

Torbay Museums Trust
(A Company limited by guarantee)

Trustees' Annual Report and Financial Statements

Year ended 31 March 2022

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 2022

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 2022. 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 2021-22 were to:

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

Trustees' Report for the year ended 31 March 2022

Achievements and Performance

The Government Coronavirus restrictions were still in place at the beginning of this financial year. The Museum was closed to the public for the whole of April and only re-opened to the public on the 17th May 2021. When we re-opened footfall remained lower than a 'normal' year impacting on income from admissions, retail, café and donations. By August/September 2021 it was clear that we would have to undertake a full structural and staffing review in order to chart a sustainable path forward. Nonetheless we still delivered a significant exhibition and engagement programme.

Rebuilding after Covid-19

With Emergency Funding from National Lottery Heritage Funding and continued Cultural Recovery Funding from Arts Council England the Museum was able to continue functioning and rebuild delivery. These funds supported the Museum whilst our visitor numbers started to increase but had yet to return to normal. We continued with all the necessary Covid measures in place including on-line booking system (controlling numbers and timing of visits), Perspex screens to protect staff, volunteers and visitors, hand cleaning stations, extra cleaning measures in place. The Museum continued to build its social media engagement, particularly Facebook with a continued increase in numbers of engagements.

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.

Despite restrictions lessening the impact on our visitor numbers during the year was, still, severe. In a normal year we have somewhere between 20-25,000 visitors. During 2021/22 we had 12,400 visitors due to lockdowns, restrictions and reluctance to visit due to fear of Covid. We did not see any foreign language school visits return. However, we did see our Primary schools visits restart and that programme of visits grew strongly, supported by an effective education delivery Team.

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.

From October to December 2021, with the support of Arts Council grants, we undertook a full structural and staffing review delivered by consultants and with a full staff consultation process. This was overseen by the Board of Torquay Museum. The results of this were a reconfiguration and reduction in staffing and other organisational changes designed to make the Museum a going concern. The changes were implemented in January 2022 with an initial closure of the Museum to the public to assist in implementation. The changes also saw the Museum reducing opening to the public to four days per week.

Trustees' Report for the year ended 31 March 2022

Exhibitions

Windows in Time: Images on the Street (9 April 2021 – 5 September 2021)

Part of our 175 Secret Museum project delivery.

A free exhibition celebrating local heritage through historic images on the streets of Torbay. At 26 sites throughout the Bay we installed large images from our archives. A trail leaflet was created and distributed for the public to follow.

The Secret Museum – 175 Project (12 June 2021 – 5 September 2021)

The TQM175 Project Exhibition was about the secrets of the Museum's stores. Nearly all museums have stored collections but some considerably more than others. Because of Torquay Museum's incredibly long history, the Museum has around 99% of its collections in storage, but all onsite in the Museum building. 175 years of collecting have created a resource on a scale more often associated with a city museum. The stores are a 'Secret Museum' full of wondrous objects, some of international importance, some of huge local significance and many just curious and interesting with fascinating histories. This exhibition focuses on items in storage or those that are not well known. Much of the exhibition was community curated. A Day of Celebration – including storytelling, willow weaving and creating treasure boxes - took place on the opening day in lieu of a planned pageant (unworkable due to Covid restrictions).

Far Side of the World: Torquay's Fijian Connection (September 2021-June 2022)

This exhibition was originally shown in the autumn/winter of 2013-14. It was restaged to fill a gap in the programme after The Secret Museum exhibition. It was created in conjunction with Cambridge University staff as an exhibition connected to the Fijian Art Research Project. The project was also partnered by the Fijian High Commission. Torquay Museum has an exceptional Fijian collection for its size with items of international significance and exceptional provenance.

Accreditation Documentation Plan 2019-22

Following the easing of Covid 19 restrictions documentation on Collections gradually resumed. In particular the TQM 175 Project documentation, with 5 volunteers, documenting the Lantern slide collection.

Further work took place on digitising a substantial collection of colour Dartmoor images for the Dartmoor Archive.

