

Torbay Museums Trust
(A Company limited by guarantee)

Trustees' Annual Report and Financial Statements

Year ended 31 March 2021

Registered number: 02764633
Charity number: 1025390

Torbay Museums Trust
(A Company Limited by Guarantee)

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Torbay Museums Trust
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Trustees' Report for the year ended 31 March 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Torbay Museums Trust for the year ended 31 March 2021. The Trustees confirm that the Annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2015).

Objectives and Activities

Our mission statement

“Torquay Museum’s aim is to safeguard, collect and preserve those objects relating to Torbay’s cultural and natural heritage and to present them in an accessible and relevant form as a source of inspiration, enjoyment and learning for everyone. Torquay Museum aims to enhance the lives of people and lead to a greater understanding of human cultures and natural environments.”

The principal object of the charity is the advancement of education by promoting the study of the Natural Sciences and Human History, by acquiring, housing and exhibiting and conserving, restoring and repairing objects and collections of an educational nature with particular emphasis on Natural History, Archaeology, Anthropology, Ethnography, Social and Local History, and the Industrial and Decorative Arts, as defined by the Museum’s acquisition and disposal policies, with further emphasis being given to subjects relating to the county of Devon and by establishing, acquiring, managing and maintaining museums, galleries, libraries and others places where such purposes may be achieved and where education and educational research and enquiry and the exchange and dissemination of relevant views and information may happen.

Public Benefit Statement

The Trustees confirm that they have had due regard to the Charity Commission’s guidance on public benefit when reviewing the charity’s aims and objectives, in planning future activities and in setting policy for the year. The Trustees are satisfied that the Museum’s activities are for the public benefit, relating as they do to promoting the study of the Natural Sciences and Human History, by acquiring, housing and exhibiting and conserving, restoring and repairing objects and collections of an educational nature. This benefits the community in maintaining important heritage assets for the people of and visitors to the area to enjoy. The Museum relies on grants and income from admissions to cover its operating costs, but ensures that admissions pricing achieves value for money and supports low income visitors. Alongside this, the Museum delivers a number of free admission days across the year to encourage new audiences, in particular those on low incomes. We are also increasing free access to our collections online.

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Our delivery priority actions are summarised under each of these Goals:

Goal 1: OUR MUSEUM IS A LEARNING ZONE:

- providing innovative, inspiring, opportunities for people of all ages and abilities to engage with our collections, exhibitions and areas of specialism; and
- generating new digital learning, access and interpretation resources for our collections, exhibitions and galleries.

Goal 2: OUR COLLECTIONS ARE CELEBRATED AND SHARED:

- through our interpretation & research programmes, to be explored by experts and non-experts alike;
- providing changing exhibitions programme to support broader engagement; and
- maintaining Museum accreditation and working towards the highest standards

Goal 3: WE ARE A VALUED AND INTEGRAL SERVICE IN OUR COMMUNITY:

- creating community led exhibitions and undertaking outreach activities;
- working with others to break down barriers to engagement; and
- providing volunteering and internships opportunities for a broad range of young people and adults including those with learning difficulties.

Goal 4: OUR ORGANISATION IS CONFIDENT, RESILIENT AND ENTERPRISING:

- ensuring a consistently excellent customer experience, monitoring and responding to on-line feedback and research
- developing staff through effective personal performance agreements and providing training opportunities

Goal 5: OUR WORK IS SUSTAINABLE AND RESOURCEFUL:

- interpreting our collections to provide excellent learning opportunities about the environment, with a focus on climate and environmental change through the quaternary;
- collaborating with Geopark members to improve understanding of the Geopark and support the regular revalidation process; and
- working towards more energy efficient installations and reducing waste.

Our key objectives for 2020 - 21 were to:

- deliver three new temporary exhibitions including a large Summer exhibition;
- create and maintain a financially stable business;
- improve marketing particularly through increased use of social media;
- enhance income generation;
- improve the organisation and build its capacity;
- support a stable café franchise; and
- improve education delivery to primary schools.

