

Company number: 6430304
Registered Charity: 1122396

DR JOHNSON'S HOUSE TRUST LIMITED
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

DR JOHNSON'S HOUSE TRUST LIMITED

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DR JOHNSON'S HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name Dr Johnson's House Trust Limited

Registered charity number 1122396

Company number 6430304

Registered office 17 Gough Square
London EC4A 3DE

President Lord Harmsworth

Trustees/directors Mr M G Bundoock
Mr J W Byrne
Mr J E Church
Mr S P Clarke (Chairman)
Mr A Gibbins
The Hon D M E Harmsworth
Lord Harmsworth
Dr J C Harmsworth King
Ms N McEnroe
The Hon Pollyanna M C Montagu (until 30 November 2021)
Mr T B E P Montagu

Independent examiner Stephen B McAlpine
SBM Associates Limited
24 Wandsworth Road
London
SW8 2JW

Investment managers Charles Stanley (until 15 April 2021)
2 Westover Road
Bournemouth
Dorset BH1 2BY

C.C.L.A. (from 15 April 2021)
85 Queen Victoria Street
London EC4V 4ET

Bankers Coutts & Co
440 Strand
London WC2R 0QS

Solicitors Bircham Dyson Bell & Co
50 Broadway
London SW1H 0BL

DR JOHNSON'S HOUSE TRUST LIMITED REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year to 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the charitable company's memorandum and articles and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Objectives and governance

The objects of the Trust as stated in the memorandum of association are:

- to preserve for the use and benefit of the public Dr Johnson's House at 17 Gough Square, London, and
- to advance and encourage learning and scholarship.

Dr Johnson's House is a Grade I listed small historic town house in the City of London and an independent, fully accredited museum. Samuel Johnson, the writer and wit, lived and worked here in the middle of the eighteenth century, compiling his great *Dictionary of the English Language* in the Garret.

In 1911, Dr Johnson's House, derelict and empty, was bought by philanthropist Cecil Harmsworth, a Liberal MP. He restored it and opened it to the public, building a cottage next door for the resident Curator. In 1929, a Trust was formed to run the House. This was registered with the Charity Commission in 1962; and in 2007 the charity was incorporated with the company being registered with the Charity Commission in 2008

On 1 April 2009 the activities of the original unincorporated charity and its net assets were transferred to the charitable company under a Scheme approved by the Charity Commission on 30 October 2008, with a permanent endowment holding the House, some chattels and some investments. The endowment is registered as a linked charity of the charitable company under the name Dr Johnson's House Trust, charity number 122396-1, and all transactions and balances are separately disclosed under endowment funds in the accounts.

The company is constituted under a memorandum of association which establishes the objects and powers of the charitable company, and is governed under its articles of association. The articles provide that the business of the company is managed by not less than five nor more than 15 trustees. The trustees may at any time appoint any individual as a trustee, provided that the prescribed maximum is not exceeded.

The trustees may also appoint persons with suitable knowledge and experience (known as governors) to advise the trustees. Governors are members of the company and attend trustees' meetings but have no voting rights. The trustees seek to identify skills shortages among the trustees and governors and endeavour to recruit new trustees or governors to fill the gaps, or to replace outgoing trustees and governors. Newly-appointed trustees and governors visit the House and are briefed by the Chairman and Curator.

Trustees during the year are listed in the Reference and Administrative information section of this report.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Cecil Harmsworth was adamant that Dr Johnson's House should always feel like a home and not a 'stuffy museum'; therefore, he insisted that tea parties and dinner parties should always be welcome. Dr Johnson's House continues to adhere to Harmsworth's wishes today.

Dr Johnson's House is open to the public with a collection relating to Johnson, a research library, restored interiors and a wealth of original features. The popular curator-led tours of the House are given to a wide range of groups, including U3As, history societies, social clubs, work colleagues and student groups. The House runs a lively education programme that includes a range of free or low cost workshops for schools, tours and talks. There is throughout the year a varied programme of events and exhibitions exploring various elements of Dr Johnson's life and work and the 18th century more broadly, ranging from staged performances to Curators' talks. There are special late night openings and open days, as well as concerts, lectures and some more quirky events. Dr Johnson's House is a unique venue in the heart of the historic City of London with a long history of entertaining, providing a charming and atmospheric setting for hosting a variety of different corporate and private events. The Covid-19 pandemic impacted the scale and frequencies of these programmes and activities heavily, and recovery plans have been implemented to support their return. Comprehensive strategic development plans are under discussion to ensure the long-term financial sustainability of the organization through increased interest and activities and support. The activities during the last year are summarised in this report.

