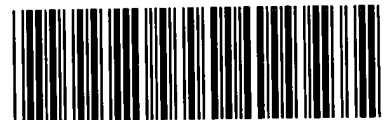


**REGISTERED COMPANY NUMBER: 02704749 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1010902**

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2021**

WEDNESDAY



\*AB3A4J0P\*

A11

04/05/2022

#6

COMPANIES HOUSE

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 5
<b>Report of the Independent Auditors</b>	6 to 9
<b>Statement of Financial Activities</b>	10
<b>Statement of Financial Position</b>	11
<b>Notes to the Financial Statements</b>	12 to 21

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST (REGISTERED NUMBER: 02704749)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

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 2020. 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 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

**Objects**

The objects of the Trust are to preserve architectural and constructional heritage buildings, and to educate by exhibiting buildings and objects.

**Aims**

The principal activity and aim of the company continued to be that of a charitable trust whose objective is the renovation of the town house and shop built by silk merchant Thomas Bayly following the Great Fire of Marlborough of 1653. The House is furnished to an interpretation date of 1675 and is open as a visitor attraction. In 2018, the Marlborough Museum was opened in part of the house and it displays the Marlborough collection, comprising local artefacts and documents. A library and archive collection have been established and a resource centre will be set up in due course.

The Trust occupies the Trust property at 132 High Street, Marlborough under a lease from Marlborough Town Council. The lease was renewed for a further seven years from 30 March 2019. The Trust also owns the freeholds of 133 High Street and The Old Print Works.

**Strategies**

There is a number of projects connected with conservation, restoration and development of the House and its environs which are considered to be desirable by the trustees. However, implementing these depends upon identifying relevant sources of funding for each project and active steps have been, and will continue to be, taken to achieve successful applications to various grant-giving institutions and individuals. A structured committee system has been established with a view to the more efficient functioning of strategy, policy and management.

**Conservation**

As far as 132 High Street is concerned, the vast majority of the main Merchant's House building has now been restored.

A report prepared during 2019 revealed that there is a significant backlog of maintenance and conservation work required to the various buildings. Work to remedy this started on this in 2021 with a total spend of approximately £75,000 in the year. A fundraising appeal has been launched for the completion of this and further phases of the building repairs.

**The Museum**

Unfortunately, the opening of the Museum was prevented by the Coronavirus pandemic in 2020 and 2021. Plans to restructure the committee that manages the Museum took place so as to attract more funding and visitors when it opens in March 2022.

**The Collections**

In 2020 there were additions costing £773 were made to the Collections.

**Coronavirus Pandemic**

Activities in 2021 were again greatly limited by the Coronavirus pandemic. This resulted in the closure of the Merchant's House Shop for part of the year and there were fewer tours and events in the Trust. Events were moved online where possible.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**OBJECTIVES AND ACTIVITIES**

**Volunteers**

We are fortunate to have some 50 volunteers who normally contribute around 150 hours of activity per week in all aspects of the Trust and its trading subsidiary's work. Covid-19 and lockdown prevented many of our volunteers from attending but we kept them updated via newsletters throughout the year and we hope that most will return in 2022. The pandemic meant that there were a reduced number of volunteers who led guided tours and worked in the shop.

The house opened for guided tours and visits in July 2021, and although visitor numbers were limited due to Covid-19, a pool of 6 volunteers led the tours until the house closed for tours in October 2021.

In addition to guided tours, volunteers continued to work in the shop, although volunteer numbers fell from 30 to 10.

Alongside tours and the shop, volunteers continued their work the trust office, garden, museum, archives, cleaning and the sewing project.

**Visitors**

224 people visited the house for tours from when the house opened in July to when it closed in October. The covid restrictions meant that the planned groups tours were either cancelled or postponed until 2022.

**Events**

Our total net income from events was £3,943 - including a successful Open Gardens event and a Study Day programme via Zoom. We are planning a more ambitious programme for 2022.

