

Company Registration Number 02653428

Charity Number 1006009

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 OCTOBER 2023

THE HANDEL HOUSE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2023

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THE HANDEL HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name	The Handel House Trust Limited	
Charity number	1006009	
Company registration number	02653428	
Principal and registered office	25 Brook Street London W1K 4HB	
President	Christopher Purvis CBE	
Trustees		
	The Earl of Balfour	2
	Harry Bicket OBE	
	Victoria Broackes	1, 3
	William J Conner	
	Simon Daniels	
	Peter Kerber	2
	Lucy Le Fanu	
	Jane Ridley	
	Michael Ridley	2, 3
	Simon Weil (Chairman)	1, 2, 3

1 = member of the Nominations Committee
2 = member of the Finance Committee
3 = member of the Building Committee

Auditor

Price Bailey LLP
Chartered Accountants & Statutory Auditor
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Investment advisers

Ruffer
80 Victoria Street
London
SW1E 5JL

Lombard Odier
Queensbury House
3 Old Burlington Street
London W1S 3AB

Bankers

Lloyds TSB plc
185 Baker Street
London NW1 6XB

THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2023

On 18 May 2023, The Handel House Trust marked the beginning of a new chapter when we opened to the public Handel Hendrix House. This followed almost two years' construction and restoration work, which was the culmination of several years' intense planning and preparation to deliver what we called the 'Hallelujah Project'. By restoring *all* of Handel's home at 25 Brook Street, the successful completion of the Hallelujah Project was the fulfilment of a dream more than 60 years in the making, when Stanley Sadie and others first began to galvanise those who cared about Handel's music around the idea of restoring the great composer's house.

The Hallelujah Project has significantly enhanced the presentation of Handel's house, which is now enjoyed by visitors as his home complete with a kitchen and the ground floor parlours - rooms which were lost to development in 1905. New exhibitions about Handel and Jimi Hendrix offer a richer, more engaging visitor experience than ever before.

The Trustees are delighted that our pride in the quality of the restoration is shared by our visitors, who have provided wonderful feedback, and the media. Visitor performance over the summer was strong and we were pleased to have reached pre-pandemic levels of visits, despite the ongoing challenges faced by the wider visitor economy.

The house is once again filled with music, too, with live music offered as part of a visit on Fridays, Saturdays and Sundays and through our regular concert series. We soon look forward to relaunching our learning programme, which has been made possible by generous support from The Linbury Trust.

Our volunteers are as invaluable as ever. We simply could not operate without their dedication and we know that contact with volunteers is something people particularly enjoy during their visit.

In September, the second Handeliade Festival of Handel and the 18th Century was a wonderful coda to the year. This year's festival began at Handel Hendrix House and continued, by kind permission of the Duke of Buccleuch, at Boughton House in Northamptonshire. Festival goers enjoyed performances by The English Concert, Ensemble Molière, Steven Devine, Julian Perkins and The Brook Street Band and talks by Dan Cruickshank, Ellen Harris, Jonathan Keates and Peter Kerber. The Trustees are most grateful to the Duke for hosting the festival.

On behalf of the Board of Trustees, I would like to extend sincere thanks to all those who have made 2022/23 and the Hallelujah Project such a successful and important year; the musicians who perform so beautifully for our visitors; our volunteers; the museum staff; and all our friends, donors and supporters.

Simon Weil

.....
Signed by **SIMON WEIL** (CHAIRMAN)

Date: 16 May 2024

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ended 31 October 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the financial statements.

The Trustees

The Trustees who served during the year were as follows:

The Earl of Balfour
Harry Bicket OBE
Victoria Broackes
William Conner
Peter Kerber
Lucy Le Fanu
Simon Daniels
Jane Ridley
Michael Ridley (Deputy Chairman)
Simon Weil (Chairman)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The Handel House Trust Limited, also known as Handel Hendrix House or Handel House ("the Trust" "the House"), is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met six times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the Trust and their role. There is a Nominations Committee that reviews the tenure of Board members, the skills that are required on the Board and the succession policy. It makes recommendations to the Board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its Board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each Board meeting.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the Board.