Trustees' Report for the year ended 31 March 2021

Achievements and Performance

The Government Coronavirus restrictions which were put in place in March 2020 and were still in place at year end meant that the museum had to close to the public for a substantial part of the year. The covid risk made people reluctant to visit indoor spaces, even when restrictions lifted. Most of our exhibition planning had to change, as we were unable to engage with our audiences in the way we had intended. Despite this, we adapted, worked differently, increased our online presence, and deferred our major exhibition until the following year.

The Museum's Response to Covid-19

With Emergency Funding from National Lottery Heritage Funding and Cultural Recovery Funding from Arts Council England the Museum was able to respond effectively to the pandemic. These funds supported the Museum during lockdown and enabled us to prepare for re-opening and re-engaging with our visitors. We successfully re-opened the Museum in July 2020 with all the necessary Covid measures in place including a new on-line booking system (controlling numbers and timing of visits), Perspex screens to protect staff, volunteers and visitors, hand cleaning stations, new cleaning measures in place and an improved ventilation system in the toilet areas. The Museum has also increased significantly its ability and expertise in relation to remote engagement with the public. Our social media engagement, particularly Facebook, is now particularly effective with a significant increase in numbers of engagements. We have also now developed the ability to host on-line talks and in partnership with the Museum Society have put the weekly lecture programme on-line which has been particularly important during Covid as the Membership are principally elderly and vulnerable.

Funding support also enabled us to put up two temporary exhibitions for the general public accessible outside of lockdown.

Due to funding support we were able to stay viable and shift our 175 celebrations by 12 months to 2021. As a result our 'On the Street' exhibition trail, free to all, at 24 sites around Torbay 'opened' in April 2021. This was then not subject to lockdowns for venues or Covid concerns in relation to indoor venues such as museums. Work was also able to continue on our significant co-curated 175 celebratory (Secret Museum') exhibition which opened successfully in June 2021 (funded by National Lottery Heritage Fund). Work was also enabled on our associated (ACE funded) 'pageant' celebration day.

The impact on our visitor numbers during the year was, however, severe. In a normal year we have somewhere between 20-25,000 visitors. During 2020/21 we had 3,880 visitors due to lockdowns, restrictions and reluctance to visit due to fear of Covid. All foreign language schools cancelled visits. All primary school visits also stopped.

Despite the impact of Covid we continued to have outstanding support from volunteers in all areas. Particularly notable was assistance with cleaning regimes necessitated by Covid, museum maintenance team delivery, slide documentation and support with visitor services. Over 30 individuals helped support us over this period. Without such support we would have been hard pressed to continue our work.

Trustees' Report for the year ended 31 March 2021

Exhibitions

Claws: The Human History of Cats (15 February 2020 – 2 January 2021)

Our in-house exhibition on the human history of cats was restaged to fill a gap in our programme. Following lockdown, the exhibition was turned into a virtual exhibition and promoted through Facebook. It had 3412 views with 226 engagements and 12 shares. There was a clear demand from the public for such material when lockdown came in. We had many positive comments whilst the exhibition was running including..... ' We had a lovely couple of hours browsing the exhibits and the Claws main exhibit was grrreat 🐱🐱🐱 we 're looking forward to returning soon!'

The Russians Are Coming! The Secret History of Soviet Spying in Torbay (19 August 2020 – 2 January 2021)

During the Cold War, the Soviet Union secretly drew up invasion plans for key enemy cities: Washington, New York, Paris, London and Torbay! Created by Bespoke Scientific this fascinating exhibition showed the Russian army's plans for Torbay, along with secret KGB surveillance devices used to spy on the locals.

The exhibition had some fantastic online feedback some of which was shared on Facebook. It was also visited by a Russian film crew making a news story on the maps. This piece was shared on social media with a transcription of the interviews. On 26th November the Museum staged its first ever virtual lecture when the authors of *The Red Atlas: How the Soviet Union Secretly Mapped the World*, John Davies and Alex Kent, gave a zoom lecture from their homes entitled *Secret Soviet Maps of Devon, Britain and the World*. The free event had around 35 attendees who booked their tickets and were sent a link. Over 20 participants also completed a questionnaire giving us feedback for the webinar.

