

Charity Registration No. 328725

Company Registration No. 02499752 (England and Wales)

**THE MUSEUM OF EAST ASIAN ART
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

THE MUSEUM OF EAST ASIAN ART

LEGAL AND ADMINISTRATIVE INFORMATION

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| Directors | C Gore A Shepherd A Griffiths S Balmer J Higgins (resigned 24 th March 2025) Dr T Munford R Scott A Perng B Main (appointed 24 th October 2024) |
| Secretary | A Shepherd |
| Charity number | 328725 |
| Company number | 02499752 |
| Registered office | 12 Bennett Street Bath BA1 2QJ |
| Website | https://meaa.org.uk |
| Auditor | Ferguson Maidment & Co. 8 th Floor 167 Fleet Street London EC4A 2EA |
| Bankers | Lloyds Bank 47 Milsom Street Bath BA1 1DN |
| Investment Managers | Brewin Dolphin Ltd St James House St James Square Cheltenham GL50 3PR |

THE MUSEUM OF EAST ASIAN ART

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THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors are pleased to present their report and the audited financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Museum's Memorandum and Articles of Association, the Companies Act 2006 and the provisions of the 'Charities SORP (FRS 102) - 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)' second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and Administrative Details

Legal and administrative details are shown at the front of the annual report, including a full list of the directors who served the Museum during the period up until the date of the signing of this report.

Objectives and activities of the Museum

The aims of the Museum are to foster the knowledge and appreciation of East Asian Art. To this end it purchased and converted Circus Lodge at 12 Bennett Street, Bath (a listed building) into The Museum of East Asian Art, which opened its doors to the public on 3rd April 1993.

The objects of the Museum are:

- 1) The advancement of education of the public in the United Kingdom and elsewhere;
- 2) The advancement, promotion and development of and assistance with research and education of the public in the United Kingdom and elsewhere in the fields of fine art, history and archaeology and the publication of the useful results of such research;
- 3) Any other purpose or purposes which are charitable according to the laws of England and Wales.

Public benefit

The directors have carefully reviewed the activities of the Museum and its staff in the light of the Charities Act 2011 and the guidance thereon issued by the Charity Commission and are satisfied that they meet their duties with respect to Section 17 and the public benefit test, that is to say that they advance the knowledge and understanding of the history and culture of East Asia among children and the general public in Bath and they contribute to the knowledge of East Asian artefacts through the medium of the carefully preserved and occasionally enhanced collection.

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Museum should undertake.

Structure, governance and management

The Museum of East Asian Art is a company limited by guarantee with Memorandum and Articles of Association and is a registered charity. There has been no change in policy since the last report. A Management Committee is elected by the members of the company. The members of the Management Committee, who are the directors of the limited company, have the power under the articles to admit any applicant to membership of the company and to appoint any such member to membership of the Management Committee but any person so appointed has to stand for re-election at the succeeding Annual General Meeting of the company. In exercising such powers, the Management Committee considers carefully the balance of skills required by the board for the effective governance of the Museum and any shortfall in those skills when appointing a director. In addition, the board assesses the personal attributes and professional experience of the person concerned to make a contribution to the pursuit of the objects or the management of the charity. At the year end, the directors were the members of the Management Committee. Incoming members of the Management Committee are taken through the financial affairs of the Museum and given a copy of the Memorandum and Articles of Association and its forward plan.

The Management Committee appoints the staff and approves the annual budget, exhibitions and forward plan and takes any decisions necessary on capital expenditure or major financial matters. Thereafter, the Museum Manager, working with the staff, takes the decisions on the day to day running of the Museum and routine expenditure so long as that expenditure is covered by the annual budget and the limits of authority given to the Museum Manager.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance

Staffing

Some adjustments to staff roles and responsibilities took place during the year, with the internal recruitment and appointment of the Volunteer & Membership Manager into the role of Exhibition Manager. Further recruitment took place during the summer for a new Volunteer & Membership Manager, bringing the team up to nine full and part-time members of staff. The Communications Manager's job title was changed to Exhibition Design & Communications to reflect the extent of that particular role.

When the Collections Manager was appointed in November 2023 the Museum was not aware of the amount of work that would be required to bring the backlog of collection care and documentation up to the required standard. Once this became apparent, the post was moved from a fixed-term contract to a permanent position.

Training

A generous training budget enabled staff to attend various in-person courses or programmes to improve skills and knowledge including: the Association of Independent Museum's Sparks Leadership programme; Museum-ID's Co-created Museum training, and Transforming Youth Engagement in Your Museum study day – both in London; the Collection's Trust Conference – Putting Collections Data to Work; and attending the Museum Association's Conference in Leeds. In addition, numerous opportunities were taken for training through on-line provision including those offered by the Museum Association (MA), Association of Independent Museums (AIM), Museum Development South West (MDSW) and the South West Federation of Museums (SWFed). The resource library was augmented by the purchase of a number of books covering subjects such as interpretation, exhibition design and museum planning.

Exhibitions

The Museum hosted three unique exhibitions in 2024.