Risk management

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

The Board met regularly to discuss and monitor the risks above. The delivery of the Hallelujah Project required ongoing review of risks associated with the construction project. Governance of the Hallelujah Project was provided by a Project Board comprising the Chairman, Deputy Chairman and Mr Robin Broadhurst (formerly a Trustee). A separate risk register was maintained by the Design Team and reviewed on a monthly basis. The Project Board received monthly reports on progress and budget and an assessment on key project risks/mitigations, as follows:

Risk	Mitigation
Unforeseen works increase costs.	Thorough site surveys completed prior to contract. Allocating realistic provisional sums for elements for which uncertainty remains. Close working between contractor and design team to workshop solutions to issues as they emerge.
International supply chain pressures delay delivery of essential materials.	Appointed a contractor with a wide supplier network and able to programme flexibly when issues emerge. Regular reviewing of programme and discussions with contractor to flag supply chain concerns.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The completion of the building project and the re-opening of the museum in May 2023 presented new risks for the organisation to manage. The most significant being:

Risk	Mitigation
Recruitment/retention of staff and volunteers to safely operate the museum	Continuous recruitment of volunteers, comprehensive induction of volunteers and staff, maintaining a motivating environment to encourage retention.
Raising and earning budgeted income	Investment in retail and commercial hire offer, PR and marketing campaigns to drive ticket sales, proactive fundraising, income from endowment funds.

The Director regularly updated Trustees on the management of these risks on a regular basis.

Mission

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

On 18 May 2023 we achieved an ambition that has been more than 60 years in the making: we fully restored all of Handel's home and opened it to the public. After 20 years' operating on the upper floors only, with a modern entrance to the rear of 25 Brook Street, it is a source of great pride that our visitors now enter the museum through Handel's front door and enjoy his ground floor parlours, basement kitchen and the rest of his house much as he might have known it. New exhibitions introduce his music and the musicians with whom he worked. In 23 Brook Street, new displays explore aspects of Jimi Hendrix's music and life in London in Handel and Hendrix's times.

The interpretation and dressing of Handel's home, like the flat of Jimi Hendrix, attempts to re-create the rooms as he might have known them. Recently acquired old master paintings decorate the rooms, their gilded frames glittering in the candlelight from new sconces and chimney lights. Many private lenders have been generous in offering significant pieces for display and it was a particular pleasure to see the portrait of Handel by Philippe Mercier – a picture Handel himself once owned – grace the walls of the Drawing Room for our re-opening.

Prior to re-opening, the focus of our activities comprised the building project and our staff and design team worked closely with Messenger Construction to complete the building works on budget. Having taken back the building on 11 April 2023, our staff worked tirelessly to co-ordinate the return of the collection, the completion of the displays, the re-induction and recruitment of volunteers and the all the preparations necessary to open on time.

The whole Board joins me in congratulating the staff, contractors and craftsmen who made extraordinary contributions to complete the Hallelujah Project.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

Fundraising for the project continued. A particular highlight featured a recital gifted to the museum by Iestyn Davies and Harry Bicket, together with musicians from The English Concert. This brought several new major donors to our cause. The Wolfson Foundation, the Michael Uren Foundation and the J. Paul Getty Jnr Foundation gave generous grants during the year. The Board of Trustees is most grateful to all those who supported the museum with grants and donations during the year.

Our goal is to raise the full balance of the £2.9m construction costs of the Hallelujah Project, rather than to draw on our reserves. At year end a balance of £200,000 remained to be raised and fundraising continues.

Visitors to the re-opened museum have been overwhelmingly enthusiastic in their feedback about their experience. We are delighted that visitor numbers immediately returned to pre-COVID levels, with 9,468 visiting between 18 May and 31 October 2023. In addition to the displays and exhibitions, those visiting on weekends enjoy live baroque music performed by professional musicians at no additional charge. On Fridays, some of London's best guitarists fill the Hendrix flat with the sort of relaxed, improvisatory music it is easy to imagine Hendrix himself played. At the end of October, we launched a series of late openings 'Handel Hendrix House After Dark'. These candlelit viewings of the house, complemented by live baroque and contemporary music, have brought new audiences and offered a contrasting way in which to explore the museum.

Re-opening has not just been about the building itself, however. A new brand identity has been developed, and we now operate as Handel Hendrix House. This change, we hope, more clearly identifies us as a place to visit, and our new 'H' logo imaginatively combines Handel's signature and the bubble writing common on Jimi Hendrix's album covers, creating a distinctive look for the organisation. A new website launched at re-opening, together with a new ticketing platform.