The exhibition attracted many wonderful comments including: "We came today to visit the Russian Exhibition as a birthday treat for one of the boys 12th birthday! it was FABULOUS! we learned so much and were blown away at the detail the Russians took! Boys loved it, we loved it and look forward to coming again very soon! thank you to all those involved putting it together! Great work and much appreciated."

And even better..... "We were blown away by your "Russian's are coming" Secrets and Spy maps" exhibition. Compared with other exhibitions we've seen round the world, your incredible KGB artefacts were on a par with the original Treasures of Tutankhamun. Absolutely amazing! We grew up wondering what the Russian's were up to but never dreamed we'd ever see Classified Soviet spy material for real. This was the highlight of our visit and the best exhibition we've ever seen outside London. Chilling but fascinating!"

Accreditation Documentation Plan 2019-22

Following lockdown at the end of March all documentation on the collections ceased with the furlough of staff. Up until lockdown, the TQM 175 Project documentation had been on target with 5 volunteers all documenting the Lantern slide collection.

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From April, the collections were looked after and monitored weekly on a voluntary basis. Environmental conditions were monitored remotely to check for excessive changes in temperature and humidity.

From October documentation resumed on the lantern slide collection as part of the 175 Project. By December an additional 600 slides had been documented.

The Dartmoor archive approached the Museum to provide the staff and equipment to digitise a substantial collection of colour Dartmoor images on a paid basis. Known as the Francis Lee Collection it comprises around 7,000 large format images.

From January 2021, conservation work was focussed on items that would be used in The Secret Museum exhibition, scheduled for June 2021.

Enquiries service

The Museum continues to run an enquiries service. This enables a functioning service at no net cost to the Museum and through specific purchases (e.g. photographs) small amounts of income are generated for the Museum.

Financial Review

Results for the year ended 31 March 2021 are shown in the Statement of Financial Activities on page 14 (incorporating the income and expenditure account). Total incoming resources were £402,298 (2020: £293,725).

After expenditure of £375,828, the accounts show a net increase in resources for the year of £26,470 (2020 deficit: £87,787).

There was an operating deficit in respect of unrestricted funds for the year of £15,606 (2020 deficit: £88,311), although it should be noted that this includes £48,808 depreciation charge, primarily related to the building itself.

Principal Funding

During this very difficult covid-19 year, the Museum has relied heavily on emergency funding, either directly or indirectly provided by the government:

- Grant Income (total £217,400 covid support, plus £37,000 Torbay Council's annual grant) - the government's Retail, Leisure & Hospitality, Restart and Additional Restrictions grants; Culture Recovery Fund through Arts Council England and Emergency support from National Lottery Heritage Fund.
- The Museum also accessed the Coronavirus Job Retention Scheme and received a total of £46,960 to support staff who were furloughed.

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- Project activity continued whenever possible between lockdowns, supported by the National Lottery Heritage Fund for the 175 Project, Arts Council England for the Pageant and the University of Exeter to film a series of educational performances.
- Charitable activities – ticket sales, retail and other income amounted to only £32,581, due to ongoing opening restrictions (2020: £142,512).
- Fundraising – Fundraising has been limited during this period, although a Crowdfunding campaign raised £14,000.

The Museum was also able to access a Bounce Back loan.

Reserves Policy and Going Concern

Reserves are needed to cover any period when income falls short of expenditure, when cash flow is negative as for instance during a capital development project, and to provide for emergencies such as unforeseen major repairs. The Trustees consider that the ideal level of reserves as at 31 March 2021 would be the equivalent of approximately six months' planned core expenditure, excluding depreciation, being £132,000.

As at 31st March 2021, the charity had £24,141 in free reserves. Tangible fixed assets, including the Museum premises, amount to £1,354,370, excluding heritage assets (which are generally inalienable).

The Trustees recognise that rebuilding reserves will be extremely difficult during the pandemic. They have taken some difficult decisions to secure the financial stability of the organisation. Regrettably, this includes reducing staffing levels, but at the same time making concerted efforts to increase visitor income. The Museum is still expecting settlement of a large legacy, notified in 2017. The Legal Ombudsman is now assisting with our claim and we expect to get a resolution in 2022, along with a further legacy more recently notified.