Activities in 2021/22

Covid-19 backdrop

A review of the activities of the House must start with the position in relation to the Covid-19 pandemic. The House faced particular issues as a fairly typical Georgian town house with relatively small spaces and a single, central, narrow dog-leg staircase. We were of course very keen to re-connect with our visitors but re-opening proved to be a substantial challenge with regard to welcoming visitors back safely, with social distancing measures drastically limiting visitor numbers. The House conducted comprehensive H&S evaluations and secured 'safe to visit' accreditation from the City of London local government. The House opened to visitors on 2 July 2021, with these measures in place until all restrictions were lifted by the national government on 24 February 2022. From its re-opening until the end of the financial year 2022, the House opened to the public on Fridays and Saturdays only (pre-pandemic it was open six days per week). Much work has gone into plans to reinvigorate the museum and attract visitors, especially once the tourism sector picks up. The House also benefitted from the extension to the flexible furlough scheme until it ended on 30th September 2021. The Curator and Administrator / Accountant worked reduced hours during this period, returning to full time work at the start of October 2021. Due to the significant reduction in visitor figures and related income generation, the decision to make the position of Deputy Curator redundant was taken in July 2021. In recognition of the financial challenges faced in the heritage and culture sector, the House received Covid-19 related grants (specifically Omicron) during 2021-22.

As a result of the reduced operational hours of the House, minimal revenue was generated from the usual income streams of admissions, private hire and events, but support from government schemes and generous private grants lead to a gain of £124,008 for the 2021/22 financial year, before gains on disposal and revaluation of investments. Investment gains of £110,156 meant a net increase in funds of £234,164.

In financial terms the following points should be noted:

Income:

*visitor numbers and opening hours were limited during the course of 2021-22, owing to social distancing restrictions and on-going concerns about new variants (principally, Omicron), with just 2,098 visitors in total, impacting the income generated from this source - amounting to £8,069

*shop sales were impacted by these reduced visitor figures, though online sales continued to be made - amounting to £3,457

- * many private hire and in-person events were cancelled or postponed, though some income was generated - amounting to £6,697
- * grants were received to support the House during national lockdown, amounting to £46,867. The House also received £18,351 via the Job Retention Support Scheme. We are very grateful to the government for these means of support
- * donations of £14,385 were received. We are grateful to all who have supported the House in this way, including the members of the Gough Square Club and individual donors
- * investment income, being the dividends on the House's investment portfolio, rose by 70.4% to £49,336, representing a return to more normal levels.
- * other important donations of a capital nature are more fully described in the Fundraising section of this report.

Expenditure:

Expenditure was greatly reduced owing to the reduction of regular activities. Total expenditure was £123,174, meaning the House made a gain of £124,008 this year, pre investment gains, despite disruption caused by the pandemic.

We are pleased to report that the House remains very much a going concern in both intellectual and financial terms as may be judged from this report.

Collections: acquisitions and conservation

With the generous support of our Gough Square Club patrons, the House acquired *The Reliques of Ancient English Poetry* (1765), a collection of ballads and popular songs collected by Bishop Thomas Percy, and the first and only edition of a rare pamphlet, *A Letter to the Reverend Mr. Douglas, occasioned by his vindication of Milton* (1751), written by William Lauder but dictated by Johnson. All conservation cleaning was conducted in-house by the Curator.

Exhibitions:

Two exhibits were opened to the public to celebrate the re-opening of the House to the public in July 2021. The exhibit *Johnson and Satire* explored 18th - century society through the lens of satire from a variety of key artists of the period and beyond. The prints, paintings and other printed material on display explore Johnson's significance in London society and as a popular subject for its contemporary satirical artists, but also how crucial his own writing was in addressing various social issues.

The *Queen of the Blues* exhibit was a set of community created responses to the life, work and letters of Bluestocking, Elizabeth Montagu and funded by the National Lottery Heritage Fund. This exhibition was created and filmed by Unity Arts in collaboration with Dr Johnson's House. The pieces displayed were created during the Covid-19 pandemic. The artwork, 3D installations, audio, photographs and information panels were the result of online workshops and socially distanced meetings with the curator, researchers and artists. The exhibition was also staged online.

