEUM

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

4. INVESTMENT INCOME

	2022	2021
	£	£
COIF ethical investment fund	55,523	52,784
COIF fixed interest fund	1,012	1,144
Deposit account interest	<u>2,052</u>	<u>1,630</u>
	<u>58,587</u>	<u>55,558</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Hire and use of Premises	<u>10,102</u>	<u>9,824</u>
Activity Charitable Objectives		

6. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Opening stock	3,636	3,188
Purchases	7,197	6,837
Closing stock	<u>(6,246)</u>	<u>(3,636)</u>
	<u>4,587</u>	<u>6,389</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Charitable Objectives	<u>332,611</u>	<u>10,685</u>	<u>343,296</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	180,271	142,112
Rates and water	1,623	351
Insurance	8,984	8,661
Light and heat	25,620	13,106
Telephone	3,775	3,004
Repairs & maintenance	31,804	33,881
IT costs	3,569	4,097
Security costs	2,520	2,342
Care of collection	3,680	3,707
Postage & Stationery	5,922	6,896
Sundries	839	2,902
Special events & exhibitions	<u>27,738</u>	<u>10,555</u>
Carried forward	296,345	231,614

HASLEMERE EDUCATIONAL MUSEUM

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

8. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	2022	2021
	£	£
Brought forward	296,345	231,614
Unrecoverable VAT adjustment	9,008	8,328
Marketing	3,767	3,096
Subscriptions	3,000	3,948
Cleaning	2,518	3,756
Covid expenses	-	117
Staff Welfare	610	705
Depreciation	<u>17,363</u>	<u>28,099</u>
	<u>332,611</u>	<u>279,663</u>

9. SUPPORT COSTS

	Finance	Governance	Totals
	£	costs £	£
Charitable Objectives	<u>3,592</u>	<u>7,093</u>	<u>10,685</u>

Support costs, included in the above, are as follows:

	2022	2021
	Charitable Objectives £	Total activities £
Other operating leases	498	-
Bank charges	3,094	2,522
Legal fees	4,485	-
Independent Examination Fee	<u>2,608</u>	<u>2,085</u>
	<u>10,685</u>	<u>4,607</u>

10. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	17,363	28,099
Other operating leases	498	-
Pension Costs	3,352	2,901
Independent Examination Fee	<u>2,608</u>	<u>2,085</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021 (but see note 22).

Trustees' expenses

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

12. STAFF COSTS

Key management personnel is defined as the Trustees and Museum Management Committee (including the curator).

Total emoluments paid to Key Management Personnel in the year amounted to £65,797 (2021: £38,352)

The following staff costs were incurred in the year:

Salaries: £171,500 (2021: £134,743)
Social Security: £5,418 (2021: £4,468)
Pension: £3,352 (2021: £2,901)

Total staff costs: £180,270 (2021: £142,112)

Volunteers

The Museum continued to have the support of over 100 unpaid volunteers who are involved in almost every activity and provide invaluable help to the Museum.

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

	2022	2021
Administration	<u>14</u>	<u>9</u>

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	124,714	33,591	158,305
Charitable activities			
Charitable Objectives	9,824	-	9,824
Other trading activities	36,822	-	36,822
Investment income	55,558	-	55,558
Other income	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total	<u>227,918</u>	<u>33,591</u>	<u>261,509</u>

HASLEMERE EDUCATIONAL MUSEUM

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	6,389	-	6,389
Charitable activities			
Charitable Objectives	<u>259,180</u>	<u>25,090</u>	<u>284,270</u>
Total	<u>265,569</u>	<u>25,090</u>	<u>290,659</u>
Net gains on investments	<u>247,652</u>	-	<u>247,652</u>
NET INCOME	210,001	8,501	218,502
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>2,053,211</u>	<u>284,745</u>	<u>2,337,956</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>2,263,212</u></u>	<u><u>293,246</u></u>	<u><u>2,556,458</u></u>