New members of staff have also been recruited, generally to replace lost headcount in areas such as marketing and visitor experience. We are delighted that, following this recruitment, the staff team is more reflective of the population of the diverse capital city in which we operate.

Our volunteers are also very pleased to be back at the museum. They are the linchpin of our operation, providing a distinctive visitor experience. Recruitment of new volunteers is an ongoing process.

The Hallelujah Project created a new, larger museum shop and provides new opportunities for function hire and banqueting. The shop has performed well in its first season, with both conversion and average transaction values exceeding budget. We held our first events in the ground floor parlour during the year and we are delighted to be working with RBMH Event Design on an exclusive basis to provide our functions offer.

In July we held an event as part of the Mayfair Times Literary Festival to launch our new guidebook, *Handel Hendrix House: A Souvenir Guide*. Written by historian Dr David Souden and published by Scala, this is the first guidebook we have produced that presents the Handel and Hendrix stories in one place, weaving together aspects of the London scene that they both, in their different ways, encountered. The book also features interludes from guest contributors ranging from harpsichordist Laurence Cummings to photographer Barry Wentzell, offering fresh perspectives on Handel and Hendrix's lives.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

With the completion of the Hallelujah Project, we have a beautiful and inspiring platform in which we can help people encounter Handel and Hendrix and help them to learn from their music and their lives. Re-starting our learning programme, suspended first by COVID and then by the Hallelujah Project, was a priority for the Trust. We were delighted to learn in October that The Linbury Trust had awarded us a grant of £102,000 to provide three-years' support to refresh and restart our learning programme and to extend our impact further through community engagement.

Away from the museum, there were three significant events for our audiences to enjoy. In November 2022, we marked what would have been Jimi Hendrix's 80th birthday with 'An Electric Church', an evening of live music and spoken word exploring Hendrix's concept of collaborative and informal

music making. The event, held at St Pancras Old Church, featured reflections on the Electric Church by Dr Christian Lloyd of Queen's University, and performances by guitarist Laurent Judson and Swedish singer songwriter Loria Boban.

In March 2023, we organised a four-night stay in Venice, enabling donors and supporters of the museum to follow 'in Handel's footsteps', with Handel biographer Jonathan Keates as our guide. In September we organised the second Handeliade festival of Handel and the 18th century, which included a performance of Amadigi by The English Concert and a visit to Handel house animated by a talk on Handel's art collection and a recital by Julian Perkins. The Handeliade continued at Boughton house in Northamptonshire, by kind permission of the Duke of Buccleuch. Activities at Boughton included talks by Handel scholar Prof. Ellen Harris and architectural historian Dan Cruickshank. The audience also enjoyed performances by The Brook Street Band, Ensemble Molière, The English Concert and a solo recital by Steven Devine. The Trust is hugely grateful to the Duke of Buccleuch and the staff at Boughton for making the Handeliade possible and welcoming us so warmly.

The idea of restoring Handel's house and re-opening it to the public was revived in the 1950s. The opening of the restored house on 18 May was the culmination of more than 60 years' campaigning and fundraising and is the culmination of the efforts of many people. As the current custodians of 25 and 23 Brook Street, it is our immense privilege to have had the responsibility and opportunity to complete the restoration. The Board of Trustees would like to thank all those whose support has made this milestone possible.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit in section 17 of the Charities Act 2011. They believe that the Handel House Trust is achieving and continually improving its public benefit remit through its presentation of the house to visitors, its education programmes, public concerts and other public events. More details are covered in our achievements and performance above.

PLANS FOR THE COMING YEAR

The Board is working with the Director and staff to develop a new vision and strategy for the organisation, now that the Hallelujah Project is complete. This will launch during 2024 and will focus on how we increase our impact in society and build visitor, fundraising and commercial revenues to sustain our long-term future. We look forward to continuing our programmes of live music, to restarting our popular series of concerts and to launching new opportunities for learning. We will also continue to seek to build our function hire business and further improve performance of the museum shop.

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TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

FINANCIAL REVIEW

The museum was open to the public for five and half months of the year, which is reflected in increased income from admissions of £100,068 (2022: £2,773). Trading income increased to £36,995 (2022: £1,866) for the same reason. Whilst the Hallelujah Project was the principal focus for fundraising, we also secured funding to re-start our learning programme. A total of £771,385 was raised from all philanthropic sources (2022: £817,057).