This year it was the 270th anniversary of the death of Tetty Johnson, on 17 March. To mark the occasion, we produced a small in-house display and booklet about her life, and the impact of her death on Johnson and his writing, framed within the context of views on marriage in the 18th century.

Education, engagement and outreach:

Our education and outreach programmes resumed in April 2021 and were offered in house and online. School groups were cautious about making any off-site visits in general but several were hosted at the House, with many workshops and lectures being conducted via zoom, reaching over 500 students over the course of the year. The Curator also offered lectures as part of the events programmes of other institutions, including for the City of London Libraries.

We took part in Open House 2021 during September, where visitors are welcomed free-of-charge as part of a city-wide events programme. As expected owing to social distancing and a strong preference for walking tours this year, visitor figures we dramatically down on previous years – 194 in total (usually c. 2,000). This is in keeping with properties across the Open House programme this year for museums with no outside areas.

Events:

The House's book club, the Dr Johnson's House Reading Circle, continued to meet throughout the year, initially via zoom, but at the House in October and November, and again in March. The group was led by Dr Jane Darcy, and members appreciated being able to continue their reading and discussions and were delighted to meet in person once again after such a long hiatus. The Reading Circle makes a significant contribution to the intellectual life of the House, and its activities may be followed on the webpage which includes a regular blog after each meeting; the Circle also has its own dedicated Facebook page.

We were also pleased to be able to offer regular lunchtime talks on Fridays and Saturdays to encourage visits from nearby office workers in the City of London and general visitors. We also staged evening events, including the sold-out lecture by Prof. Peter Sabor about Charles and Frances Burney.

Private Hire:

The House's patrons met at the house for the first time in two years, for the Gough Square Club supper. A thrilling musical performance of 'Strange Words', written by Judith Bingham, was performed by James Gilchrist and Adrian Bradbury. The piece was inspired by definitions found in Johnson's dictionary, and commissioned by a founding member of the group. Our thanks to him.

Governor Jeremy Simons celebrated his retirement as a Common Councillor in the City of London with a supper at the House, which was very much enjoyed by all. He is to be applauded for all he achieved in the many years he served in this role.

On the eve of the London's Rare Book Fair, the House hosted a reception for the Grolier Club, a bibliophilic society based in New York (and the oldest of its kind in the United States). This was well attended and members enjoyed the evening and seeing highlights from our library on display.

We hosted a regular bi-annual drinks reception for the London School of Economics, which was well attended. Two local law firms hired the House for social gatherings for their clients, which were enjoyed by all.

The Past Masters Association for City of London livery companies visited the House for a private viewing as part of their events programme.

Future Plans:

At the time of writing this report, the Trustees continue to develop strategic plans to strengthen the offering of the museum, with a particular focus on increased open access. Plans also include a significant expansion of activities on site and on line and the implementation of plans to secure the long-term future financial sustainability for the organisation.

In the year 2022-23, the House will:

*continue the on-going preservation and interpretation of the building and collections by further developing our strategy for the development programme

*conduct the maintenance of the House, prioritising the painting of the exterior windows and the repair of damaged sash windows, which will take place in summer 2022

- *source funding to conduct access audits and feasibility studies to evaluate and create designs for increased step-free access to the house and its collections
- *develop and design a new interactive website, to be launched in 2023
- *implement the funding strategy for the conservation of vulnerable books in the library
- *develop partnerships for the delivery of charitable English language acquisition classes, onsite and outreach
- *seek to increase the number of private hire events and commercial income to support and further our charitable aims
- *further develop Black History workshops to explore the 18th century and Francis Barber
- *apply for continued membership of the Museum Accreditation scheme

Fundraising:

This year the House was very active in its fundraising activities in order to support and implement the strategic development plans. We are very grateful for the support offered from

The Ardeola Trust
The John R Murray Trust

each of whom awarded the House a grant of £50,000.

We are also very thankful for the support of the Worshipful Company of Marketors as part of their charitable outreach programme. This project brought the time and expertise of liveryman Mike Bugsgang to the House by way of a pro bono project to develop a comprehensive strategic marketing plan for the House.

The value of this pro bono work was £13,043.

Through the initiative of one of our governors, Bryan Garner, a US citizen, a Board of "American Friends of Dr Johnson's House" has been established, which is compliant to section 501(c) (3) of the relevant U.S. regulations, together with a tax efficient vehicle for raising funds. This group is independent from Dr Johnson's House Trust Ltd but will support the development plans we are creating by conducting fundraising activities in the United States.