The landmark 30th anniversary exhibition '*From Hong Kong to Bath: A Lifelong Journey of Collecting*' (28 June 2023 – 22 June 2024) continued to draw audiences. This commemorative exhibition gave an extraordinary insight into the life of the Museum's founder, Brian McElney OBE, who donated a large part of his personal collection of East and Southeast Asian objects to establish the Museum in 1993.

'*Dragons, Dragons, Dragons*' (17 January – 18 December 2024) marked the 'Year of the Dragon'. This family-friendly exhibition explored dragon mythology from across the world through 50 objects from our collection and included an interactive 'dragon wall' which, among other things, taught visitors how to say 'Dragon' in Chinese, Japanese and Korean. '*Dragons*' attracted new audiences and a more consistent visitation by family groups.

'*Kimono: The Making of a Cultural Icon*' (5 July 2024 – 14 December 2024) told the history of the kimono through 18 Japanese woodblock prints on loan from the Ezen Foundation, and was complemented by a loan from the Royal Cornwall Museum of 50 exquisite *netsuke* and *inro*, Japanese kimono accessories. These extraordinary, intricately carved objects had never been displayed outside Cornwall before. This popular exhibition showed an increase in 17% in admissions on the same period in 2023.

Planned closure from late December 2024 to 31st March 2025

The Museum was awarded a capital grant of £25,000 by the West of England Combined Mayoral Authority (WECA) in 2023 to make substantial improvements to the ground floor and the creation of a Discovery Room which would act as the introduction to the Museum. In order for this work to take place, and to install two new exhibitions, the Museum closed just before Christmas 2024 for three months. In the six months leading up to the closure, meticulous planning took place including the scheduling of service providers and contractors, commissioning contemporary artists for new exhibitions, and a local 'maker of things' to developing a stylised garden pergola and 'story tree' in the Discovery Room. There were also designing and producing new wayfinding, signage and interpretation throughout the Museum.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

During the closure the following capital works took place: removing the alarms and decommissioning a number of display cases in the ground floor gallery; removing the decommissioned cases; removing the hallway carpet and replacing with bamboo flooring to match existing flooring in the gallery and retail area; undertaking remedial electrical work following removal of cases; replastering and making good where a number of cases had been removed; complete redecoration of the ground floor; installing new signage and wayfinding; commissioning new, permanent railing signage and redesigning the website.

Installation of the new exhibition '*In Bloom*' (Launched 1 April – 20 December 2025) took place once the capital refurbishment works were complete. Led by the newly appointed Exhibition Manager alongside the Exhibition Designer & Communications Manager, every other member of staff contributed towards its realisation in one way or another – whether helping to select and arrange objects for display, re-writing, proofreading and mounting new interpretation. The exhibition centres round the theme of nature and showcases a number of contemporary artists who created works inspired by objects from the Museum's collection, bringing a fresh perspective to the Museum.

The capital grant from WECA was supported by Museum funds to ensure the vision and ambitions of this project could be achieved. For example, a late addition to the already advanced planning for the delivery of the WECA-funded capital project was the agreement at the September 2024 Management Committee meeting to fund the complete refurbishment of the admissions/retail area during the planned closure. The Retail Manager approached Cre8 Interior Specialists, who have extensive experience in working with museum and heritage organisations, who quoted around £30,000 to work with the Museum to design and install bespoke shop fittings. Retail is a very important part of the Museum's income generating activities, so benefits of the refurbishment include an attractive and well-designed retail area, the unification of the look and feel of the whole ground floor and a greatly improved visitor experience.

During the closure staff found imaginative ways of continuing to engage the Museum's committed volunteers when many of the roles they would normally fulfil were not available. '*Volunteer Voices*' invited volunteers to select an object from the Museum's collection that they were inspired by and record their personal response to it. These stories are available to visitors through an interactive device called 'Museum in a Box'. This project helped to consolidate our volunteer base through collaborative working and developing social engagement, something the Museum plans to expand on next year.

Learning, Engagement & Events

A re-focus on the events programme by the Engagement Manager saw a similar number of events to 2023, but delivered in a more sustainable way, concentrating on regular family activities and high-quality experiences, with the vision of 'connecting cultures' running throughout. In 2024-25 the Museum held 15 on-site events attracting 275 visitors, 4 off-site events attracting 107 attendees, and 1 online event, attracting 72 attendees. The Museum also delivered one formal off-site educational activity for 28 participants.

Kimono exhibition events were all over-oversubscribed, with a particularly good turnout for the online talk '*Kimono Chronicles*'. Due to limited space within the Museum, small unique, intimate experiences are delivered within the Museum galleries. The *Unwrapping the Kimono* event attracted 16 attendees, and the hands-on *Nerikiri* Japanese sweet-making workshop, limited to just 8 tickets, also sold out. Japanese Tea Ceremonies are held regularly and, with each one being limited to just 6 participants, also provide an intimate, authentic, cultural experience.

Volunteers

The number of volunteers supporting the Museum remained stable at 52, helping with front of house, as gallery guides, supporting various learning and engagement activities, and writing social media content. A number of separate volunteer activities were arranged throughout the year including 'Museum Monday' sharing sessions to explore relevant subjects of interest and increase volunteers' knowledge of East Asian art and culture. Volunteers enjoy a training session programme, particularly those delivered by the Curatorial Consultant on understanding the Museum's collection and contextualising this with in-depth explorations of the development of Chinese art in relation to the dynasties.