Without the support of the Arts Council, the Museum would not be able to survive. However, thanks to a further emergency grant of £143,727, awarded in November 2021, together with a complete re-structure and re-focus, the Trustees are of the view that the Museum is a going concern.

Plans for the Future

The Board has adapted well to the Covid-19 lockdown and continued to meet via Zoom on a monthly basis keeping a firm grasp on ensuring the survival of the Museum during this very difficult period. The Museum has taken advantage of the furlough scheme and has also benefitted from emergency Covid support from Torbay Council and the National Lottery Heritage Fund. The Board will continue to promote strategies and plans, assisted by the Director, to develop and maintain a sustainable Museum service.

The Forward Plan, re-written as part of the accreditation process, is undergoing a review. Workshops are being held with staff and the Board led by a specialist Museum consultant. This early review is being undertaken to ensure full engagement and sign-up to the plan in the light of Covid-19 impacts.

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With significant pressures on our finances, and as part of ongoing support from the Arts Council, the Museum commissioned a full organisational and staffing review. An Options paper was put to the Board in October 2021 which received general support. The plan is now being implemented resulting in significant staff salary savings and a new more 'commercially focussed' approach. As part of this further work is also being carried out to produce a new audience development plan, business plan and fundraising strategy. The shift in organisational focus combined with the new staff structure has put the Museum onto a more secure and sustainable footing.

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Trustees' Report for the year ended 31 March 2021

Reference and administrative details

Trustees	Mr Andrew Cooper Ms Nicole Amil Mr Edgar Halton (resigned September 2021) Ms Kate Richards Ms Caroline Skelton Ms Abigail Smith Mr David Wills
Secretary	Ms C Skelton
Company registered number	02764633
Charity registered number	1025390
Registered office	529 Babbacombe Road Torquay TQ1 1HG
Accountants	Francis Clark LLP Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF
Bankers	Lloyds PLC 51-52 Fleet Street Torquay TQ2 5DW
Solicitors	Wollens At Harbourside 67 The Terrace Torquay TQ1 1DP

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Structure, Governance and Management

Constitution

The company is constituted under a Trust Deed dated 29 May 1875 as Torquay Natural History Society (TNHS), is a registered charity number 1025390 and a company limited by guarantee, number 2764633. The Society was renamed Torquay Museum Society (TMS) in 2003 and as Torbay Museums Trust at the AGM on 18 November 2014. At the same AGM a new set of Articles of Association were adopted.

Method of Appointment or Election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of the charity. The Trustees consist of at least three and not more than 12 individuals who are over the age of 18, all of whom must support the Objects.

A Trustee may not act as a Trustee unless he/she:-

(a) is a Member; and

(b) has signed a written declaration of willingness to act as a charity trustee of the Charity.

The trustees of the Torquay Museum Society shall have the right to nominate at least two of its members for appointment as Trustees in accordance with Article 3.5. of the new Articles adopted at the AGM in November 2014

Policies Adopted for the Induction and Training of Trustees

Newly appointed trustees undertake an induction and are provided with copies of the Memorandum and Articles of Association, annual reports and accounts and minutes of previous meetings. Each new trustee receives the Charity Commission's publication 'The Essential Trustee'.

Organisation, Structure and Decision Making

Decision making is undertaken initially by the Board of Trustees. The Board considers strategic matters and major practical issues affecting the work of the Charity, agrees budgets and key initiatives and sets priorities and timetables for future developments. The Board of Trustees meets four times per annum and a Finance Sub-committee also meets four times per annum, with the Museum Director providing reports on key matters and supporting discussions. The Museum Director has delegated authority to make operational decisions.

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Trustees' Report for the year ended 31 March 2021

Statement of Trustees' Responsibilities

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

Company law requires 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 these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that 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.

This report has been prepared in accordance with the Charity Commission's Statement of Recommended Practice: SORP (FRS102) and in accordance with the special provisions of Part 16 of the Companies Act 2006 relating to smaller entities.