Investment portfolio:

The investments recorded an unrealised gain £79k, as at 31 March 2022, leaving their value at just over £1.5m in these accounts.

As noted above, the income generated from this portfolio continues to be an essential part of the House's income, without which in a 'normal' trading year it would incur a substantial loss. However, it also acts as a buffer in times of crisis such as the present, enabling the Trustees to take a measured approach to costs and how the house might best move towards reopening. It ensures that we can continue as a going concern for the foreseeable future. However, the Trustees are mindful of the need to maintain this investment portfolio and the income it produces.

The Trustees may invest in any securities approved by law for the investment of trust or charitable monies or such other securities as the Trustees may from time to time approve. Independent advisers, appointed by the Trustees, manage the Trust's investment portfolio with a view to capital maintenance and the generation of income on a mid - to - low risk basis.

In April 2021, following a process of tendering, the Trust liquidated its investments held with Charles Stanley and purchased C.O.I.F. income units managed by CCLA, following a total return approach. The objective is to draw down 3.25% each year, based on the average of the last three years' portfolio valuations, with any difference between that and actual income received being re-invested or withdrawn.

At 1 April 2021 investments totalled £1,474,918. Overall returns based on this amount were £148,742, a total return of 10.1% net of fees (2021 £266,417 (21.6%)), which is broadly in line with the markets at this time. Investment income is used by the Trust in its day-to-day management of the House, with unrealised gains and losses remaining within the portfolio.

Reserves Policy and going concern:

As noted under investments above, investment income is a key element of the Trust's overall income for the year and the high level of reserves held reflects this.

The Trust has a single permanent endowment comprising the House, chattels and some of the investments deemed to belong to the original endowment under the scheme approved by the Charity commission on 30 October 2008. The endowment provides for the Trustees to invest the capital in perpetuity, the income from which is wholly unrestricted. The endowment fund amounts to £123,500 at 31 March 2022.

The Donald Hyde Curatorial Fund is a designated fund for the payment of the salary and related costs of the Donald Hyde Curator and Deputy Curator. Between 2003 and 2006 a legacy of £924,657 was received from Lady Mary Eccles in memory of her first husband, Donald Hyde. A major part of this, £750,000, was appropriately designated by the Trust as the Donald Hyde Curatorial Fund in 2017, to ensure sufficient funds for the salary and related costs of the Donald Hyde Curator and Deputy Curator. This fund stands at £694,898 at 31 March 2022. A new designated Capital Reserve was opened in 2021/22 with £100k, to earmark funding for forthcoming repairs and decorations. The remaining unrestricted funds, amounting to £870,417, are required to produce income to support the Trust's other core running costs, including maintenance and conservation, and to help unlock funds which need partnership funding.

The Reserves position ensures that the Trust is a going concern and that it will be able to continue its charitable objectives for the foreseeable future.

Approved by the trustees on 28 June 2022 and signed on their behalf by



Alan Gibbins (Honorary Treasurer)

DR JOHNSON'S HOUSE TRUST LIMITED

Independent examiner's report

To the trustees of Dr Johnson's House Trust Limited

I report to the charity trustees on my examination of the accounts of Dr Johnson's House Trust Limited ('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 purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies act 2006 ('the 2006 Act')

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out under section 396 of the Companies 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.
- 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.



Stephen B McAlpine BA(Econ) FCA
SBM Associates Limited, trading as SBM & Co
24 Wandsworth Road
London
SW8 2JW

28 June 2022

DR JOHNSON'S HOUSE TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds 2022	Total funds 2021
	£	£	£	£	£	£	Note 14 £
Income							
Donations and grants	2	79,603	100,000	-	-	179,603	77,425
Investment income and interest	3	22,704	26,652	-	-	49,356	28,970
House and other income	4	18,223	-	-	-	18,223	1,409
Total income		120,530	126,652	-	-	247,182	107,804
Expenditure							
Investment management fees		4,954	5,816	-	-	10,770	5,829
Fundraising Costs		-	-	-	-	-	-
House, exhibitions and admin costs		65,387	45,157	-	-	110,544	101,676
Accountancy and independent examination		1,860	-	-	-	1,860	1,920
Total expenditure	5	72,201	50,973	-	-	123,174	109,425
Net income before investment gains and losses		48,329	75,679	-	-	124,008	(1,621)
Realised gain/(loss) on disposal of investments	9	13,932	16,355	-	815	31,102	6,263
Unrealised gain/(loss) on revaluation of investments	9	33,851	39,738	-	5,465	79,054	237,013
Net income/(expenditure)		96,112	131,772	-	6,280	234,164	241,655
Transfers between funds		(2,169)	-	-	2,169	-	-
Net movement in funds		93,943	131,772	-	8,449	234,164	241,655
Reconciliation of funds							
Funds brought forward		776,474	663,126	6,143	115,051	1,560,794	1,319,139
Funds carried forward	13	870,417	794,898	6,143	123,500	1,794,958	1,560,794