The gap in support for volunteers during the early part of the year, caused by the shifting of staff roles and difficulty in recruiting a new Volunteer Manager, saw a reduction in volunteering hours at the Museum compared with the previous year. In 2024-25 volunteers contributed 1,064 hours to the Museum with an estimated value of £4,621.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

Friends of the Museum

The Volunteer & Membership Manager worked closely with a highly experienced consultant through the AIM Higher programme to review the Friends programme and develop a model which would be simpler to administer while also generating more income for the Museum. Friends were notified of the changes ahead of its launch on 1st April 2025, and the two schemes will run concurrently until all Friends have migrated onto the new scheme.

The new scheme offers individual membership at £35 (previously £18) and a new One-Plus-One membership for £50. It is anticipated that, should membership numbers remain similar to the previous year, income should increase by over 55%, and there will be a concerted drive to attract new Friends to the programme to increase support for the Museum.

Collection care

The Collections Manager identified that the collections management system used by the Museum was not Spectrum compliant - Spectrum is the UK collection management standard that sets out all the procedures and policies required for clear and transparent management of a collection. For the Museum to reach this standard, details of every item in the collection, currently stored on iBase, needed to be migrated to the new system, MODES. During this process numerous errors and omissions were identified which are being corrected. This is an ongoing, slow and methodical task requiring careful attention and the Collections Manager has been supported on a temporary basis by a volunteer with collections experience.

Storage of the collection

The current storage space for the collection has long been identified as unsuitable: the space is too cramped to work in and it has proved impossible to establish environmental conditions that are appropriate for collection storage. Extensive research had been undertaken to identify suitable and secure off-site storage to rent but nothing was available within close proximity to the Museum. With the collection increasingly at risk from the poor environmental storage conditions, the directors approved research into purchasing an off-site facility that could be refitted into a secure storage space.

In November 2024, newly built premises came on the market, within walking distance of the Museum and, after a number of site visits, Buro Happold, consulting engineers, were commissioned to undertake a feasibility study into the possibility of converting it to meet the Museum's needs. On the basis of the feasibility study, a formal offer was made on the property and Stone King was appointed to handle all legal matters, with completion due in July 2025. Buro Happold will oversee the tendering process for capital works needed to convert and fit out the building to meet the Museum's specifications and an application will be made to the Heritage Lottery Fund to cover these costs.

Digital engagement

During this financial year there were 17,058 unique visits to the Museum's website, mostly through direct search. The Museum's main social media accounts (Instagram, Facebook and X) saw an increase in followers from 5,787 in the previous year to 24,345.

Admissions and Opening Hours

Following a review of the Museum's admission prices in the previous year, a new, simpler charging structure was introduced on 1st April 2024. The increase in pricing had little adverse impact, if any, on those wishing to visit, resulting in admissions income rising from £11,338 to £15,470, an increase of some 36%. In anticipation of the loss of income during the planned closure later in the year, the Museum opened an additional day a week on Tuesdays, instead of just Wednesday to Saturday.

However, admission numbers were impacted as a result of the 3-month closure from late December 2024 to 31st March 2025 and dropped down from 4,480 the previous year to those similar to 2022-23 at 3,121 visitors, of which 165 were children.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

Retail

Retail plays an important part in both attracting potential audiences into the Museum and generating much-needed income. Retail sales from the Museum shop for 2024-25 were £36,952, just slightly down from the previous year at £38,360 and, like visitor numbers, a consequence of the 3-month closure. The shop is unique in Bath offering a wide selection of cards, books and gifts with an East and Southeast Asian theme, while supporting local independent artists and craftspeople. It is hoped that the refurbishment of the retail area will result in income increasing year on year.

Fundraising

The Museum generates funds to support its activities and development work through applications to various sources including Trusts and Foundations and specific museum-focused grant giving bodies. Individual donations are also encouraged.

In 2024 a grant of £5,000 was received from the Medlock Charitable Trust to support the work of the Volunteer & Membership Manager, and £1,000 from B&NES Council's Heritage Services to fund the Volunteer Voices digital engagement project in the new Discovery Room.

An application to the Museum Development South West's Small Open Grant programme resulted in a grant of £6,500 to engage consultants to develop an Audience Engagement Plan and Marketing Strategy. Recruitment started in July and was completed by the end January 2025. The main challenge the Museum faced was one of timing. By the time a consultant was appointed, the Museum was already well into its 3-month closure in the first quarter of 2025 for refurbishment, a redisplay and installing new exhibitions. This meant some re-prioritisation of staff workplans and having to opt for a slightly less collaborative approach than we would have liked, to ensure the project was completed on time.

Having completed this project, the Museum applied for the next Small Open Grant award at the end of March 2025 to undertake a review and update of the Museum's governing document, the Memorandum & Articles of Association. Should this be successful, work will take place during the summer of 2025.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

Financial Review

The Museum's PEF investment funds were recorded at a cost of £6,723,400 (inclusive of dealing cash of £3,873) on 31 March 2025 at which date the EEF investment funds had a market value of £534,988 (inclusive of dealing cash of £3,048). The dividends and interest generated by the two Endowment Funds during the year amounted to £345,207. The composition of each Endowment Fund at the year-end is given in the notes to the financial statements attached.