14. TANGIBLE FIXED ASSETS

	Building Improvements £	Land & Buildings £	Galleries Improvements £
COST			
At 1 January 2022	<u>26,646</u>	<u>353,585</u>	<u>231,620</u>
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u><u>26,646</u></u>	<u><u>353,585</u></u>	<u><u>231,620</u></u>
DEPRECIATION			
At 1 January 2022	<u>13,537</u>	<u>141,575</u>	<u>229,858</u>
Charge for year	<u>2,665</u>	<u>7,072</u>	<u>1,762</u>
At 31 December 2022	<u><u>16,202</u></u>	<u><u>148,647</u></u>	<u><u>231,620</u></u>
NET BOOK VALUE			
At 31 December 2022	<u><u>10,444</u></u>	<u><u>204,938</u></u>	<u><u>-</u></u>
At 31 December 2021	<u><u>13,109</u></u>	<u><u>212,010</u></u>	<u><u>1,762</u></u>

HASLEMERE EDUCATIONAL MUSEUM

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

14. TANGIBLE FIXED ASSETS - continued

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2022	22,012	20,356	10,888	665,107
Additions	<u>3,256</u>	<u>-</u>	<u>1,516</u>	<u>4,772</u>
At 31 December 2022	<u>25,268</u>	<u>20,356</u>	<u>12,404</u>	<u>669,879</u>
DEPRECIATION				
At 1 January 2022	11,950	19,788	7,196	423,904
Charge for year	<u>3,166</u>	<u>568</u>	<u>2,129</u>	<u>17,362</u>
At 31 December 2022	<u>15,116</u>	<u>20,356</u>	<u>9,325</u>	<u>441,266</u>
NET BOOK VALUE				
At 31 December 2022	<u>10,152</u>	<u>-</u>	<u>3,079</u>	<u>228,613</u>
At 31 December 2021	<u>10,062</u>	<u>568</u>	<u>3,692</u>	<u>241,203</u>

15. FIXED ASSET INVESTMENTS

	COIF Charities Ethical Investment Fund £	COIF Charities Fixed Interest £	Cash and settlements pending £	Totals £
MARKET VALUE				
At 1 January 2022	2,034,715	39,898	51,034	2,125,647
Disposals	-	(39,898)	-	(39,898)
Revaluation	(252,779)	-	-	(252,779)
Reclassification/transfer	<u>-</u>	<u>-</u>	<u>79,363</u>	<u>79,363</u>
At 31 December 2022	<u>1,781,936</u>	<u>-</u>	<u>130,397</u>	<u>1,912,333</u>
NET BOOK VALUE				
At 31 December 2022	<u>1,781,936</u>	<u>-</u>	<u>130,397</u>	<u>1,912,333</u>
At 31 December 2021	<u>2,034,715</u>	<u>39,898</u>	<u>51,034</u>	<u>2,125,647</u>

There were no investment assets outside the UK.

HASLEMERE EDUCATIONAL MUSEUM**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022****16. STOCKS**

	2022	2021
	£	£
Shop stock	<u>6,246</u>	<u>3,636</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	7,852	1,035
VAT	471	218
Prepayments and accrued income	<u>14,822</u>	<u>20,098</u>
	<u>23,145</u>	<u>21,351</u>

18. CURRENT ASSET INVESTMENTS

	2022	2021
	£	£
Cash Deposits	<u>-</u>	<u>114,001</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	5,588	2,914
Social security and other taxes	2,345	3,043
Pensions	602	550
Credit Card	90	-
Accrued expenses	<u>19,461</u>	<u>14,133</u>
	<u>28,086</u>	<u>20,640</u>