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Notes	£	2022	£	2021	£
Fixed assets						
Heritage assets	8		15,282		15,282	
Tangible assets	8		-		-	
Investments	9		1,527,769		1,474,918	
			<u>1,543,051</u>		<u>1,490,200</u>	
Current assets						
Stock		12,254		12,693		
Debtors	10	23,766		11,926		
Cash at bank and in hand		227,517		52,945		
		<u>263,537</u>		<u>77,564</u>		
Current liabilities						
Creditors: amounts falling due within one year	11	(11,630)		(6,970)		
			<u>251,907</u>		<u>70,594</u>	
Net current assets						
			<u>1,794,958</u>		<u>1,560,794</u>	
Net assets	12					
			<u>1,794,958</u>		<u>1,560,794</u>	
Funds						
Unrestricted income funds						
General funds		836,566		607,451		
Revaluation reserve		33,851		169,023		
			<u>870,417</u>		<u>776,474</u>	
Designated funds						
Donald Hyde Curator fund		655,160		464,708		
Revaluation reserve		39,738		198,418		
Capital reserve		100,000				
			<u>794,898</u>		<u>663,126</u>	
Restricted income funds						
Endowment funds						
Permanent endowment		118,035		99,831		
Revaluation reserve		5,465		15,220		
			<u>123,500</u>		<u>115,051</u>	
	13		<u>1,794,958</u>		<u>1,560,794</u>	

For the year ended 31 March 2022, the company was entitled to exemption from audit under section 477 Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the trustees on 28 June 2022 and signed on their behalf by



Alan Gibbins
(Honorary treasurer)



Stephen Clarke
(Chairman)

DR JOHNSON'S HOUSE TRUST LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(a) Basis of preparation

Dr Johnson's House Trust Limited is a private charitable company limited by guarantee and incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these accounts.

The charity constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The accounts are prepared on a going concern basis under the historical cost convention as modified by the inclusion of fixed asset investments at market value. The accounts are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Income

All income is recognised when receivable by the Trust. This includes any related Gift Aid.

Donations and grants are included in the statement of financial activities when receivable by the Trust. This includes any related gift aid. Investment income is included when receivable, and includes any related tax recoverable. Investment income arising from endowment assets is wholly unrestricted. Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from admissions to the House, lectures and other events, lettings of the House and Shop income are included when receivable.

DR JOHNSON'S HOUSE TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

(c) Expenditure

Expenditure is recognised on an accruals basis as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT which cannot be fully recovered.

(d) Heritage and tangible fixed assets

Tangible fixed assets held for continuing use by the Trust are recorded at original cost, or in the case of donated assets, at a valuation. Heritage assets are not revalued as it is considered that any valuation would be very subjective and the cost of valuation would outweigh any benefit received. Heritage assets form part of the permanent endowment of the Trust and cannot be disposed of. A register of all heritage assets held by the Trust is available and the assets themselves are accessible to the public.

No depreciation is charged on heritage assets as it is the intention of the trustees to ensure these are maintained to the highest standard and their residual value will be in excess of cost. Depreciation of other fixed assets is provided in order to write off the cost or valuation less any residual value of each asset evenly over its estimated useful life of four years on the straight line basis.

(e) Investments

Fixed asset investments are included at fair (market) value at the balance sheet date. Realised gains or losses on the disposal of investments together with unrealised gains or losses resulting from the movement in fair value of the investments during the year are shown in the statement of financial activities.

(f) Stock

Stock represents purchased goods held for resale in the Shop and valued at the lower of cost and net realisable value.

(g) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Pensions

Contributions to the government auto-enrolment scheme are charged to the statement of financial activities in the year they are payable.

(i) Foreign currencies

Transactions in foreign currencies are recognised at the rate of exchange at the date of the transaction. Monetary assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognised through the statement of financial activities.