Conservation work was then focussed on items that would be used in The Secret Museum exhibition, scheduled for June 2021. Many items required cleaning prior to display. Some of the weapons collection were surfaced cleaned and waxed for exhibition. The main body of work was carried out on old Victorian display cases, the Bedford Collection case was painted and cleaned along with a large upright case from the top store and another large case from Local Studies. These glass cases have also been fitted with UV security film which strengthens the glass and makes them much safer to use. An old slide display cabinet which acts as a light box was also renovated along with its original stand. These cases will go back into the stores at the end of the exhibition and will be used for enhanced display storage for store tours, allowing us to display items of the lantern slide collection, Torquay terra cotta and marble industry items and the Bedford Collection.

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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 2022 are shown in the Statement of Financial Activities on page 11 (incorporating the income and expenditure account). Total incoming resources were £376,356 (2021: £402,298).

After expenditure of £399,977, the accounts show a net reduction in resources for the year of £23,621 (2021 surplus: £26,470).

There was an operating surplus in respect of unrestricted funds for the year of £14,340 (2021 deficit: £15,606).

Principal Funding

Despite the restrictions gradually being lifted, the Museum would not have survived without emergency funding, either directly or indirectly provided by the government:

- Grant Income - the government's Restart and further covid support grants through Torbay Council; Culture Recovery Continuity Support and Emergency Resource Support funds through Arts Council England, altogether totalling £167,727 covid support, plus the regular £37,000 annual award from Torbay Council.
- The Museum also accessed the Coronavirus Job Retention Scheme and received a total of £2,594 to support staff who were furloughed.
- Museums & Galleries Exhibitions Tax Relief income of £5,254.
- Interim payments totalling £40,000, as part of a legacy that has yet to be fully determined.
- Charitable activities – ticket sales, retail and other income amounted to £91,803.

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 2022 would be the equivalent of approximately six months' planned core expenditure, excluding depreciation, being £132,000.

As at 31st March 2022, the charity had £39,445 in free reserves and £40,000 set aside in a designated fund for essential property maintenance. Tangible fixed assets, including the Museum premises, amount to £1,307,343, excluding heritage assets (which are generally inalienable).

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Trustees' Report for the year ended 31 March 2022

The Trustees have taken some difficult decisions to secure the financial stability of the organisation. Regrettably, this involved a reduction in staffing from 1 January 2022, 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 has been assisting with our claim.

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 met via Zoom on a monthly basis and more recently in person 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.

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 has been implemented resulting in significant staff salary savings and a new more 'commercially focussed' approach. As part of this a new audience development plan, business plan and fundraising strategy have been produced and are driving delivery. The shift in organisational focus combined with the new staff structure has put the Museum onto a more secure and sustainable footing.

Whilst some areas of delivery still have further work to achieve targets there are some very encouraging signs to the new approach set out as part of the organisational changes. In this new financial year admissions income is now tracking the profiled figures. Education delivery is well above projected figures. Events delivery is proceeding well based on a better understanding of profit margins. The café is functioning, covering costs but not yet producing high returns. Retail is struggling but the cost of living crisis is believed to be impacting here. Also, a significant achievement, has been the submission of a range of grant applications with the prospect of significant support should they be successful. This includes National Portfolio application (Arts Council), MEND (Estates development) and two applications relating to Museum gallery redevelopment and improvement.

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Trustees' Report for the year ended 31 March 2022

Reference and administrative details

Trustees	Mr Andrew Cooper Ms Nicole Amil Ms Kate Richards Ms Caroline Skelton Ms Abigail Smith Mr David Wills Mr Simon Crabtree (appointed December 2021)
Secretary	Ms Caroline 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

**Torbay Museums Trust
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Trustees' Report for the year ended 31 March 2022

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 Manager providing reports on key matters and supporting discussions. The Museum Manager has delegated authority to make operational decisions.

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Trustees' Report for the year ended 31 March 2022

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 25 October 2022 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 2022

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

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for 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.