The Museum received £24,997 from the West of England Combined Authority (WECA) Small Museums Capital Grant for the development of a Discovery room, £6,500 from Museum Development South West to work with an Audience Development Consultant, £1,000 from B&NES Council's Heritage Services for Museum in a Box – Community Voices at the Museum project and £5,000 from the Medlock Charitable Trust to improve volunteering at the Museum.

During the year, the Museum received £97 in donations for the Reimagining Project, and £192 in general donations through the donation box with £1,582 being reclaimed through Gift Aid.

The Permanent Endowment Fund (PEF) was started in 1995 as a separate charity trust governed by a trust deed. The capital of the Fund is invested and only the income is available to be paid towards the running expenses of the Museum. The investments are managed by the Investment Management Committee, comprising principally members of the Museum's Management Committee, who form the trustees of the PEF, in conjunction with Brewin Dolphin, the investment advisers. Quarterly statements showing any contributions to the Fund and a summary of the performance of the Fund are provided to the Museum by Brewin Dolphin. The Charity Commission has confirmed that the accounts of the Permanent Endowment Fund can form part of the Museum's accounts, so long as the Funds thereof are kept separate and this requirement is adhered to. Mr John Higgins resigned as a director on 24th March 2025 and ceased to be a member of the Investment Management Committee. The co-option to the Investment Management Committee of an individual with investment expertise is being pursued.

During the year, the Museum received the funds that had been escheated to the Treasurer of the State of South Carolina. On their receipt and payment of minor, local expenses incurred in obtaining these funds, the balance of the £4,000 retained at the start of the year was released enabling the Museum to send a further sum of some £203,000 to Brewin Dolphin for investment as part of the PEF. The Emergency Endowment Fund (EEF) was set up in January 2014 by the Museum, which has to be kept separate from the existing PEF. Investment decisions are made by the Investment Management Committee, the members of which will normally be the trustees of the PEF. Capital funds may only be withdrawn by the unanimous vote of the Management Committee.

At 31 March 2025 the trustees of the PEF, who also constitute the Investment Management Committee overseeing the investment of the EEF, are Anthony Griffiths (Chair) and Anne Perng.

Investment powers

Under its Memorandum and Articles of Association, the Museum has the power to make any investment which the directors see fit. The policy mandated in the PEF trust deed requires 25% of all additional funds paid into the Permanent Endowment Fund to be invested in bonds and fixed interest stock when first invested. Beyond that requirement, the trustees of the PEF and EEF are delegated the authority to manage the investments and report to the Management Committee.

Reserves

It is the practice of the Museum that unrestricted funds, which have not been designated for a specific use, along with any confirmed available support funds, should normally be maintained at a level equivalent to not less than between three and six months' expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Museum's current activities while consideration is given to ways in which additional funds may be raised. At 31st March 2025, the directors have taken into account the likely impact of varying rates of inflation in the coming 12 months to determine the level of reserves that the Museum should endeavour to have in hand. The directors are cognisant of the need to have sufficient reserves to meet future capital expenditure that they may wish or need to incur. In this regard, capital expenditure projections are made for two years in advance and reviewed annually.

The directors realise the Reimagining Project, anticipated to require several years of planning then implementation, will involve expending substantial sums of money. It is their intention to apply for grants to fund the greater proportion of and possibly all this expenditure. They will also endeavour to build up further unrestricted funds as a contribution towards the sums needed to implement the Reimagining Project

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

At present the Unrestricted Funds (£254,091) are represented by fixed assets of £78,109, the balance being current net assets of £175,982. It is the intention of the directors to continue to build up cash reserves representing a proportion of the Unrestricted Funds over a period of years from annual surpluses of Income. Surplus cash is invested through the EEF, in order to generate a greater amount of additional income for the charity. While the directors would prefer to retain the EEF (£534,988) for use on capital expenditure and major refurbishment or repairs of the building as required, they would draw on that Fund to meet operational outgoings should the need arise. This situation enables the directors to continue to build the general reserves gradually while being confident they hold adequate funds to meet operational outgoings of between three and six months'.

Surplus cash available for the short-term and usually representing reserves is deposited in the COIF Deposit account operated by the CCLA Investment Management Limited in view of the favourable rates being offered currently.

Going concern review

The directors have reviewed the impact of the level of inflation rates (occurring and projected) during 2025 and their possible, gradual reduction in 2026 together with changes in the Bank of England base rate as well as their anticipated continuing impact, particularly in the financial environment. They believe the Museum will be able to function satisfactorily during the current year to 31 March 2026. The level of income from investments increased during the year but the directors cannot be certain the same level of income will be received in the coming financial year. Income from admissions, retail sales, exhibitions and other events overall was higher in the year ended 31 March 2025 than in the prior year. The Museum is fortunate to have positive unrestricted reserves and, if required, can utilize the Emergency Endowment Fund, to the extent required. Therefore, the directors have concluded that the Museum is a going concern and will continue to be so for the foreseeable future.