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

This report was approved by the Trustees on 14 December 2021 and signed on their behalf by:



Andrew Cooper
Trustee

Torbay Museums Trust
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Independent Examiner's Report to the Trustees of Torbay Museums Trust
For the year ended 31 March 2021

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

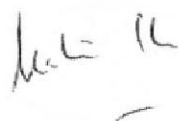
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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

Martin Hobbs
Francis Clark LLP
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF



21 December 2021

Torbay Museums Trust
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Statement of Financial Activities (incorporating an Income and Expenditure Account)
Year ended 31 March 2021

	<i>Note</i>	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and legacies	2	140,896	215,088	355,984	127,865
Charitable activities	3	23,396	-	23,396	82,906
Trading activities	4	9,185	-	9,185	59,606
Other income	5	13,733	-	13,733	23,348
Total income		187,210	215,088	402,298	293,725
Expenditure on:					
Fundraising trading	4	3,387	-	3,387	32,231
Charitable activities	6, 7	301,970	68,207	370,177	344,081
Generating voluntary income	8	2,264	-	2,264	5,200
Total expenditure		307,621	68,207	375,828	381,512
Net income / (expenditure)		(120,411)	146,881	26,470	(87,787)
Transfers between funds	<i>18, 19</i>	104,805	(104,805)	-	-
Net movement in funds		(15,606)	42,076	26,470	(87,787)
Reconciliation of funds					
Total funds brought forward		1,854,468	19,038	1,873,506	1,961,293
Total funds carried forward		1,838,862	61,114	1,899,976	1,873,506

The notes on pages 14 to 26 form part of these financial statements.

The surplus for the purposes of the Companies Act 2006 is £26,470 (2020 loss: £87,787)

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

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Balance Sheet
31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	13	1,354,370	1,396,945
Heritage assets	14	472,724	472,724
		1,827,094	1,869,669
Current Assets			
Stocks		8,119	9,488
Debtors	15	29,450	26,981
Cash at bank and in hand		108,281	538
		145,850	37,007
Creditors:			
Amounts falling due within one year	16	(27,598)	(24,262)
Bank overdraft		-	(8,908)
		(27,598)	33,170
Net Current Assets		118,252	3,837
Total assets less current liabilities		1,945,346	1,873,506
Creditors:			
Amounts falling due after more than one year	17	45,370	-
Net assets		1,899,976	1,873,506
Funds			
General funds	18	604,101	593,721
Designated funds	18	1,234,761	1,260,747
Restricted funds	19	61,114	19,038
		1,899,976	1,873,506

The notes on pages 14 to 26 form part of these financial statements.

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised by the Trustees on 14 December 2021 and signed on their behalf by:



Andrew Cooper (Trustee)

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Notes to the Financial Statements for the year ended 31 March 2021

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared on the going concern basis (see 1. 6 below). The functional and presentational currency is sterling.

1.2 Company Status

The company is a company limited by guarantee. The members of the company are the paid-up members of the Society. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The charitable company was incorporated in England and Wales.

1.3 Fund Accounting

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

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

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

Notes to the Financial Statements for the year ended 31 March 2021

1 Accounting policies (continued)

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that income will be received and the amount can be measured reliably. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

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

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation. Subscriptions entitle members to benefits during the year following their subscription and are recognised in the statement of financial activities so that the income included is pro-rata to the period of time covered by the subscriptions. Any part of subscriptions not recognised in the current year is carried forward as deferred income.

Coronavirus Job Retention Scheme (CJRS) income is recognised when it is receivable. CJRS income is accounted for as unrestricted funds and recognised in Donations.

1.5 Expenditure

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

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

All resources expended are inclusive of irrecoverable VAT.

1.6 Going Concern

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the charity's ability to continue as a going concern. More details are provided in the Financial Review on page 6.

Notes to the Financial Statements for the year ended 31 March 2021

1 Accounting policies (continued)

Based on these factors, the trustees have concluded that the charitable company has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.7 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year. The museum is not registered for VAT, therefore all amounts are shown inclusive of VAT where applicable.