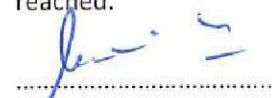
Independent examiner's statement

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

4 November 2022

Torbay Museums Trust
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Statement of Financial Activities (incorporating an Income and Expenditure Account)
Year ended 31 March 2022

	<i>Note</i>	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations and legacies	2	112,980	164,838	277,818	355,984
Charitable activities	3	60,904	230	61,134	23,396
Trading activities	4	30,669	-	30,669	9,185
Other income	5	6,735	-	6,735	13,733
Total income		211,288	165,068	376,356	402,298
Expenditure on:					
Fundraising trading	4	11,812	-	11,812	3,387
Charitable activities	6, 7	185,136	203,029	388,165	370,177
Generating voluntary income	8	-	-	-	2,264
Total expenditure		196,948	203,029	399,977	375,828
Net income / (expenditure)		14,340	(37,961)	(23,621)	26,470
Transfers between funds	18, 19	(6,063)	6,063	-	-
Net movement in funds		8,277	(31,898)	(23,621)	26,470
Reconciliation of funds					
Total funds brought forward		1,838,862	61,114	1,899,976	1,873,506
Total funds carried forward		1,847,139	29,216	1,876,355	1,899,976

The notes on pages 13 to 25 form part of these financial statements.

The deficit for the purposes of the Companies Act 2006 is £23,621 (2021: surplus £26,470)

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 2022

	<i>Note</i>	2022 £	2021 £
Fixed Assets			
Tangible assets	13	1,307,343	1,354,370
Heritage assets	14	472,724	472,724
		<u>1,780,067</u>	<u>1,827,094</u>
Current Assets			
Stocks		6,607	8,119
Debtors	15	55,697	29,450
Cash at bank and in hand		111,787	108,281
		<u>174,091</u>	<u>145,850</u>
Creditors:			
Amounts falling due within one year	16	(37,989)	(27,598)
		<u>136,102</u>	<u>118,252</u>
Net Current Assets			
		<u>1,916,169</u>	<u>1,945,346</u>
Total assets less current liabilities			
Creditors:			
Amounts falling due after more than one year	17	(39,814)	(45,370)
		<u>1,876,355</u>	<u>1,899,976</u>
Net assets			
Funds			
General funds	18	598,364	604,101
Designated funds	18	1,248,775	1,234,761
Restricted funds	19	29,216	61,114
		<u>1,876,355</u>	<u>1,899,976</u>

The notes on pages 13 to 25 form part of these financial statements.

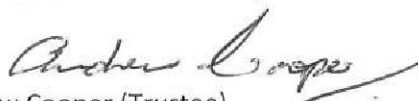
For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 25 October 2022 and signed on their behalf by:


 Andrew Cooper (Trustee)

Torbay Museums Trust
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Notes to the Financial Statements for the year ended 31 March 2022

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 2022

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 5.

Notes to the Financial Statements for the year ended 31 March 2022

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 2022

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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Notes to the Financial Statements for the year ended 31 March 2022

2. Income from: Donations and legacies

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Torbay Council	61,000	-	61,000	85,764
National Lottery Heritage Fund	-	4,540	4,540	68,160
Arts Council England	-	158,110	158,110	131,928
Exeter University	-	-	-	15,000
Government CJRS Grant	2,594	-	2,594	46,960
Other Donations	9,386	2,188	11,574	8,172
Legacies	40,000	-	40,000	-
Total voluntary income	112,980	164,838	277,818	355,984

Income from donations and legacies in 2021 comprised £140,896 unrestricted funds and £215,088 restricted funds

3. Income from: Charitable activities

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Museum admissions & activities	60,904	230	61,134	23,396
	60,904	230	61,134	23,396

Income from admissions and activities in 2021 comprised £23,396 unrestricted funds and nil restricted funds

4. Income from: Trading activities

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Charity Trading Income				
Museum shop and other earned income	30,669	-	30,669	9,185
Fundraising Trading Expenses				
Museum shop & café	11,812	-	11,812	3,387
	18,857	-	18,857	5,798

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Notes to the Financial Statements for the year ended 31 March 2022

5. Income from: Other Income

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Fundraising	531	-	531	12,269
Museum exhibitions tax relief	5,254	-	5,254	1,180
Other income	950	-	950	284
	<u>6,735</u>	<u>-</u>	<u>6,735</u>	<u>13,733</u>

In 2021 other income comprised £13,733 unrestricted and £0 restricted funds.