Risk review

The risks faced by the charity are reviewed annually and appropriate policies are developed and revised in addition to suitable procedures being taken to eliminate or minimise the risks involved by the implementation of effective internal control procedures, which ensure both appropriate authorisation of all transactions and projects and consistent quality of delivery for all operational aspects of the charity. These policies and procedures are periodically reviewed for their continuing effectiveness.

The Directors

The directors who have served during the year and up to the date of signature of the financial statements are:

C Gore
A Shepherd
A Griffiths
S Balmer
J Higgins (resigned 24th March 2025)
Dr T Munford
R Scott
A Perng
B. Main (appointed 24th October 2024)

None of the directors has any beneficial interest in the company. All the directors are members of the company and guarantee to contribute £1 in the event of a winding up. The directors thank John Higgins for the valuable contribution he made to the board and the Museum during his tenure as a director of the Museum.

THE MUSEUM OF EAST ASIAN ART

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2025

Auditor

Messrs Ferguson, Maidment & Co, are the company's auditor and have indicated their willingness to continue to act. They were reappointed at the Annual General Meeting.

Disclosure of information to the auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, which has not been made available to the auditor. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This directors' annual report was approved on 29th September 2025 and signed on behalf of the board of directors by:



A Shepherd
Director

Dated: 29 September 2025

THE MUSEUM OF EAST ASIAN ART

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. The directors are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources and the application of resources of the charity for that period. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period.

In preparing these financial statements, the directors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgments and estimates that are reasonable and prudent;
- 3) State whether applicable UK Accounting Standards have been followed, subject to any material departures being disclosed and explained in the financial statements, and
- 4) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the directors confirm that they are happy that the content of the annual review in pages 1 to 7 of this document meet the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law. They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no audit information of which the charity's auditors are unaware; and all directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE MUSEUM OF EAST ASIAN ART

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MUSEUM OF EAST ASIAN ART

Qualified opinion

We have audited the financial statements of The Museum of East Asian Art (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities including income and expenditure account, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

As disclosed in note 1 to the financial statements, investments in the Permanent Endowment Fund are being carried at cost rather than at market value, which practice, in our opinion, is not in accordance with United Kingdom Generally Accepted Accounting Practice. The carrying value of these investments at 31 March 2025 should be £8,520,085 based on the market value at that date. Accordingly, investments should be increased by £1,800,558 which will increase the value of the charity's endowment funds by the same amount.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE MUSEUM OF EAST ASIAN ART

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MUSEUM OF EAST ASIAN ART

Opinions on other matters prescribed by the Companies Act 2006

- the information given in the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

We obtained an understanding of the legal and regulatory frameworks within which The Museum of East Asian Art operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and inappropriate revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit

THE MUSEUM OF EAST ASIAN ART

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MUSEUM OF EAST ASIAN ART

the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibility for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

8th Floor
167 Fleet Street
London
EC4A 2EA

29th September 2025



Paul Manalo (Senior Statutory Auditor)
For and on behalf of
Ferguson Maidment & Co.
Chartered accountants & statutory auditor

THE MUSEUM OF EAST ASIAN ART

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

| | Notes | Unrestricted funds £ | Endowment funds £ | Restricted funds £ | Total 2025 £ | Total 2024 £ |
|---------------------------------------|-------|-------------------------|----------------------|-----------------------|--------------------|--------------------|
| Income from: | | | | | | |
| Donations and legacies | 3 | 1,784 | 203,982 | 37,614 | 243,380 | 527,056 |
| Charitable activities | 4 | 18,546 | - | - | 18,546 | 14,781 |
| Other trading activities | 5 | 37,192 | - | - | 37,192 | 38,427 |
| Investments | 6 | 369,798 | - | - | 369,798 | 356,206 |
| Total income | | 427,320 | 203,982 | 37,614 | 668,916 | 936,470 |
| Expenditures on: | | | | | | |
| <u>Raising funds</u> | | | | | | |
| Fundraising | 7 | 3,260 | - | - | 3,260 | 1,766 |
| Trading costs | 7 | 34,462 | - | - | 34,462 | 37,588 |
| Investment management | 7 | 1,511 | 26,617 | - | 28,128 | 24,921 |
| | | 39,233 | 26,617 | - | 65,850 | 64,275 |
| Charitable activities | 8 | 380,570 | - | 10,000 | 390,570 | 338,314 |
| Total resources expended | | 419,803 | 26,617 | 10,000 | 456,420 | 402,589 |
| Net gains/(losses) on investments | 12 | - | 73,121 | - | 73,121 | 32,793 |
| Net movement in funds | | 7,517 | 250,486 | 27,614 | 285,617 | 566,674 |
| Fund balances at 1 April 2024 | | 246,574 | 7,896,542 | 237,321 | 8,380,437 | 7,813,763 |
| Fund balances at 31 March 2025 | | 254,091 | 8,147,028 | 264,935 | 8,666,054 | 8,380,437 |

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 27 form part of the financial statements.