We planned for an operating deficit in the year, to be funded by reserves. The outturn was an operating deficit of £209,409 (2022 surplus: £302,203). We have planned for an operating deficit in 2023/24 before breaking even and returning to surplus in future years.

The capitalisation of the Hallelujah Project resulted in a transfer between funds of £1,291,762 from the unrestricted funds to the designated funds, and a transfer from restricted funds to general funds of £1,158,590 upon completion of the project. This produces a carried forward a negative balance of £177,751 in the general unrestricted funds, with £10,086,995 of designated unrestricted funds representing the value of tangible assets held. The Trust retains endowment funds of £2,733,167 and the balance sheet at 31 October 2023 shows a net current asset position of £174,305 (2022: £444,479), both of which demonstrate the sound financial health of the Trust.

During the year, the Trustees resolved to establish a trading subsidiary in anticipation of increased non-primary purpose trading. Handel Hendrix Enterprises Ltd, a company be incorporated as a wholly owned subsidiary of the Trust in the name of Handel Hendrix Enterprises Ltd under the provisions of the Companies Act 2006, was incorporated on 31 March 2023, with an initial investment of £1 in the share capital. Handel Hendrix Enterprises Ltd has not yet commenced trading and its accounts will be filed separately with Companies House. It is envisaged that consolidated accounts will be filed in future years.

RESERVES AND INVESTMENT POLICY

The Trust has a designated fund of £10,086,995 (2022: £8,795,233) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £1,340,175 (2022: £1,110,235) of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of eight months' operating expenditure in free reserves, which is between £450,000 and £550,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total a negative balance of £177,751 due to the amount tied up in physical assets (2022: £534,258). Until which time free reserves can be rebuilt from operating surpluses now that the museum is operational, the Trust may draw from endowment funds if needed.

Having produced detailed forecasts and scenario planning the board considers that the strong reserves position and availability of funds is a sufficient buffer against loss of income caused by the Hallelujah Project and the impact of global events. With this in mind, the Board agrees that no material uncertainties that cast significant doubt about the ability for the museum to continue as a going concern have been identified.

It has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

CONNECTED CHARITIES

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd. Further details of transactions and balances with these connected entities are given in the notes to the financial statements.

FUNDRAISING REGULATOR AND COMPLIANCE

Fundraising at the Trust is led by the Director with the close involvement of the Trustees. Fundraising performance and methods of engagement of donors and prospective donors are regularly discussed at Board meetings. The Trust does not use professional fundraisers and has not worked with a commercial participator during the year. The Director is aware of his responsibilities under the Code of Fundraising Practice. Proactive fundraising is done through applications to charitable foundations or companies and through tailored approaches to individuals who have generally expressed an interest in our work. We protect more vulnerable members in our community of supporters by not issuing appeals using direct marketing methods or telephone fundraising, and we limit our communications in general to an amount a supporter would reasonably expect to receive to keep informed about the charity's activities.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2022 - none).

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Handel House Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a directors' 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 directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102 (2019);
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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.

In so far as the trustees are aware:

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

AUDITOR

Price Bailey have expressed their willingness to continue as auditors in the next financial period.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the specific provisions for small companies under Part 15 of the Companies Act 2006.

Simon Weil

Simon Weil (May 16, 2024, 2:26pm)
Signed on behalf of the trustees on..... 16 May 2024

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of Handel House Trust Limited (the 'charitable company') for the year ended 31 October 2023 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related 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 Financial Reporting Standard 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 31 October 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 issue.

Our responsibilities and the responsibilities of the trustees 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees 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 other 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 this gives rise to a material misstatement in the financial

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

statements themselves. 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 directors' report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 we require for our audit
- the trustees 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 trustees' report and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes 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 trustees 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 trustees 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 trustees 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.

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

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, Charities Act 2011 and SORP 2019. The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and making enquiries of management and officers of the Charitable Company. We reviewed procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission and a review of legal fees during the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustment for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is the risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involved intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London, W1S 4AP