6. Analysis of expenditure on charitable activities

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Operation of museum	185,136	203,029	388,165	370,177
	<u>185,136</u>	<u>203,029</u>	<u>388,165</u>	<u>370,177</u>

In 2021, expenditure on charitable activities was £370,177 of which £68,207 was restricted and £301,970 was unrestricted.

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Notes to the Financial Statements for the year ended 31 March 2022

7. Operation of Museum Activities

	2022	2021
	Total	Total
	£	£
Activities undertaken directly		
Exhibitions and activities	23,001	14,056
Marketing costs	13,706	7,103
Outreach and education	16,255	449
	52,962	21,608
Support costs		
Salaries, NI and pension	186,245	198,012
Sub-contract and other staff costs	13,691	11,504
Rates and water	762	1,214
Light and heat	12,881	12,566
Maintenance, security & repairs	13,417	37,948
Insurance	12,780	12,317
General office costs	2,639	2,823
IT costs	5,324	5,816
Professional fees	34,410	13,317
Bank charges	3,495	1,882
Sundry expenses	58	43
Independent examination	2,350	2,260
Depreciation	47,027	48,808
Bad debt write off	124	59
	335,203	348,569
Total	388,165	370,177

8. Resources Expended: Cost of Generating Voluntary Income

	Unrestricted funds	Restricted	2022 Total	2021 Total
	£	£	£	£
Fundraising activity costs	-	-	-	2,264
	-	-	-	2,264

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Notes to the Financial Statements for the year ended 31 March 2022

9. Net income/expenditure

This is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets owned by the charity	47,027	48,808
Pension costs	4,053	4,689

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:

	2022	2021
	£	£
Wages and salaries	173,858	185,745
Social Security costs	7,927	9,674
Pension contributions	4,053	4,689
	185,838	200,108

The number of employees during the year was as follows:

	Average monthly		Full time equivalent	
	2022	2021	2022	2021
Curatorial & programme delivery	3	4	2.0	2.5
Management	2	2	1.5	1.5
Administration & facilities	2	2	1.0	1.5
Attendants	4	4	1.5	1.5
	11	12	6	7

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

The key management personnel comprises the Museum Manager, part-time Curator and part-time Visitor Services Manager. The aggregate employee benefits payable to key management personnel for the year was £111,278 (2021: £98,582).

No Trustee received remuneration for acting as a Trustee of the Charity (2021: Nil), nor did any Trustee receive expenses or other benefits (2021: Nil)

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12. Related Party Transactions

During the year no Trustee received remuneration arising from a contract with the charity (2021: nil). There were no other related party transactions (2021: none).

13. Tangible Fixed Assets

	Leasehold Property	Leasehold Property Improve'ts	Displays	Furniture and Equipment	Computer Equipment	Total
	£	£	£	£		£
Cost or valuation						
At 1 April 2021	800,000	1,299,310	237,021	115,595	48,799	2,500,725
Additions	-	-	-	-	-	-
At 31 March 2022	800,000	1,299,310	237,021	115,595	48,799	2,500,725
Depreciation						
At 1 April 2021	336,000	427,740	236,629	101,312	44,674	1,146,355
Charge for year	16,000	25,986	56	2,859	2,126	47,027
At 31 March 2022	352,000	453,726	236,685	104,171	46,800	1,193,382
Net book value						
At 31 March 2021	464,000	871,570	392	14,283	4,125	1,354,370
At 31 March 2022	448,000	845,584	336	11,424	1,999	1,307,343

The cost/valuation of property at 31 March 2022 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 2021	472,724
At 31 March 2022	472,724