HASLEMERE EDUCATIONAL MUSEUM

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

20. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	314,346	(100,964)	446	213,828
Premises Fund - Unrestricted	6,559	-	-	6,559
The Museum in a Million Fund	1,593,264	(252,779)	-	1,340,485
The AE Orchard Educational Fund	349,042	-	(349,042)	-
	<u>2,263,211</u>	<u>(353,743)</u>	<u>(348,596)</u>	<u>1,560,872</u>
Restricted funds				
Education	45,763	(3,767)	(20,177)	21,819
Care of Collection	17,186	(13,067)	20,000	24,119
Museum Development Fund	213,772	(8,834)	-	204,938
Premises - Restricted	16,526	(16,257)	(269)	-
Wild Escapes	-	18,765	-	18,765
The AE Orchard Buildings and Collection Fund	-	-	349,042	349,042
	<u>293,247</u>	<u>(23,160)</u>	<u>348,596</u>	<u>618,683</u>
TOTAL FUNDS	<u>2,556,458</u>	<u>(376,903)</u>	<u>-</u>	<u>2,179,555</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	195,546	(290,709)	(5,801)	(100,964)
The Museum in a Million Fund	-	-	(252,779)	(252,779)
	<u>195,546</u>	<u>(290,709)</u>	<u>(258,580)</u>	<u>(353,743)</u>
Restricted funds				
Haslemere Town Council/Visitor Information Centre Fund	7,186	(7,186)	-	-
Education	5,663	(9,430)	-	(3,767)
Care of Collection	-	(13,067)	-	(13,067)
Museum Development Fund	-	(8,834)	-	(8,834)
Premises - Restricted	2,400	(18,657)	-	(16,257)
Wild Escapes	18,765	-	-	18,765
	<u>34,014</u>	<u>(57,174)</u>	<u>-</u>	<u>(23,160)</u>
TOTAL FUNDS	<u>229,560</u>	<u>(347,883)</u>	<u>(258,580)</u>	<u>(376,903)</u>

HÄSLEMERE EDUCATIONAL MUSEUM

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

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	351,998	(37,652)	314,346
Premises Fund - Unrestricted	6,559	-	6,559
The Museum in a Million Fund	1,345,612	247,652	1,593,264
The AE Orchard Educational Fund	349,042	-	349,042
	<u>2,053,211</u>	<u>210,000</u>	<u>2,263,211</u>
Restricted funds			
Education	24,915	20,848	45,763
Care of Collection	9,685	7,501	17,186
Museum Development Fund	232,425	(18,653)	213,772
Premises - Restricted	17,720	(1,194)	16,526
	<u>284,745</u>	<u>8,502</u>	<u>293,247</u>
TOTAL FUNDS	<u>2,337,956</u>	<u>218,502</u>	<u>2,556,458</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	227,918	(265,570)	-	(37,652)
The Museum in a Million Fund	-	-	247,652	247,652
	<u>227,918</u>	<u>(265,570)</u>	<u>247,652</u>	<u>210,000</u>
Restricted funds				
Education	22,242	(1,394)	-	20,848
Care of Collection	11,349	(3,848)	-	7,501
Museum Development Fund	-	(18,653)	-	(18,653)
Premises - Restricted	-	(1,194)	-	(1,194)
	<u>33,591</u>	<u>(25,089)</u>	<u>-</u>	<u>8,502</u>
TOTAL FUNDS	<u>261,509</u>	<u>(290,659)</u>	<u>247,652</u>	<u>218,502</u>

DESIGNATED FUNDS

Part of the unrestricted funds have been designated by the Trustees for specific future purposes.

Premises Fund

The Trustees periodically designate certain amounts to ensure sufficient funds are available to complete major tasks on the building.

The Museum in a Million Fund

HASLEMERE EDUCATIONAL MUSEUM

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

20. MOVEMENT IN FUNDS - continued

This is an expendable endowment fund and is designed to highlight the achievements of the appeal and is reflected in the fixed asset investment fund which is used to generate income to assist in securing the future of the Museum for generations to come.

RESTRICTED FUNDS

Museum Development Fund

This balance represents the amount spent on building improvements to the Museum and the refurbishment of the galleries less annual depreciation. The cost was met mainly by Lottery funding and the balance is shown in tangible assets in the Balance Sheet, represented by Land and Buildings and Galleries Improvements, and is subject to annual depreciation.

Premises Fund

The balance represents grants received for improvements to premises less expenditure incurred.

Education

Funds received are used specifically for educational projects such as the ongoing dementia outreach project and HYPE

Haslemere Town Council/Visitor Information Centre Fund

Funds are received from Haslemere Town Council in support of the work carried out by the Visitor Information Centre

Care of Collection

The funds represent grants and donations received specifically to be used in storing and maintaining the museum artefacts.

Wild Escapes

The funds represent grants for the national project run by Art Fund. The Museum is the lead organiser for the South East.

21. OTHER FINANCIAL COMMITMENTS

As of 31 December 2022 the Museum had total commitments under non-cancellable operating leases of £3,142 to June 2027.

22. RELATED PARTY DISCLOSURES

During the year, the Museum paid NIL (2021: £720) to Mrs M Odell MBE (Trustee) in respect of professional IT services.