**Education**

There were 4 visits from schools in July 2021, although the covid restrictions mean that many planned visits were cancelled.

**Patrons and Trustees**

Lady Sykes agreed to become a patron of the Trust in 2021. Alison Galvin-Wright continued as Chair of the Trust. Jane Nicholson who had been a Trustee for some 23 years retired. Kim Wakeham resigned as a Trustee but took up the vacant post as Trust Manager and Company Secretary. Ted Hiscocks was appointed as a Trustee.

**FINANCIAL REVIEW**

**Financial Review**

**Fundraising**

Helped by the 30th Anniversary Appeal, donations and grants totalled £43,128 (2020 - £13,468). The Trust received Government Coronavirus related grants of £14,143.

**Trading Company**

The Shop was closed for nearly three months of the year, but with the help of government grants of £3,646, it achieved a profit of £55,267. As usual, all of this profit was given to the Trust.

**Reserves policy**

The Trustees seek to ensure that the level of reserves is at least equivalent to the liabilities of the Trust at any point in time so that, combined with the current incoming resources of the current year, the Trust's activities may continue for a further period of twelve months. At 31 December 2021 the Trustees consider that the level of reserves is satisfactory.

The Trust's Designated Reserve Fund exists in order better to reflect the long-term financial plans and aspirations of the Trust. Further details of the fund are shown at note 13 to the financial statements, and various elements of the Designated Fund are added to each year as funds permit. £43,346 of the Designated Fund was used in the year, but £38,000 was added to it. That part of the Designated Reserve Fund, which is not represented by the Trust's freehold property assets, subsidiary company investment and Restricted Funds, is held in a separate bank deposit account.

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST (REGISTERED NUMBER: 02704749)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**FUTURE PLANS**

The Trustees' plans for 2022 include further major building repair work, supporting the 30th Anniversary Fundraising Appeal, the Marlborough Museum in conjunction with Marlborough Town Council and Marlborough History Society, and continuing the fundraising campaign for the restoration and furnishing of the last remaining parts of the building. It is also intended to increase the membership and to promote educational and other events to give a greater appreciation of history and the built heritage. A full list of events is planned for 2022.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governance**

The company is a registered charity (no. 1010902) and is limited by guarantee of £1 from each of its members. It is governed by its Memorandum of Association and Articles of Association.

Trustees are appointed for a three-year term at the end of which they may be reappointed by resolution at the Annual General Meeting of the company. By agreement with the Marlborough Town Council, the council has the right to appoint two serving councillors as representatives of the council on the board of trustees. Potential new trustees are met prior to election to ensure they are sympathetic to the aims of the trust and can contribute towards achieving those aims.

**Management**

The board of trustees hold the primary responsibility for management of the Trust's affairs and for the achievement of the Trust's charitable objectives. Day to day operations are supervised by the Trust Manager who is assisted by a large group of volunteers

**Structure**

A wholly owned subsidiary company, The Merchant's House Trading (Marlborough) Limited, operates a gift shop on the premises and donates its annual profits to the Trust. The trading company is managed by a separate Board of Directors.

**Risk**

The trustees remain aware of the need to manage the commitments that have been made to administer the charity and to pursue the Trust's charitable objectives from funds which, in keeping with the nature of charitable funding generally, are susceptible to fluctuation and capable of inconsistency. These characteristics are not compatible with certain categories of Trust expenditure. In order to balance the Trust's incoming resources with its annual expenditure, the trustees operate a system of budgetary control and strategic management meetings are held on a regular basis.