(j) Fund accounting

Unrestricted funds are the general funds of the charity and are expendable at the discretion of the trustees in furtherance of the objects of the Trust. They include a revaluation reserve which represents the difference between unrestricted investments at market value and historic cost.

Restricted funds represent grants and donations received that can only be used for the particular purpose(s) stipulated by the donor. Any deficit on a restricted fund is eliminated by transfer from unrestricted funds.

The charity has a single permanent endowment comprising the House, chattels and some of the investments deemed to belong to the original endowment under the Scheme approved by the Charity Commission on 30 October 2008. The endowment is a linked charity of the main charity. The endowment provides for the trustees to invest the capital in perpetuity, the income from which is wholly unrestricted. Endowment funds include a revaluation reserve which represents the difference between endowment investments at market value and historic cost.

DR JOHNSON'S HOUSE TRUST LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2	Donations and grants	2022	2021
		£	£
	Gough Square Club subscriptions and donations	11,878	8,976
	Sundry individual donations and gift aid recovered	2,507	8,140
	HMRC - Furlough Scheme	18,351	36,365
	Government grants via City of London re covid closure	46,867	23,394
	Museum of London re-opening grant		550
	Ardeola Trust	50,000	-
	John R Murray Trust	50,000	-
		<u>179,603</u>	<u>77,425</u>

Income from donations and grants was £179,603 (2021 - £77,425) of which £179,603 (2021 - £77,425) was attributable to unrestricted and £ nil (2021 - £nil) was attributable to restricted funds.
£100,000 was then allocated to the newly designated Capital Reserve.

3 Investment income

	2022	2021
	£	£
Income from UK listed investments	49,336	28,956
UK bank interest receivable	20	14
	<u>49,356</u>	<u>28,970</u>

All investment income, including that arising on endowment assets, is attributable to unrestricted funds.
An appropriate allocation is then made to the Donald Hyde Curatorial Designated Fund, to reflect the investment.

4 House and other income

	2022	2021
	£	£
House admissions	8,069	-
Shop sales	3,457	293
Lettings	5,438	-
Camera, filming, photo library	-	-
Events, lectures, plays and miscellaneous income	1,259	1,116
	<u>18,223</u>	<u>1,409</u>

All House and other income is attributable to unrestricted funds.

DR JOHNSON'S HOUSE TRUST LIMITED

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

5	Total expenditure	2022 £	2021 £
Investment management fees		10,770	5,829
Fundraising Costs		-	-
House, exhibitions and admin costs		73,920	67,587
Salaries		3,676	606
Termination Payments		2,500	17
Training		2,685	2,653
Gough Square Club Costs		558	300
Library cataloguing		-	782
Events and talks		2,150	-
Exhibitions		-	-
Acquisition of books		-	-
Books, manuscripts and prints conservation		5,625	5,498
Development costs		2,094	1,014
Property repairs and maintenance		2,000	3,275
Rates and services (House)		8,199	8,070
Rates and services (Cottage)		1,558	1,276
Insurance		805	61
General House expenses		-	450
Shop purchases		2,968	2,565
Advertising and marketing		906	1,122
Other administrative costs		900	2,900
Bank charges		-	3,500
Re-opening costs		-	-
Consultancy costs		-	-
Accountancy and independent examination		110,544	101,676
		1,860	1,920
Total expenditure		123,174	109,425

House, exhibitions and admin costs were £110,544 (2021 - £101,676) of which £65,387 (2021 - £54,238) was attributable to unrestricted, £45,157 was attributable to designated (2021 - £47,438) and £ nil (2021 - £ nil) was attributable to restricted funds. All investment management fees and accountancy and independent examination costs are attributable to unrestricted funds but an appropriate charge is then made to the Donald Hyde Curatorial Designated Fund for the investment management fees.

6	Net income/(expenditure) for the year	2022 £	2021 £
This is stated after charging:			
Gain / (loss) on fair value movement of investments		79,054	237,013
Accountants' fees		1,020	900
- independent examination		840	1,020
- accountancy and payroll		-	-

DR JOHNSON'S HOUSE TRUST LIMITED

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

7 Information regarding staff, trustees and related parties

	Unrestr. 2022	Designated 2022	Restricted 2022	Total 2022	Total 2021
	£	£	£	£	£
Gross salaries	29,532	39,896	-	69,428	69,962
Employer's national insurance	735	1,058	-	1,793	2,037
Employer's pension contributions	495	2,204	-	2,699	2,905
SMP recovery	-	-	-	-	(7,317)
	<u>30,762</u>	<u>43,158</u>	<u>-</u>	<u>73,920</u>	<u>67,587</u>

On average 2.5 (2021 - four) employees were employed during the year. No employee earns in excess of £60,000 per year.