1.8 Heritage Assets

In accordance with the SORP heritage assets are only valued where it is cost effective to do so. Assets that are acquired by the Museum by way of purchase, donation or legacy are included in the balance sheet as are any assets for which a valuation is readily available. The Trustees do not consider it cost effective to value other parts of the collection unless valuation happens to be required for other purposes.

1.9 Tangible Fixed Assets and Depreciation

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

Leasehold property	2% straight line
Leasehold property improvements	2% straight line
Displays	6.67% straight line
Furniture and equipment	20% reducing balance
Computer equipment	25% straight line

Notes to the Financial Statements for the year ended 31 March 2021

1 Accounting policies (continued)

1.10 Revaluation of Tangible Fixed Assets

As permitted by the transitional provisions of FRS102, the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 31 March 1995 and will not update that valuation.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.11 Investments

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

1.12 Stocks

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

1.13 Pensions

The Charity pays contributions equivalent to 3% of qualifying earnings into an approved auto enrolment pension scheme.

1.14 Operating leases

Rentals paid under operating leases are charged to the SOFA over the period in which the cost is incurred.

1.15 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. The company holds the following financial instruments, all of which are considered to be basic:

- Short term debtors and creditors
- Other loans

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2. Income from: Donations and legacies

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Torbay Council	85,764	-	85,764	37,000
National Lottery Heritage Fund	-	68,160	68,160	22,700
Arts Council England	-	131,928	131,928	-
Exeter University	-	15,000	15,000	-
Government CJRS Grant	46,960	-	46,960	4,611
Other Donations	8,172	-	8,172	11,146
Legacies	-	-	-	52,408
Total voluntary income	140,896	215,088	355,984	127,865

Income from donations and legacies in 2020 comprised £104,136 unrestricted funds and £23,729 restricted funds. Unrestricted Donations in 2021 include £132,724 government funding, including furlough grant (2020: £41,611). Restricted donations include £168,636 government funding distributed via Arts Council England and the National Lottery Heritage Fund (2020: nil).

3. Income from: Charitable activities

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Museum admissions & activities	23,396	-	23,396	82,906
	23,396	-	23,396	82,906

Income from admissions and activities in 2020 comprised £82,663 unrestricted funds and £243 restricted funds

4. Income from: Trading activities

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Charity Trading Income				
Museum shop and other earned income	9,185	-	9,185	59,606
Fundraising Trading Expenses				
Museum shop & café	3,387	-	3,387	32,231
	5,798	-	5,798	27,375

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5. Income from: Other Income

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Fundraising	12,269	-	12,269	8,973
Museum exhibitions tax relief	1,180	-	1,180	14,370
Other income	284	-	284	5
	<u>13,733</u>	<u>-</u>	<u>13,733</u>	<u>23,348</u>

In 2020 other income comprised £23,348 unrestricted and £0 restricted funds.

6. Analysis of expenditure on charitable activities

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Operation of museum	301,970	68,207	370,177	344,081
	<u>301,970</u>	<u>68,207</u>	<u>370,177</u>	<u>344,081</u>

In 2020, expenditure on charitable activities was £344,081 of which £23,448 was restricted and £320,633 was unrestricted.

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7. Operation of Museum Activities

	2021	2020
	Total	Total
	£	£
Activities undertaken directly		
Exhibitions and activities	14,056	28,720
Marketing costs	7,103	9,984
Outreach and education	449	2,315
	21,608	41,019
Support costs		
Salaries, NI and pension	198,012	178,512
Sub-contract and other staff costs	11,504	9,769
Rates and water	1,214	3,800
Light and heat	12,566	13,999
Maintenance, security & repairs	37,948	13,596
Insurance	12,317	10,323
General office costs	2,823	2,373
IT costs	5,816	5,627
Professional fees	13,317	949
Bank charges	1,882	2,560
Sundry expenses	43	641
Independent examination	2,260	2,160
Depreciation	48,808	58,732
Bad debt write off	59	21
	348,569	303,062
Total	370,177	344,081

8. Resources Expended: Cost of Generating Voluntary Income

	Unrestricted funds	Restricted	2021 Total	2020 Total
	£	£	£	£
Fundraising activity costs	2,264	-	2,264	5,200
	2,264	0	2,264	5,200