Date: 17 May 2024

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 OCTOBER 2023

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME							
Donations and Legacies	2	262,594	-	508,791	-	771,385	817,057
Charitable Activities	5	100,068	-	-	-	100,068	2,773
Other trading activities	3	36,995	-	-	-	36,995	1,866
Investments & Other income	4	73,363	-	-	-	73,363	137,988
TOTAL INCOME		473,020	-	508,791	-	981,811	959,684
EXPENDITURE							
Raising funds	6	183,249	-	48,000	-	231,249	89,752
Charitable activities	7	843,307	-	116,663	-	959,970	567,729
TOTAL EXPENDITURE		1,026,556	-	164,663	-	1,191,219	657,481
NET INCOME/ (EXPENDITURE) BEFORE GAINS AND LOSSES	9	(553,537)	-	344,128	-	(209,409)	302,203
Net losses on investments	13	(25,301)	-	-	(49,113)	(74,414)	(329,876)
NET INCOME/ (EXPENDITURE)	9	(578,837)	-	344,128	(49,113)	(283,822)	(27,673)
Transfers between funds	21	(133,172)	1,291,762	(1,158,590)	-	-	-
NET MOVEMENT IN FUNDS		(712,009)	1,291,762	(814,462)	(49,113)	(283,822)	(27,673)
Total funds brought forward		534,258	8,795,233	816,910	2,782,280	12,928,681	12,956,354
TOTAL FUNDS CARRIED FORWARD		(177,751)	10,086,995	2,448	2,733,167	12,644,859	12,928,681

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The notes on pages 17 to 27 form part of these financial statements

THE HANDEL HOUSE TRUST LIMITED

Company Registration Number 02653428

BALANCE SHEET AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	8,746,819	7,684,998
Heritage assets	13	1,340,175	1,110,235
Investments	14	2,383,560	3,688,969
		<u>12,470,554</u>	<u>12,484,202</u>
CURRENT ASSETS			
Stocks		12,417	11,600
Debtors	15	172,237	126,528
Cash at bank and in hand		147,326	888,578
		<u>331,980</u>	<u>1,026,706</u>
CREDITORS: Amounts falling due within one year	16	<u>(157,675)</u>	<u>(582,227)</u>
NET CURRENT ASSETS		<u>174,305</u>	<u>444,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,644,859	12,928,681
NET ASSETS		<u>12,644,859</u>	<u>12,928,681</u>
FUNDS			
Endowment funds	17	2,733,167	2,782,280
Restricted income funds	18	2,448	816,910
Designated funds	19	10,086,995	8,795,233
Unrestricted income funds	19	(177,751)	534,258
TOTAL FUNDS		<u>12,644,859</u>	<u>12,928,681</u>

These financial statements have been prepared in accordance with specific provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on **16 May 2024** and signed on their behalf by:

Simon Weil

.....
SIMON WEIL (CHAIRMAN)

Simon Weil (16 May 2024, 2:26pm)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS YEAR TO 31 OCTOBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities		<u>(680,622)</u>	<u>1,668,018</u>
Cash flows from investing activities:			
Investments, dividends and interest income		73,363	137,988
Purchase of fixed assets		(1,364,987)	(1,444,845)
Purchase of investments		(251,719)	(131,400)
Proceeds from the sale of investments		<u>1,426,443</u>	<u>578,430</u>
Net cash provided by investing activities		<u>(116,900)</u>	<u>(859,827)</u>
Change in cash and cash equivalents in the reporting period		<u>(797,522)</u>	<u>808,191</u>
Cash and cash equivalents at the beginning of the reporting period		<u>971,718</u>	<u>163,527</u>
Cash and cash equivalents at the end of the reporting period		<u>174,196</u>	<u>971,718</u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year £	Prior Year £
Net income/(expenditure) for the reporting period (as per the statement of financing activities)	(283,822)	(27,673)
Adjustments for:		
Depreciation	73,225	47,342
loss on sale of fixed assets	-	4,803
(Gains)/losses on investments	74,414	329,876
Investments, dividends and interest income	(73,363)	(137,988)
Decrease/ (Increase) in debtors	(45,709)	969,101
Increase/ (Decrease) in creditors	(424,550)	482,558
Decrease/ (Increase) in stock	<u>(817)</u>	<u>-</u>
Net cash provided by/(used in) operating activities	<u>(680,622)</u>	<u>1,668,019</u>

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	147,326	888,578
Cash deposits held within investments	<u>14 26,870</u>	<u>83,140</u>
Total cash and cash equivalents	<u>174,196</u>	<u>971,718</u>

Analysis of Changes in Net Debt

	At 1 November 2022 £	Cash Flows £	Other non- cash changes £	At 31 October 2023 £
Cash and cash equivalents				
Cash	971,718	(797,522)	-	174,196

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional currency is £ sterling. The charity's registered office is at 25 Brook Street London W1K 4HB.

The Charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary income including grants, donations, shop income, and investment income are accounted for when receivable. Admission fees are accounted for on receipt.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic conditions & the attitude of investors to investment risk.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES *(continued)*

Funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognised in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

Musical instruments are currently included in the accounts at cost. It is the intention of the trustees to ensure that these artefacts are maintained to the highest standard and it is expected that the value of them will increase over time. It is proposed to obtain periodic valuations to confirm the value of these items and they will be subject to annual impairment reviews. Since the residual value is so high, any depreciation charge would be negligible.

Capital expenditure on buildings including exhibitions and education includes the cost of materials and externally contracted services.

Depreciation is charged on a straight line basis to write off the cost of the other assets to their estimated residual value over the expected useful economic lives of the assets. Useful economic lives are not deemed to be longer than the following in each category:

Long Leasehold Property	- over 50 years to an estimated residual value of £4m
Museum fittings	- over 4 to 20 years reducing balance

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES *(continued)*

Computers	- over 3 years reducing balance
Office equipment	- over 4 years reducing balance

Investments

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

Heritage Assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

Stock

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming resources.

Financial instruments

Handel House Trust only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Investments measured at their fair value using quoted closing market value as at the balance sheet date; Fixed assets are measured at amortised cost; and all other assets and liabilities are held at cost.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES (*continued*)

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

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

Critical accounting estimates and areas of judgement

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

a) Estimate of fair values of the heritage assets

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations. The Trustees this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment funds	Total Funds 2023 £	Total Funds 2022 £
Handel House Foundation of America	69,192	-	-	69,192	23,139
Donations from individuals	45,805	404,791	-	450,596	721,573
Legacies	143,597	-	-	143,597	15,000
Grants	4,000	104,000	-	108,000	57,345
	<u>262,594</u>	<u>508,791</u>	<u>-</u>	<u>771,385</u>	<u>817,057</u>

Last year's restricted funds £697,339.

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Commercial hires	15,610	-	15,610	-
Shop income	21,385	-	21,385	1,866
	<u>36,995</u>	<u>-</u>	<u>36,995</u>	<u>1,866</u>

All income from other trading activities in 2022 was in respect of unrestricted funds.

4 INCOME FROM INVESTMENTS & OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from listed investments	73,330	-	73,330	131,921
Other income	33	-	33	6,067
	<u>73,363</u>	<u>-</u>	<u>73,363</u>	<u>137,988</u>

All of income from investment income received in 2022 was in respect of unrestricted funds.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Admission fees	98,768	-	98,768	10
Education	-	-	-	-
Exhibitions and events	1,300	-	1,300	2,763
	<u>100,068</u>	<u>-</u>	<u>100,068</u>	<u>2,773</u>

£Nil of income from charitable activities received during the year in respect of restricted funds (2022: £Nil).

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds	Total Funds 2023 £	Total Funds 2022 £
Fundraising	57,331	48,000	105,331	67,289
Shop costs	94,688	-	94,688	3,546
Investment management fees	19,327	-	19,327	18,917
Commercial hires	11,903	-	11,903	-
	183,249	48,000	231,249	89,752

All expenditure on raising funds spent in 2022 was in respect of unrestricted funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Support costs £	Total 2023 £
Museum running expenses	251,209	364,748	615,957
Education	6,407	-	6,407
Exhibitions and events	62,110	-	62,110
Capital project costs	239,540	9,935	249,475
Governance costs	6,266	19,755	26,021
	565,532	394,438	959,970

£179,975 (2022: £86,289) of expenditure on charitable activities was in respect of restricted funds.

COMPARATIVE	Direct costs £	Support costs £	Total 2022 £
Museum running expenses	47,299	187,176	234,475
Education	8,935	-	8,935
Exhibitions and events	10,177	-	10,177
Capital project costs	202,265	72,095	274,360
Governance costs	1,994	37,788	39,782
	270,670	297,059	567,729

8 Support costs

	2023 £	2022 £
Staff	15,097	(1,824)
Premises	242,232	190,483
IT Costs	34,596	50,752
Maintenance	47,290	3,313
Finance	19,717	2,780
Other costs	15,752	13,767
Governance costs:		
Legal and professional fees	4,218	15,773
Audit and accountancy fees	15,537	22,015
Other costs	-	-
	394,439	297,059

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2023 £	2022 £
Depreciation & impairment	73,225	47,342
Auditor's remuneration:		
- audit of the financial statements (exclusive of VAT)	12,850	12,000
- prior year audit additional fees	2,687	5,400
	88,762	64,742

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

10 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	251,045	176,252
Social security costs	20,816	18,099
Other staff costs	8,369	4,654
	<u>280,230</u>	<u>199,005</u>

There was one employee (2022- one employee) whose emoluments amount to over £60,000.