THE MUSEUM OF EAST ASIAN ART

BALANCE SHEET AT 31 MARCH 2025

| | Notes | 2025 | | 2024 | |
|--|-------|------------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 966,370 | | 894,001 |
| Investments at cost value | 14 | 6,723,400 | | 6,481,106 | |
| | | <u>534,988</u> | | <u>525,614</u> | |
| | | | <u>7,258,388</u> | | <u>7,006,720</u> |
| | | | 8,224,758 | | 7,900,721 |
| Current assets | | | | | |
| Stocks | 15 | 13,674 | | 11,830 | |
| Debtors | 16 | 75,541 | | 48,685 | |
| Cash at bank and in hand | 17 | <u>470,625</u> | | <u>477,016</u> | |
| | | 559,840 | | 537,531 | |
| Creditors: amount falling due within one year | 18 | <u>(118,544)</u> | | <u>(57,815)</u> | |
| Net current assets | | | <u>441,296</u> | | <u>479,716</u> |
| Total assets less current liabilities | | | <u>8,666,054</u> | | <u>8,380,437</u> |
| Income funds | | | | | |
| Restricted funds | 19 | | 264,935 | | 237,321 |
| Endowment funds | 20 | | 8,147,028 | | 7,896,542 |
| Unrestricted funds | | | <u>254,091</u> | | <u>246,574</u> |
| | | | <u>8,666,054</u> | | <u>8,380,437</u> |

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section 1A.

The financial statements were approved and authorised for issue by the board of Directors on September 2025 and signed on their behalf by:



A Shepherd
Director

Dated: 29 September 2025



A Griffiths
Director

Dated: 29th September 2025

Company Registration No. 02499752

The notes on pages 16 to 27 form part of the financial statements.

THE MUSEUM OF EAST ASIAN ART

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

| | Restricted/ Unrestricted Funds £ | EEF £ | PEF £ | Notes | 2025 £ | 2024 £ |
|---|---|-----------|-----------|-------|-------------|-------------|
| Net Incomings and (Outgoings) from Activities | 35,131 | 9,374 | 241,112 | | 285,617 | 566,674 |
| Add: Non-cash item Depreciation | 3,251 | - | - | 8 | 3,251 | 8,395 |
| Less: Donations | - | - | (203,982) | | (203,982) | (520,000) |
| Dividends | (369,798) | - | - | | (369,798) | (356,206) |
| Adjustment re gains and other non-cash items | (1,182) | (9,374) | (23,044) | | (33,600) | (8,747) |
| Cash used prior to capital injection, investment and other activities | (332,598) | - | - | | (332,598) | (309,884) |
| Capital injection: Legacy, donation and transfer | - | 876 | 218,068 | | 218,944 | 525,967 |
| Cash generated from investment activity: | | | | | | |
| Dividends | 369,798 | - | - | | 369,798 | 356,206 |
| Sale of investments | - | 305,119 | 529,946 | | 835,065 | 1,175,442 |
| Purchase of investments | - | (326,982) | (746,406) | | (1,073,388) | (1,841,506) |
| Fees and outgoings | - | - | (31,196) | | (31,196) | (27,966) |
| Total | 369,798 | (21,863) | (247,656) | | 100,279 | (337,824) |
| Application of cash in operational activities | | | | | | |
| Purchase of tangible fixed assets | (75,620) | - | - | 13 | (75,620) | - |
| Decrease/(Increase) in Stock | (1,844) | - | - | 15 | (1,844) | 670 |
| Decrease/(Increase) in Debtors | (26,856) | - | - | 16 | (26,856) | 11,408 |
| Increase/(Decrease) in Creditors | 60,729 | - | - | 18 | 60,729 | 10,161 |
| Total | (43,591) | - | - | | (43,591) | 22,239 |
| Net (decrease)/increase in cash | (6,391) | (20,987) | (29,588) | | (56,966) | (99,502) |
| Cash at 1 st April 2024 | 477,016 | 24,035 | 33,461 | | 534,512 | 634,014 |
| Cash at 31 st March 2025 | 470,625 | 3,048 | 3,873 | | 477,546 | 534,512 |

The notes on pages 16 to 27 form part of the financial statements.

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies

1. Accounting policies

Charity information

The Museum of East Asian Art is a private company limited by guarantee incorporated in England and Wales. The registered office is 12 Bennett Street, BATH, BA1 2QJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 'Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

True and fair override

The directors of the company and the trustees of the PEF have determined that it is appropriate to depart from the United Kingdom General Accepted Accounting Practice of carrying fixed asset investments at market value because the majority of the investments held by the charity form part of the Permanent Endowment Fund, only the income of which can be used for the purposes of the charity. The directors of the company and the trustees of the PEF therefore view carrying the investments of the PEF at market value as being misleading since the assets cannot be realised at the value stated for use by the charity and it misrepresents the net wealth of the charity. Investments in the PEF are instead being held at cost. Note 14 of the accounts discloses the value at which investments in the PEF would be carried if they were stated at market value. The directors have therefore decided to adopt a true and fair override and accept the consequent qualified audit opinion.

Investments at valuation

The directors of the company have decided that the investments of the EEF should be reported at market value since they are available for use by the charity.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The board of directors is confident that future reserves and future income are more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of the charitable objectives unless the funds have been designated for other purposes.

The Permanent Endowment Fund represents those assets which must be held permanently by the charity. Income arising on the Permanent Endowment Fund can be used in accordance with the objects of the charity and is included as unrestricted income. The Emergency Endowment Fund investments are those held by the charity where the directors have discretion to convert funds into income.