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9. Net income/expenditure

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets owned by the charity	48,808	58,372

10. Taxation

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

11. Analysis of staff costs, Trustees' remuneration and expenses, and the costs of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	185,745	178,058
Social Security costs	9,674	8,950
Pension contributions	4,689	4,615
	200,108	191,623

The number of employees during the year was as follows:

	Average monthly		Full time equivalent	
	2021	2020	2021	2020
Curatorial & programme delivery	4	3	2.5	1.5
Management	2	2	1.5	1.5
Administration & facilities	2	2	1.5	1
Attendants	4	4	1.5	2
Café	0	2	0	1
	12	13	7	7

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

The key management personnel comprises the Museum Director, part-time Curator (4/5) and part-time Visitor Services Manager (4/5). The aggregate employee benefits payable to key management personnel for the year was £98,582 (2020: £94,883).

No Trustee received remuneration for acting as a Trustee of the Charity (2020: Nil), nor did any Trustee receive expenses or other benefits (2020: Nil)

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12. Related Party Transactions

During the year no Trustee received remuneration arising from a contract with the charity (2020: nil).

13. Tangible Fixed Assets

	Leasehold Property	Leasehold Property Improvements	Displays	Furniture and Equipment	Computer Equipment	Total
	£	£	£	£		£
Cost or valuation						
At 1 April 2020	800,000	1,299,310	237,021	109,991	48,170	2,494,492
Additions	-	-	-	5,604	629	6,233
At 31 March 2021	800,000	1,299,310	237,021	115,595	48,799	2,500,725
Depreciation						
At 1 April 2020	320,000	401,754	236,573	96,672	42,548	1,097,547
Charge for year	16,000	25,986	56	4,640	2,126	48,808
At 31 March 2021	336,000	427,740	236,629	101,312	44,674	1,146,355
Net book value						
At 31 March 2020	480,000	897,556	448	13,319	5,622	1,396,945
At 31 March 2021	464,000	871,570	392	14,283	4,125	1,354,370

The cost/valuation of property at 31 March 2021 represents the value of the Museum estimated by the Trustees in 1994/95. All assets are used entirely for charitable purposes.

The Trustees decided to take advantage of the transitional provision of FRS 102 to treat this valuation as deemed cost.

14. Charity Heritage Assets

	Total £
Museum collection (Note 1.9)	
At 1 April 2020	472,724
At 31 March 2021	472,724

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Notes to the Financial Statements for the year ended 31 March 2021

15. Debtors: Due within one year

	2021	2020
	£	£
Trade debtors	1,014	1,840
Accrued income	21,505	17,646
Other debtors	515	518
Prepayments	6,416	6,977
	<u>29,450</u>	<u>26,981</u>

16. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bounce Back Loan	4,630	-
Trade creditors	12,362	11,506
Other creditors	5,212	7,404
Accruals	5,394	5,352
	<u>27,598</u>	<u>24,262</u>

17. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bounce Back Loan	45,370	-
	<u>45,370</u>	<u>-</u>

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Notes to the Financial Statements for the year ended 31 March 2021

18. Unrestricted Funds

	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2021
	£	£	£	£	£
Designated Funds					
Development	800,396	-	(25,986)	-	774,410
Heritage Assets	460,351	-	-	-	460,351
	<u>1,260,747</u>	<u>-</u>	<u>(25,986)</u>	<u>-</u>	<u>1,234,761</u>
General Fund					
Property Revaluation	752,000	-	-	-	752,000
General - Charity	(158,279)	187,210	(281,635)	104,805	(147,899)
	<u>593,721</u>	<u>187,210</u>	<u>(281,635)</u>	<u>104,805</u>	<u>604,101</u>
Total unrestricted funds	<u>1,854,468</u>	<u>187,210</u>	<u>(307,621)</u>	<u>104,805</u>	<u>1,838,862</u>

Designated funds represent the following:

The Development fund represents the capital cost of the two phases of the development of the Museum and is set aside to absorb the depreciation cost in future years.