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Notes to the Financial Statements for the year ended 31 March 2022

15. Debtors: Due within one year

	2022	2021
	£	£
Trade debtors	1,762	1,014
Accrued income	40,895	21,505
Other debtors	786	515
Prepayments	12,254	6,416
	<u>55,697</u>	<u>29,450</u>

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bounce Back Loan	5,556	4,630
Trade creditors	25,355	12,362
Other creditors	2,127	5,212
Accruals	4,951	5,394
	<u>37,989</u>	<u>27,598</u>

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

Bounce Back Loan	<u>39,814</u>	<u>45,370</u>
	<u>39,814</u>	<u>45,370</u>

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Notes to the Financial Statements for the year ended 31 March 2022

18. Unrestricted Funds

	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2022
	£	£	£	£	£
Designated Funds					
Development	774,410	-	(25,986)	-	748,424
Heritage Assets	460,351	-	-	-	460,351
Essential maintenance costs	-	-	-	40,000	40,000
	1,234,761	-	(25,986)	40,000	1,248,775
General Fund					
Property Revaluation	752,000	-	-	-	752,000
General - Charity	(147,899)	211,288	(170,962)	(46,063)	(153,636)
	604,101	211,288	(170,962)	(46,063)	598,364
Total unrestricted funds	1,838,862	211,288	(196,948)	(6,063)	1,847,139

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.

The trustees have set aside £40,000 towards the cost of replacing and upgrading the heating system and other essential premises costs.

**Unrestricted Funds
2021 - Comparative**

	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
	1,260,747	-	(25,986)	-	1,234,761
General Fund					
Property Revaluation	752,000	-	-	-	752,000
General - Charity	(158,279)	187,210	(281,635)	104,805	(147,899)
	593,721	187,210	(281,635)	104,805	604,101
Total unrestricted funds	1,854,468	187,210	(307,621)	104,805	1,838,862

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Notes to the Financial Statements for the year ended 31 March 2022

19. Restricted Funds	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2022
	£	£	£	£	£
Acquisitions fund	3,949	-	-	-	3,949
Heritage Assets (restricted)	12,373	-	-	-	12,373
Arts Council Emergency Fund	-	83,727	(83,727)	-	-
Arts Council Continuity Fund	-	60,000	(60,000)	-	-
Torquay Museum 175	18,303	4,540	(27,905)	5,062	-
Pageant	11,586	1,477	(14,064)	1,001	-
Made to be Played	-	12,906	(665)	-	12,241
Exeter University Fund	14,177	-	(14,177)	-	-
Other small funds	726	2,418	(2,491)	-	653
	61,114	165,068	(203,029)	6,063	29,216

Transfers represent core match funding required to support the 175 Secret Museum and Pageant projects

The Acquisitions fund is restricted for new exhibits.

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

The Arts Council England Emergency Resource Support fund and Continuity Fund are part of the government's covid support program for cultural organisations (NLHF and Culture Recovery in 2021).

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

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

Made to Be Played: A Festival of Musical Instruments, which showcases and celebrates music-making around the world and through time.

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

Restricted Funds	Funds brought forward	Income	Expenditure	Transfers	Fund as at 31 March 2021
2021 - Comparative	£	£	£	£	£
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
	19,038	215,088	(68,207)	(104,805)	61,114

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Notes to the Financial Statements for the year ended 31 March 2022

20. Analysis of Funds

	General fund £	Restricted £	Total 2022 £	Total 2021 £
Tangible fixed assets	1,307,343	-	1,307,343	1,354,370
Heritage assets	460,351	12,373	472,724	472,724
Current assets	140,425	33,666	174,091	145,850
Current liabilities	(21,166)	(16,823)	(37,989)	(27,598)
Long term liabilities	(39,814)	-	(39,814)	(45,370)
	1,847,139	29,216	1,876,355	1,899,976

2021 - Comparative	General fund £	Restricted £	Total 2021 £	Total 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

21. Contingent Liabilities

The charity had no contingent liabilities at 31 March 2022.