The key management personnel comprise the trustees and the Director. The total benefits received by key management personnel in the year amounted £154,484 (2022: £79,644).

11 EMPLOYEE NUMBERS

The average number of employees during the year was 8 (2022: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2023	2022
	No	No
Capital project	3.6	3.2
Museum running	0.6	0.5
Education	0.2	0.2
Fundraising	1.2	1.1
Events	0.2	0.2
Support	<u>0.1</u>	<u>0.1</u>
	5.9	5.3

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

12 TANGIBLE FIXED ASSETS

	Long leasehold property £	Buildings incl. Learning & exhibitions £	Asset under construction £	Museum fittings £	Musical instruments & antiques £	Computers & office equipment £	Total £
At cost 1 November 2022	4,378,173	1,870,894	1,578,606		205,260		8,032,933
Additions		1,129,536				5,510	1,135,046
Transfers		1,320,803	(1,578,606)	257,803			-
At 31 October 2023	4,378,173	4,321,233	-	257,803	205,260	5,510	9,167,979
At 1 November 2022	97,628	250,307	-	-	-	-	347,935
Charge for the year	7,565	57,827	-	7,373	-	459	73,225
At 31 October 2023	105,193	308,134	-	7,373	-	459	421,160
At 31 October 2023	4,272,980	4,013,099	-	250,430	205,260	5,051	8,746,819
At 31 October 2022	4,280,545	1,620,587	1,578,606	-	205,260	-	7,684,998

13 HERITAGE ASSETS

	At valuation 2023 £				
Balance at 1 November 2022					1,110,235
Additions					229,940
Balance at 31 October 2023					1,340,175
An analysis of the last five years is as follows:					
	2023 £	2022 £	2021 £	2020 £	2019 £
Value of acquisitions by donations	-	-	-	-	956,210
Value of acquisitions by purchase	229,940	140,133	13,892	-	-
Total capitalised	229,940	140,133	-	-	956,210

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

14 INVESTMENTS

Movement in market value		2023 £	2022 £
Market value at 1 November 2022		3,688,969	4,398,803
Additions		251,719	131,400
Disposals proceeds		(1,426,443)	(578,430)
Net gains/(losses) on revaluations in the year		(74,414)	(329,875)
Movement in cash		(56,271)	67,071
Market value at 31 October 2023		2,383,560	3,688,969
Historical cost at 31 October 2023		1,616,492	2,549,073
At 31 October 2023 the analysis of investments is as follows:			
		2023 £	2022 £
Cash		26,870	83,140
UK Equities		2,356,690	3,605,829
Overseas Equities		-	-
Uk Unit Trusts		-	-
		2,383,560	3,688,969

15 DEBTORS

		2023 £	2022 £
Trade debtors		-	60
Prepayments and accrued income		137,759	26,225
VAT		34,478	100,243
		172,237	126,528

16 CREDITORS: Amounts falling due within one year

		2023 £	2022 £
Trade creditors		49,204	10,775
Taxation and social security		7,882	-
Other creditors		1,752	1,203
Accruals		98,837	570,249
VAT		-	-
		157,675	582,227

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

17 ENDOWMENT FUNDS	Balance at 1 Nov 2022	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2023
	£	£	£	£
Expendable endowment	2,782,280	-	(49,113)	2,733,167
	<u>2,782,280</u>	<u>-</u>	<u>(49,113)</u>	<u>2,733,167</u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(b) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

COMPARATIVE	Balance at 1 Nov 2021	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2022
	£	£	£	£
Expendable endowment	2,999,998	-	(217,718)	2,782,280
	<u>2,999,998</u>	<u>-</u>	<u>(217,718)</u>	<u>2,782,280</u>

18 RESTRICTED INCOME FUNDS

	Balance at 1 Nov 2022 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2023 £
Capital project development phase	814,462	508,791	(164,663)	(1,158,590)	-	-
Art fund	2,448			-	-	2,448
	<u>816,910</u>	<u>508,791</u>	<u>(164,663)</u>	<u>(1,158,590)</u>	<u>-</u>	<u>2,448</u>

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix in London* which completed and reopened in May 2023 at which point the remaining funds were transferred to the general fund at the point of asset capitalisation.