The Heritage Assets fund represents the value of heritage assets, including the collection, which the Trustees consider inalienable and therefore not available for sale to support the general operations of the Museum.

**Unrestricted Funds
2020 - Comparative**

	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2020
	£	£	£	£	£
Designated Funds					
Development	826,383	-	(25,987)	-	800,396
Heritage Assets	460,351	-	-	-	460,351
	<u>1,286,734</u>	<u>-</u>	<u>(25,987)</u>	<u>-</u>	<u>1,260,747</u>
General Fund					
Property Revaluation	752,000	-	-	-	752,000
General - Charity	(99,037)	269,753	(332,077)	3,082	(158,279)
	<u>652,963</u>	<u>269,753</u>	<u>(332,077)</u>	<u>3,082</u>	<u>593,721</u>
Total unrestricted funds	<u>1,939,697</u>	<u>269,753</u>	<u>(358,064)</u>	<u>3,082</u>	<u>1,854,468</u>

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19. Restricted Funds

	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2021
	£	£	£	£	£
Acquisitions fund	3,949	-	-	-	3,949
Heritage Assets (restricted)	12,373	-	-	-	12,373
NLHF Emergency Fund	-	50,000	(48,831)	(1,169)	-
Culture Recovery Fund	-	118,636	-	(118,636)	-
Torquay Museum 175	1,990	18,160	(16,847)	15,000	18,303
Pageant	-	13,292	(1,706)	-	11,586
Exeter University Fund	-	15,000	(823)	-	14,177
Other small funds	726	-	-	-	726
	<u>19,038</u>	<u>215,088</u>	<u>(68,207)</u>	<u>(104,805)</u>	<u>61,114</u>

Transfers represent the use of covid emergency grants provided in order to fund general running costs which had already been incurred and core match funding required to support the Torquay Museum 175 Secret Museum project

The NLHF Emergency Fund and Arts Council England Culture Recovery Fund are part of the government's covid support program for cultural organisations.

The Acquisitions fund is restricted for new exhibits.

The Heritage Assets fund relates to the acquisition of heritage assets.

The Torquay Museum 175 project - celebrating 175 years of the Museum with a community curated 'Secret Museum' exhibition alongside an exhibition showcasing the photographic collection on the streets of Torbay.

The Pageant fund enabled a carnival event (Covid adapted) to celebrate the Museum, its collections and its place in the community.

Exeter University funded a series of three educational and interactive digital performances

The Ipplepen Romans fund (previous year) supported a temporary exhibition of Roman items on loan from the British Museum and items from a local collection.

Restricted Funds
2020 - Comparative

	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2020
	£	£	£	£	£
Acquisitions fund	3,949	-	-	-	3,949
Heritage Assets (restricted)	12,373	-	-	-	12,373
Ipplepen Romans	3,331	-	(3,957)	626	-
Torquay Museum 175	-	22,700	(18,847)	(1,863)	1,990
Other small funds	1,943	1,273	(645)	(1,845)	726
	<u>21,596</u>	<u>23,973</u>	<u>(23,449)</u>	<u>(3,082)</u>	<u>19,038</u>

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Notes to the Financial Statements for the year ended 31 March 2021

20. Analysis of Funds

	General fund	Restricted	Total	Total
	£	£	2021	2020
			£	£
Tangible fixed assets	1,354,370	-	1,354,370	1,396,945
Heritage assets	460,351	12,373	472,724	472,724
Current assets	89,635	56,215	145,850	37,007
Current liabilities	(20,124)	(7,474)	(27,598)	(33,170)
Long term liabilities	(45,370)	-	(45,370)	-
	1,838,862	61,114	1,899,976	1,873,506

	General fund	Restricted	Total	Total
	£	£	2020	2019
			£	£
2020 - Comparative				
Tangible fixed assets	1,396,945	-	1,396,945	1,447,181
Heritage assets	460,351	12,373	472,724	472,724
Current assets	29,615	7,392	37,007	67,377
Current liabilities	(32,443)	(727)	(33,170)	(25,989)
	1,854,468	19,038	1,873,506	1,961,293

21. Contingent Liabilities

The charity had no contingent liabilities at 31 March 2021.