There were no outstanding or prepaid pension contributions at 31 March 2022. Salary costs relating to the Donald Hyde Curator and Deputy Curator are paid out of a designated fund. All other salary costs are paid out of undesignated funds.

A redundancy payment of £3,676 was made to one member of staff.

8 Heritage and tangible assets

	Heritage assets	Tangible assets - equipment	Total
	£	£	£
Cost			
At 1 April 2021	15,282	1,923	17,205
At 1 April 2021 and at 31 March 2022	<u>15,282</u>	<u>1,923</u>	<u>17,205</u>
Depreciation			
At 1 April 2021	-	1,923	1,923
Charge for year	-	-	-
At 31 March 2022	<u>-</u>	<u>1,923</u>	<u>1,923</u>
Net book value			
At 31 March 2022	<u>15,282</u>	<u>-</u>	<u>15,282</u>
At 31 March 2021	<u>15,282</u>	<u>-</u>	<u>15,282</u>

Heritage assets comprise the House at 17 Gough Square and chattels forming part of the original endowment of the Trust and cannot be disposed of. No additions or disposals have been made in the last five years.

Heritage assets are not revalued as it is considered that any valuation would be very subjective and the cost of valuation would outweigh any benefit received.

DR JOHNSON'S HOUSE TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9	Fixed asset investments	Unrestricted	Endowment	Total funds	Total funds
		funds	funds	2022	2021
		£	£	£	£
	Movement in fixed asset listed investments				
	Brought forward at 1 April 2021	1,375,149	99,769	1,474,918	1,109,881
	Add: additions to investments at cost				247,767
	Cost adjustments	(50,000)		(50,000)	9,509
	Cash withdrawn	(1,355,436)	(100,584)	(1,456,020)	(188,472)
	Disposal proceeds	30,287	815	31,102	6,263
	Realised gain/(loss) on disposal of investments				237,013
	Unrealised gain/(loss) on revaluation				
	Market value carried forward at 31 March 2022	-	-	-	1,421,961
	Cash held within the investment portfolio				52,957
	Investments at fair value at 31 March 2022				1,474,918

C.O.I.F. income units	No.	£	£	£
Purchased 15/4/21	36,560.14	679,792		679,792
Purchased 22/4/21	36,307.74	675,643		675,643
Purchased 22/4/21	5,405.22		100,585	100,585
Capital returns		73,589	5,465	79,054
Management Fees		(10,032)	(737)	(10,769)
		1,418,992	105,313	1,524,305
To be re-invested		3,464		3,464
		1,422,456	105,313	1,527,769

The Trust withdrew £50,000 in cash when it liquidated its investments held with Charles Stanley, to hold ready for planned repair and redecoration work.

In April 2021, following a process of tendering, the Trust liquidated its investments held with Charles Stanley and purchased C.O.I.F. income units managed by CCLA, following a total return approach. The objective is to draw down 3.25% each year, based on the average of the last three years' portfolio valuations, with any difference between that and actual income received being re-invested or withdrawn.

All investments are held primarily to provide an investment return for the Trust, but investments forming part of the permanent endowment can only be exchanged and not disposed of. Permanent endowment investments were valued at £105,313 at 31 March 2022.

10	Debtors	2022	2021
		£	£
	Other debtors	14,543	2,633
	Prepayments	9,223	9,293
		23,766	11,926

DR JOHNSON'S HOUSE TRUST LIMITED

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors and deferred income	5,646	6,070
Accruals	5,984	900
	<u>11,630</u>	<u>6,970</u>

12 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds £
Heritage assets	-	-	-	15,282	15,282
Tangible assets	-	-	-	-	-
Investments	624,653	794,898	-	108,218	1,527,769
Net current assets	245,764	-	6,143	-	251,907
	<u>870,417</u>	<u>794,898</u>	<u>6,143</u>	<u>123,500</u>	<u>1,794,958</u>