The board of trustees continuously review major risks associated with the Trust's activities. Any risks identified are monitored and controlled by establishing procedures.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

02704749 (England and Wales)

**Registered Charity number**

1010902

**Registered office**

The Merchant's House  
132 High Street  
MARLBOROUGH  
Wiltshire  
SN8 1HN

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST (REGISTERED NUMBER: 02704749)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**Trustees**

A J H Cohen  
A M Galvin-Wright  
C G Goodfellow  
B J Nicholson (resigned 16.12.21)  
M J Hall  
A R W Ross  
C J Wakeham (resigned 31.7.21)  
A Wilson (resigned 14.4.21)  
E J Cooper (resigned 13.7.21)  
V J Hillier (appointed 8.7.21) (resigned 19.1.22)  
E J S Hiscocks (appointed 3.12.21)  
J Sheppard (appointed 19.1.22)

**Company Secretary**

S K Fairfax-Ross (resigned 25.05.2021)  
C J Wakeham (appointed 31.07.2021)

**Auditors**

Morris Owen  
Statutory Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Merchant's House (Marlborough) Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST (REGISTERED NUMBER: 02704749)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**AUDITORS**

The auditors, Morris Owen, were appointed during the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 April 2022 and signed on its behalf by:

*A M Galvin - Wright*

A M Galvin-Wright - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

---

**Opinion**

We have audited the financial statements of The Merchant's House (Marlborough) Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

---

### **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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

### **Our 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 a Report of the Independent Auditors 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations through the audit planning process;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company's industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act, Companies Act, general data protection regulations (GDPR), employment, and health and safety legislation
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

---

We assessed this susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

In response to the specific risk of irregularities within the use of restricted funds within the charity sector we:

- performed substantive procedures on sources of income to identify any restrictions imposed and agreeing to underlying supporting documentation; and
- performed substantive procedures on expenditure attributable to restricted activities to ensure costs incurred were in accordance with the restrictions imposed by agreeing to underlying supporting documentation.

In response to addressing the risk of fraud due to management override of internal controls we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note two were indicative of potential bias; and
- investigated the rationale behind significant or unusual transaction;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- reviewing minutes of Board meetings held for the existence of actual and potential litigation and claims

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

---

**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 auditors' 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.

*I. Sumbler*

Ian Sumbler (Senior Statutory Auditor)  
for and on behalf of Morris Owen  
Statutory Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

Date: ..... *25.04.2022* .....

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		<b>34,957</b>	<b>12,281</b>	<b>47,238</b>	18,037
<b>Charitable activities</b>					
Grants		<b>14,143</b>	-	<b>14,143</b>	5,878
Miscellaneous income		<b>2,500</b>	-	<b>2,500</b>	-
Other trading activities	3	<b>62,947</b>	-	<b>62,947</b>	74,478
Investment income	4	<b>43,271</b>	-	<b>43,271</b>	45,444
<b>Total</b>		<b>157,818</b>	<b>12,281</b>	<b>170,099</b>	143,837
<b>EXPENDITURE ON</b>					
Fundraising and event costs		<b>2,268</b>	-	<b>2,268</b>	8,276
<b>Charitable activities</b>					
House restoration, purchase of furnishings, and education		<b>160,278</b>	<b>9,940</b>	<b>170,218</b>	107,790
<b>Total</b>		<b>162,546</b>	<b>9,940</b>	<b>172,486</b>	116,066
<b>NET INCOME/(EXPENDITURE)</b>		<b>(4,728)</b>	<b>2,341</b>	<b>(2,387)</b>	27,771
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<b>737,084</b>	<b>53,049</b>	<b>790,133</b>	762,362
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>732,356</b>	<b>55,390</b>	<b>787,746</b>	790,133