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure, which meets these criteria, is charged to the funds, together with a fair allocation of management and support costs. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised when notice has been given of receipt by the investment manager.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

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 incurred directly in support of expenditure on the objects of the charity. Management and administration costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|---|
| Freehold land and buildings | Freehold buildings - no depreciation is provided on the grounds the asset has a very long useful life, a high residual value, is subject to a programme of maintenance and accordingly, annual depreciation would not be material. Freehold land is not depreciated |
| Assets under construction | Depreciation was provided on the non-structural elements at rates varying between 10% and 20% of cost until such items were fully depreciated. |
| Fixtures and fittings | Between 2% and 20% per annum of cost |
| Library | Not depreciated |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Heritage assets

The charity has taken advantage of 18.14 of the Charities SORP (FRS 102) and not recognised heritage assets at valuation. The museum's collection is predominately made up of donations of long held assets of donors. The assets are excluded from the balance sheet as significant costs would be involved in the reconstruction of past accounting records and valuations, which are onerous compared with the additional benefit derived by users of the accounts.

1.8 Fixed asset investments

Fixed asset investments are stated at cost less any provision for impairment at the balance sheet date. The SOFA includes the net realised gains and losses arising on disposals throughout the year.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the cost of direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Accounting policies

presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| 3 Donations and legacies | Unrestricted funds | Endowment funds designated | Restricted funds | Total 2025 | Total 2024 |
|---------------------------------------|-------------------------------|---|-----------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Donations and gifts | 1,784 | - | 37,614 | 39,398 | 7,056 |
| Legacies | - | 203,982 | - | 203,982 | 520,000 |
| | <u>1,784</u> | <u>203,982</u> | <u>37,614</u> | <u>243,380</u> | <u>527,056</u> |
| For the year ended 31 March 2024 | <u>1,695</u> | <u>520,000</u> | <u>5,361</u> | | <u>527,056</u> |
| 4 Charitable activities | | | | 2025 | 2024 |
| | | | | £ | £ |
| Admission Charges | | | | 15,470 | 11,338 |
| Events | | | | 2,071 | 1,728 |
| Education | | | | - | 95 |
| Membership subscriptions | | | | 1,005 | 1,620 |
| | | | | <u>18,546</u> | <u>14,781</u> |
| 5 Other trading activities | | | | 2025 | 2024 |
| | | | | £ | £ |
| Shop income | | | | 36,065 | 36,676 |
| Image copyright sales | | | | 240 | 232 |
| Other income | | | | 887 | 1,519 |
| Other trading activities | | | | <u>37,192</u> | <u>38,427</u> |
| 6 Investments | | | | 2025 | 2024 |
| | | | | £ | £ |
| Income from listed investments | | | | 345,207 | 338,857 |
| Interest receivable | | | | 24,591 | 17,349 |
| | | | | <u>369,798</u> | <u>356,206</u> |

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7 Raising funds

| | Unrestricted funds | Endowment funds | Restricted funds | Total 2025 | Total 2024 |
|---|--------------------|-----------------|------------------|---------------|---------------|
| | £ | £ | £ | £ | £ |
| <u>Fundraising and Publicity</u> | | | | | |
| Staff costs | 3,009 | | | 3,009 | 1,766 |
| Fundraising equipment | 251 | - | - | 251 | - |
| | <u>3,260</u> | | | <u>3,260</u> | <u>1,766</u> |
| <u>Trading costs</u> | | | | | |
| Other trading activities | 21,877 | - | - | 21,877 | 20,567 |
| Staff costs | 12,585 | - | - | 12,585 | 17,021 |
| | <u>34,462</u> | | | <u>34,462</u> | <u>37,588</u> |
| <u>Investment management</u> | | | | | |
| | 1,511 | 26,617 | - | 28,128 | 24,921 |
| | <u>39,233</u> | <u>26,617</u> | | <u>65,850</u> | <u>64,275</u> |
| For the year ended 31 March 2024 | | | | | |
| Fundraising and publicity | 1,766 | - | - | | 1,766 |
| Trading costs | 37,588 | - | - | | 37,588 |
| Investment management | 1,432 | 23,489 | - | | 24,921 |
| | <u>33,838</u> | <u>23,489</u> | | | <u>64,275</u> |

8 Charitable activities

| | 2025 | 2024 |
|---|----------------|----------------|
| | £ | £ |
| Staff costs | 269,118 | 219,166 |
| Depreciation | 3,251 | 8,395 |
| Advertising and PR | 5,003 | 3,979 |
| Collection care | 6,371 | 21,554 |
| Property costs | 40,141 | 26,786 |
| Travel and expenses | 1,927 | 4,339 |
| Legal and professional | 1,698 | 1,345 |
| Subscriptions | 379 | 533 |
| Training and consultancy | 9,887 | 1,940 |
| Office costs | 18,681 | 14,683 |
| Bank charges | 75 | 83 |
| Education | 2,692 | 4,135 |
| Exhibition | 8,390 | 8,696 |
| Artefact insurance and storage | 18,782 | 18,200 |
| | <u>386,395</u> | <u>333,834</u> |
| Share of governance costs (see note 9) | 4,175 | 4,480 |
| | <u>390,570</u> | <u>338,314</u> |

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

9 Support costs

| | Support Costs | Governance Costs | 2025 | 2024 | Basis of allocation |
|--|---------------|------------------|-------|-------|---------------------|
| | £ | £ | £ | £ | |
| Audit fees | - | 4,175 | 4,175 | 4,480 | |
| Analysed between Charitable activities | - | 4,175 | 4,175 | 4,480 | Governance |

10 Directors

During the year, no director received any remuneration (2024: £Nil). No director received reimbursement of expenses (2024: £Nil).