13 Funds

	At 1 April 2021 £	Income £	Expenditure £	Net investment gains £	Transfers between funds £	At 31 March 2022 £
Unrestricted funds						
General income funds	776,474	120,530	(72,201)	13,932	(2,169)	836,566
Revaluation reserve	-	-	-	33,851	-	33,851
	<u>776,474</u>	<u>120,530</u>	<u>(72,201)</u>	<u>47,783</u>	<u>(2,169)</u>	<u>870,417</u>
Designated funds						
Donald Hyde Curator	663,126	26,652	(50,973)	16,355	-	655,160
Revaluation reserve	-	-	-	39,738	-	39,738
Capital reserve	100,000	-	-	-	-	100,000
	<u>663,126</u>	<u>126,652</u>	<u>(50,973)</u>	<u>56,093</u>	<u>-</u>	<u>794,898</u>
Restricted funds						
City of London specific projects	5,506	-	-	-	-	5,506
Curious Travellers	344	-	-	-	-	344
Sponsor Kitty	243	-	-	-	-	243
Basement Project	50	-	-	-	-	50
	<u>6,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,143</u>
Endowment funds						
Permanent endowment funds	115,051	-	-	815	2,169	118,035
Revaluation reserve	-	-	-	5,465	-	5,465
	<u>115,051</u>	<u>-</u>	<u>-</u>	<u>6,280</u>	<u>2,169</u>	<u>123,500</u>
Total funds	<u>1,560,794</u>	<u>247,182</u>	<u>(123,174)</u>	<u>110,156</u>	<u>-</u>	<u>1,794,958</u>

DR JOHNSON'S HOUSE TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Transfers

Transfers between funds are made to equate fund balances with the underlying assets they represent. The net transfer of £2,169 to endowment from unrestricted funds is the difference between investment management fees relating to endowment investments but paid out of unrestricted funds and unrestricted investment income arising on endowment investments not paid into unrestricted fund bank accounts.

Revaluation reserves

Revaluation reserves represent the difference in value between investments at market value and historic cost, as required by the Companies Act 2006. These reserves form part of the funds in which the investments are held.

Restricted funds:

There were no restricted grants received during the year.

Permanent endowment:

The permanent endowment was created by the Scheme approved by the Charity Commission on 30 October 2008. The purpose of the fund is to ring-fence the House, chattels and investments deemed to constitute the original endowment of the Trust. Income arising from the endowment investments is unrestricted, but the heritage assets cannot be sold or transferred out of the endowment fund. The endowment is a linked charity of the main charity.

Sufficient resources are held to enable each fund to be applied in accordance with any relevant restrictions.

Designated Funds

On 21 June 2017 the Finance Committee and Full Board agreed to designate £750,000 as the Donald Hyde Curatorial Fund, to provide the salary and other costs associated with the engagement of the Donald Hyde Curator.

On 8 March 2022 the Finance Committee and Full Board approved a Capital Reserve for future works. An initial sum of £100,000 was designated to this Reserve Fund.

DR JOHNSON'S HOUSE TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

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	Notes	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds 2021	Total funds 2020
		£	£	£	£	£	£
Income							
Donations and grants	2	77,425	-	-	-	77,425	27,473
Investment income and interest	3	13,326	15,644	-	-	28,970	40,948
House and other income	4	1,409	-	-	-	1,409	73,193
Total income		92,160	15,644	-	-	107,804	141,614
Expenditure							
Investment management fees		2,681	3,148	-	-	5,829	9,838
Fundraising Costs		-	-	-	-	-	3,000
House exhibitions and admin costs		54,238	47,438	-	-	101,676	140,228
Accountancy and independent examination		1,920	-	-	-	1,920	1,500
Total expenditure	5	58,839	50,586	-	-	109,425	154,566
Net income before investment gains and losses		33,321	(34,942)	-	-	(1,621)	(12,952)
Realised gain/(loss) on disposal of investments	9	2,361	2,772	-	1,130	6,263	(7,922)
Unrealised gain/(loss) on revaluation of investments	9	100,823	118,358	-	17,832	237,013	(165,383)
Net income/(expenditure)		136,505	86,188	-	18,962	241,655	(186,257)
Transfers between funds		170	-	-	(170)	-	-
Net movement in funds		136,675	86,188	-	18,792	241,655	(186,257)
Reconciliation of funds		639,799	576,938	6,143	96,259	1,319,139	1,505,396
Funds brought forward							
Funds carried forward	13	776,474	663,126	6,143	115,051	1,560,794	1,319,139