The notes form part of these financial statements

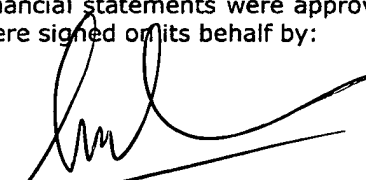
**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST (REGISTERED NUMBER: 02704749)**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	<b>532,524</b>	<b>45,868</b>	<b>578,392</b>	593,167
Investments	10	<b>20,010</b>	-	<b>20,010</b>	20,010
		<b>552,534</b>	<b>45,868</b>	<b>598,402</b>	613,177
<b>CURRENT ASSETS</b>					
Debtors	11	<b>28,311</b>	-	<b>28,311</b>	20,387
Cash at bank and in hand		<b>162,622</b>	<b>9,522</b>	<b>172,144</b>	170,036
		<b>190,933</b>	<b>9,522</b>	<b>200,455</b>	190,423
<b>CREDITORS</b>					
Amounts falling due within one year	12	<b>(11,111)</b>	-	<b>(11,111)</b>	(13,467)
<b>NET CURRENT ASSETS</b>		<b>179,822</b>	<b>9,522</b>	<b>189,344</b>	176,956
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>732,356</b>	<b>55,390</b>	<b>787,746</b>	790,133
<b>NET ASSETS</b>		<b>732,356</b>	<b>55,390</b>	<b>787,746</b>	790,133
<b>FUNDS</b>					
Unrestricted funds:	13				
General fund				<b>94,869</b>	94,251
Designated fund				<b>637,487</b>	642,833
				<b>732,356</b>	737,084
Restricted funds				<b>55,390</b>	53,049
<b>TOTAL FUNDS</b>				<b>787,746</b>	790,133

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 20 April 2022 and were signed on its behalf by:



A J H Cohen - Trustee

The notes form part of these financial statements

## THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. CHARITY INFORMATION

The company is a company limited by guarantee and incorporated in England and Wales, and a registered charity with the Charity Commission in England and Wales.

The registered office address is The Merchant's House, 132 High Street, Marlborough, Wiltshire SN8 1HN.

These financial statements are presented in British Pounds (GBP), which is the charity's functional and presentational currency.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

##### **Legal status of the Charity**

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### **Financial reporting standard 102 - reduced disclosure exemptions**

The charity has taken exemption from preparing a cash flow statement under the charities SORP (FRS 102) Update Bulletin 1 issued on 2 February 2016, as the charity constitutes a small charity.

##### **Preparation of consolidated financial statements**

The company has taken advantage of the exemptions provided not to prepare group accounts.

The trustees do not consider the cost of preparing consolidated accounts justifiable.

##### **Income**

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

##### **Expenditure**

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

## THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 2. ACCOUNTING POLICIES - continued

##### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

##### **Tangible fixed assets**

Fixed assets are recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Museum Equipment	6.67% straight line basis
Office & computer equipment	20% straight line basis
Antiques & paintings	20% straight line basis
Freehold property	See below
Improvements to leasehold property	100% straight line basis (see below)

The trustees consider that owing to the incomparable nature of the freehold property, it would be difficult to obtain a valuation under conventional valuation methods. Even if valuations could be obtained, the trustees consider that the costs would be onerous compared with the additional benefits derived by users of the accounts. As such the freehold property is being shown at cost and is not depreciated.

The company has a short term lease of the property at 132 High Street and as a matter of policy writes off the expense of any improvements carried out on the building as incurred.

##### **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 but some of those funds are designated by the trustees for specific purposes.

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.

##### **Debtors**

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

##### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **Creditors**

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

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial assets and liabilities are recognised and carried at transaction price, the Trust having no 'financing' transactions. For this purpose, financial assets are trade and other receivables, cash and bank balances and financial liabilities are trade and other payables and loans.

**3. OTHER TRADING ACTIVITIES**

	<b>2021</b>	2020
	£	£
Fundraising events	<b>6,211</b>	4,121
Admission fees	<b>1,469</b>	1,214
Gift of shop profits	<b>55,267</b>	69,143
	<b><u>62,947</u></b>	<u>74,478</u>

**4. INVESTMENT INCOME**

	<b>2021</b>	2020
	£	£
Property rental income	<b>43,252</b>	45,268
Deposit account interest	<b>19</b>	176
	<b><u>43,271</u></b>	<u>45,444</u>