Music in Making: This fund was set up to support a new project to schedule regular open rehearsals of baroque music in the house during opening hours.

COMPARATIVE	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Capital project development phase	225,986	697,339	(108,863)	-	-	814,462
Art fund	3,704		(1,256)			2,448
	<u>229,690</u>	<u>697,339</u>	<u>(110,119)</u>	<u>-</u>	<u>-</u>	<u>816,910</u>

19 UNRESTRICTED FUNDS

	Balance at 1 Nov 2022 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2023 £
Designated Fixed Assets Fund	7,684,998	-	-	1,061,821	-	8,746,819
Heritage Assets Fund	1,110,235	-	-	229,940	-	1,340,175
Total Designated Funds	<u>8,795,233</u>	<u>-</u>	<u>-</u>	<u>1,291,762</u>	<u>-</u>	<u>10,086,995</u>
General Funds	534,258	473,020	(1,026,556)	(133,172)	(25,301)	(177,751)
	<u>9,329,491</u>	<u>473,020</u>	<u>(1,026,556)</u>	<u>1,158,590</u>	<u>(25,301)</u>	<u>9,909,244</u>

The Designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property. The transfer represents the movement in their value.

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserves policy.

The Heritage assets fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

COMPARATIVE

	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Designated Fixed Assets Fund	6,432,431	-	-	1,252,567	-	7,684,998
Heritage Assets Fund	970,102	-	-	140,133	-	1,110,235
General Funds	2,324,133	262,345	(547,362)	(1,392,700)	(112,158)	534,258
	<u>9,726,666.00</u>	<u>262,345</u>	<u>(547,362)</u>	<u>-</u>	<u>(112,158)</u>	<u>9,329,491</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
Restricted Income Funds:					
Capital project development phase	-	-	-	2,448	2,448
	-	-	-	2,448	2,448
Endowment Funds:					
Expendable endowment	-	-	2,733,167	-	2,733,167
	-	-	2,733,167	-	2,733,167
Unrestricted Income Funds:					
Designated Fixed Assets Fund	8,746,819	-	-	-	8,746,819
Heritage Assets Fund	-	1,340,175	-	-	1,340,175
General Funds	-	-	(349,607)	171,857	(177,751)
	8,746,819	1,340,175	(349,607)	171,857	9,909,244
Total Funds	8,746,819	1,340,175	2,383,560	174,305	12,644,859

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
COMPARATIVE					
Restricted Income Funds:					
Capital project development phase	-	-	-	816,910	816,910
	-	-	-	816,910	816,910
Endowment Funds:					
Expendable endowment	-	-	2,782,280	-	2,782,280
	-	-	2,782,280	-	2,782,280
Unrestricted Income Funds:					
Designated Fixed Assets Fund	7,684,998	-	-	-	7,684,998
Heritage Assets Fund	-	1,110,235	-	-	1,110,235
General Funds	-	-	906,689	(372,431)	534,258
	7,684,998	1,110,235	906,689	(372,431)	9,329,491
Total Funds	7,684,998	1,110,235	3,688,969	444,479	12,928,681

21 CONNECTED CHARITIES

The Trust has the following two connected charities:

Handel House Collections Trust which used to hold collection items relating to Handel, however this charity wound up 2019 and all the assets were transferred to The Handel House Trust Limited in the form of heritage assets - they are included in the heritage asset fund.

Handel House Foundation of America which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £23,139 (2022: £23,139) from the Foundation.

22 RELATED PARTY TRANSACTIONS

Personal donations were made by Trustees of £152,027 (2022 - £52,085) and Trustees expenses totalled £Nil (2022 - £683).

Simon Daniels was Director of the Charity from 11 January 2022 and is also a Trustee. Simon received a total remuneration of £82,500 (2022 - £69,291) for his role as Director. This role is also in accordance with the articles as stated above.

There were no other related party transactions or Trustee expenses (2022 - none).

23 COMPANY LIMITED BY GUARANTEE

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members at 31 October 2023 (2022: 10 members).

24 ULTIMATE CONTROLLING PARTY

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.