**5. NET INCOME/(EXPENDITURE)**

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

	<b>2021</b>	2020
	£	£
Auditors' remuneration	<b>2,000</b>	2,000
Depreciation - owned assets	<b>25,177</b>	12,517
	<b><u>27,177</u></b>	<u>14,517</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Included in other creditors is an amount of £700 (2020 - £700) due to trustees. This is a loan to the Trust that is payable on demand.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. STAFF COSTS**

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

	<b>2021</b>	<b>2020</b>
Trust Manager & Administrators	<b>3</b>	<b>3</b>
	<u>          </u>	<u>          </u>

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

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	13,037	5,000	18,037
<b>Charitable activities</b>			
Grants	5,878	-	5,878
Other trading activities	74,478	-	74,478
Investment income	45,444	-	45,444
<b>Total</b>	<u>138,837</u>	<u>5,000</u>	<u>143,837</u>
<b>EXPENDITURE ON</b>			
Fundraising and event costs	8,276	-	8,276
<b>Charitable activities</b>			
House restoration, purchase of furnishings, and education	103,673	4,117	107,790
<b>Total</b>	<u>111,949</u>	<u>4,117</u>	<u>116,066</u>
<b>NET INCOME</b>	26,888	883	27,771
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	710,196	52,166	762,362
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>737,084</u>	<u>53,049</u>	<u>790,133</u>

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Museum equipment £	Leasehold improv'nts £
<b>COST</b>			
At 1 January 2021	517,157	55,115	739,131
Additions	-	-	9,446
At 31 December 2021	<u>517,157</u>	<u>55,115</u>	<u>748,577</u>
<b>DEPRECIATION</b>			
At 1 January 2021	-	11,025	739,131
Charge for year	-	3,675	9,446
At 31 December 2021	<u>-</u>	<u>14,700</u>	<u>748,577</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>517,157</u>	<u>40,415</u>	<u>-</u>
At 31 December 2020	<u>517,157</u>	<u>44,090</u>	<u>-</u>
	Antiques & paintings £	Office & computer equipment £	Totals £
<b>COST</b>			
At 1 January 2021	255,051	29,017	1,595,471
Additions	773	183	10,402
At 31 December 2021	<u>255,824</u>	<u>29,200</u>	<u>1,605,873</u>
<b>DEPRECIATION</b>			
At 1 January 2021	224,778	27,370	1,002,304
Charge for year	11,219	837	25,177
At 31 December 2021	<u>235,997</u>	<u>28,207</u>	<u>1,027,481</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>19,827</u>	<u>993</u>	<u>578,392</u>
At 31 December 2020	<u>30,273</u>	<u>1,647</u>	<u>593,167</u>

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u><b>20,010</b></u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u><u><b>20,010</b></u></u>
At 31 December 2020	<u><u>20,010</u></u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Merchant's House Trading (Marlborough) Limited**

Registered office: The Merchant's House, 132 High Street, Marlborough, Wiltshire SN8 1HN.

Nature of business: Gift shop

	%	2021	2020
Class of share:	holding	£	£
Ordinary	<b>100</b>	<b>24,520</b>	24,520
Aggregate capital and reserves		<b>24,520</b>	24,520

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Amounts owed by group undertakings	<b>26,821</b>	14,773
Other debtors	-	1,234
Prepayments and accrued income	<u><b>1,490</b></u>	<u>4,380</u>
	<u><u><b>28,311</b></u></u>	<u><u>20,387</u></u>

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Other creditors	700	700
Accruals and deferred income	10,411	12,767
	<u>11,111</u>	<u>13,467</u>

**13. MOVEMENT IN FUNDS**

	At 1.1.21	Net movement	Transfers	At
	£	in funds	between	31.12.21
	£	£	funds	£
<b>Unrestricted funds</b>				
General fund	94,251	(4,728)	5,346	94,869
Designated fund	642,833	-	(5,346)	637,487
	<u>737,084</u>	<u>(4,728)</u>	<u>-</u>	<u>732,356</u>
<b>Restricted funds</b>				
Antique collections	500	(147)	-	353
Museum	46,901	(1,033)	-	45,868
Marlborough drawings	1,554	-	-	1,554
Education	1,375	-	-	1,375
Town signs	1,719	-	(844)	875
Museum MTC	1,000	2,881	-	3,881
Modes Database	-	640	-	640
Marketing & Promotion	-	-	844	844
	<u>53,049</u>	<u>2,341</u>	<u>-</u>	<u>55,390</u>
<b>TOTAL FUNDS</b>	<u>790,133</u>	<u>(2,387)</u>	<u>-</u>	<u>787,746</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	157,818	(162,546)	(4,728)
<b>Restricted funds</b>			
Antique collections	-	(147)	(147)
Audit fee	2,000	(2,000)	-
Museum	-	(1,033)	(1,033)
Museum MTC	2,881	-	2,881
Window	3,875	(3,875)	-
Sundial	2,225	(2,225)	-
Modes Database	1,300	(660)	640
	<u>12,281</u>	<u>(9,940)</u>	<u>2,341</u>
<b>TOTAL FUNDS</b>	<u>170,099</u>	<u>(172,486)</u>	<u>(2,387)</u>

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	111,373	26,888	(44,010)	94,251
Designated fund	598,823	-	44,010	642,833
	<u>710,196</u>	<u>26,888</u>	<u>-</u>	<u>737,084</u>
<b>Restricted funds</b>				
Antique collections	500	-	-	500
Museum	47,934	(1,033)	-	46,901
Recording History	459	(459)	-	-
Marlborough drawings	1,554	-	-	1,554
Education	-	1,375	-	1,375
Town signs	1,719	-	-	1,719
Museum MTC	-	1,000	-	1,000
	<u>52,166</u>	<u>883</u>	<u>-</u>	<u>53,049</u>
<b>TOTAL FUNDS</b>	<u><u>762,362</u></u>	<u><u>27,771</u></u>	<u><u>-</u></u>	<u><u>790,133</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	138,837	(111,949)	26,888
<b>Restricted funds</b>			
Audit fee	2,000	(2,000)	-
Museum	-	(1,033)	(1,033)
Recording History	625	(1,084)	(459)
Education	1,375	-	1,375
Museum MTC	1,000	-	1,000
	<u>5,000</u>	<u>(4,117)</u>	<u>883</u>
<b>TOTAL FUNDS</b>	<u><u>143,837</u></u>	<u><u>(116,066)</u></u>	<u><u>27,771</u></u>

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. MOVEMENT IN FUNDS - continued**

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

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	111,373	22,160	(38,664)	94,869
Designated fund	598,823	-	38,664	637,487
	<u>710,196</u>	<u>22,160</u>	<u>-</u>	<u>732,356</u>
<b>Restricted funds</b>				
Antique collections	500	(147)	-	353
Museum	47,934	(2,066)	-	45,868
Recording History	459	(459)	-	-
Marlborough drawings	1,554	-	-	1,554
Education	-	1,375	-	1,375
Town signs	1,719	-	(844)	875
Museum MTC	-	3,881	-	3,881
Modes Database	-	640	-	640
Marketing & Promotion	-	-	844	844
	<u>52,166</u>	<u>3,224</u>	<u>-</u>	<u>55,390</u>
<b>TOTAL FUNDS</b>	<u>762,362</u>	<u>25,384</u>	<u>-</u>	<u>787,746</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	296,655	(274,495)	22,160
<b>Restricted funds</b>			
Antique collections	-	(147)	(147)
Audit fee	4,000	(4,000)	-
Museum	-	(2,066)	(2,066)
Recording History	625	(1,084)	(459)
Education	1,375	-	1,375
Museum MTC	3,881	-	3,881
Window	3,875	(3,875)	-
Sundial	2,225	(2,225)	-
Modes Database	1,300	(660)	640
	<u>17,281</u>	<u>(14,057)</u>	<u>3,224</u>
<b>TOTAL FUNDS</b>	<u>313,936</u>	<u>(288,552)</u>	<u>25,384</u>

The following designations have been made:

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. MOVEMENT IN FUNDS - continued**

Purpose of designation	Balance at 31.12.2019	Transfer from/(to) unrestricted funds £	Balance at 31.12.2020 £
Salaries and other running costs	15,000	1,500	16,500
Replacements for loaned furniture	4,250	-	4,250
Capital projects	23,230	2,500	25,730
Essential repairs	39,188	20,000	59,188
Buildings used for charitable purposes	517,155	-	517,155
Investment in Trading Company	-	20,010	20,010
	<u>598,823</u>	<u>44,010</u>	<u>642,833</u>

**14. RELATED PARTY DISCLOSURES**

During the year the charity received a donation from its trading subsidiary The Merchant's House Trading (Marlborough) Limited of £55,267 (2020 - £69,143). At the year end the subsidiary owed the charity £26,821 (2020 - £14,773).

**15. MEMBERS' LIABILITY**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

**THE MERCHANT'S HOUSE (MARLBOROUGH) TRUST**

**'PROFIT AND LOSS' ACCOUNT - YEAR ENDED 31 DECEMBER 2021**

	Unrestricted £	2021 Restricted £	Total £	2020 Total £
<b>Income</b>				
Subscriptions received	4,109		4,109	4,570
Events income	6,211		6,211	4,121
Visitor & education income	1,469		1,469	1,214
Museum entry charges	0		0	-
Donations - Merchants House Trading	55,267		55,267	69,143
Donations - other	30,848		30,848	8,467
Grants & restricted donations		12,281	12,281	5,000
Rental income	43,252		43,252	45,268
Bank interest	19		19	176
Government Covid Grants	14,143		14,143	5,878
Miscellaneous income	2,500		2,500	0
	<b>157,818</b>	<b>12,281</b>	<b>170,099</b>	<b>143,837</b>
<b>Expenditure</b>				
Wages	48,432		48,432	62,380
Events costs	2,268		2,268	1,292
Light & heat	2,763		2,763	2,622
Water	188		188	654
Repairs and maintenance	65,704		65,704	8,804
Telephone & line rentals	1,921		1,921	1,869
Postage, stationery and advertising	4,713	147	4,860	5,483
Insurance	7,957		7,957	6,279
Audit and accountancy	300	2,000	2,300	2,370
Professional fees	6,032		6,032	7,689
IT & Software Costs	1,495	660	2,155	3,037
Travelling and subsistence	57		57	170
Subscriptions paid	225		225	69
Bank charges and interest	1,157		1,157	457
Museum expenditure	0		0	64
Miscellaneous expenses	1,290		1,290	309
	<b>144,502</b>	<b>2,807</b>	<b>147,309</b>	<b>103,548</b>
Depreciation - property conservation	3,346	6,100	9,446	0
Depreciation - Museum cabinets etc.	2,642	1,033	3,675	3,675
Depreciation - furniture etc. purchases	11,219		11,219	6,851
Actual purchases £773 (£NIL - 2020)	837		837	1,993
Depreciation - computers and equipment	837		837	1,993
	<b>162,546</b>	<b>9,940</b>	<b>172,486</b>	<b>116,066</b>
<b>Surplus for the Year</b>	<b>(4,728)</b>	<b>2,341</b>	<b>(2,387)</b>	<b>27,771</b>
<b>Restricted Funds</b>		<b>2,341</b>	<b>2,341</b>	<b>882</b>
<b>Unrestricted Funds</b>				
Designated	(5,346)		(5,346)	44,010
Undesignated	618		618	(17,121)
	<b>(4,728)</b>	<b>2,341</b>	<b>(2,387)</b>	<b>27,771</b>