11 Employees

| | | |
|----------------------------|----------------|----------------|
| Number of employees | 2025 | 2024 |
| | Number | Number |
| | 9 | 8 |
| Employment costs | 2025 | 2024 |
| | £ | £ |
| Wages and salaries | 241,740 | 200,217 |
| Social security costs | 17,740 | 12,483 |
| Other pension costs | 12,212 | 9,711 |
| | <u>271,692</u> | <u>222,411</u> |

No employee received employee benefits of more than £60,000 (2024: £Nil).

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

12 Net gains/(losses) on investments

| | | 2025 £ | 2024 £ |
|------------------------------------|-----|---------------|---------------|
| Gain/(loss) on sale of investments | PEF | 63,747 | 24,588 |
| | EEF | 28,982 | (4,238) |
| Unrealised gains/(losses) | EEF | (19,608) | 12,443 |
| | | <u>73,121</u> | <u>32,793</u> |

13 Tangible fixed assets

| | Freehold land and buildings £ | Assets under construction £ | Fixtures and fittings £ | Library £ | Total £ |
|------------------------------------|--|-----------------------------------|-------------------------------|---------------|------------------|
| Cost | | | | | |
| At 1 April 2024 | 224,239 | 668,638 | 568,462 | 51,250 | 1,512,589 |
| Acquisitions | - | - | 75,620 | - | 75,620 |
| Disposals | - | - | (29,923) | - | (29,923) |
| Reclassification by resolution | 612,772 | (668,638) | - | - | (55,866) |
| At 31 March 2025 | <u>837,011</u> | <u>-</u> | <u>614,159</u> | <u>51,250</u> | <u>1,502,420</u> |
| Depreciation and impairment | | | | | |
| At 1 April 2024 | - | 55,866 | 562,722 | - | 618,588 |
| Disposals | - | - | (29,923) | - | (29,923) |
| Depreciation charged in the year | - | - | 3,251 | - | 3,251 |
| Reclassification by resolution | - | (55,866) | - | - | (55,866) |
| At 31 March 2025 | <u>-</u> | <u>-</u> | <u>536,050</u> | <u>-</u> | <u>536,050</u> |
| Carrying amount | | | | | |
| At 31 March 2025 | <u>837,011</u> | <u>-</u> | <u>78,109</u> | <u>51,250</u> | <u>966,370</u> |
| At 31 March 2024 | <u>224,239</u> | <u>612,772</u> | <u>5,740</u> | <u>51,250</u> | <u>902,396</u> |

Not included in the above is the Museum's collection of artefacts. The collection, due to its nature, is of most value in terms of its cultural significance and as such no reliable monetary value can be placed upon it.

The directors resolved during the year to transfer the carrying amount of Assets Under Construction to Freehold Land and Buildings because the asset represented improvements to the building undertaken in the early years of the Museum's existence that enhanced its residual value and the provision of such depreciation as was appropriate had been completed several years earlier. The directors consider that this treatment reflects more accurately the proper presentation of the Museum's fixed assets.

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

14 Fixed asset investments

| | Listed investments | Cash in portfolio | Total |
|---|-----------------------|----------------------|------------------|
| | £ | £ | £ |
| Permanent Endowment Fund at cost | | | |
| At 1 April 2024 | 6,447,645 | 33,461 | 6,481,106 |
| Incoming resources | - | 218,068 | 218,068 |
| Additions | 746,406 | (746,406) | - |
| Sales proceeds | (529,946) | 529,946 | - |
| Gains/ (Losses) | 55,422 | - | 55,422 |
| Fees and outgoing | - | (31,196) | (31,196) |
| At 31 March 2025 | <u>6,719,527</u> | <u>3,873</u> | <u>6,723,400</u> |
| At 31 March 2024 | <u>6,447,645</u> | <u>33,461</u> | <u>6,481,106</u> |
| Emergency Endowment Fund at market value | | | |
| At 1 April 2024 | 501,579 | 24,035 | 525,614 |
| Incoming resources | - | 876 | 876 |
| Additions | 326,982 | (326,982) | - |
| Sales proceeds | (305,119) | 305,119 | - |
| Realised Gains/ (Losses) | 28,105 | - | 28,105 |
| Fees and outgoing | - | - | - |
| Unrealised gains/ (Losses) | (19,607) | - | (19,607) |
| At 31 March 2025 | <u>531,940</u> | <u>3,048</u> | <u>534,988</u> |
| At 31 March 2024 | <u>501,579</u> | <u>24,035</u> | <u>525,614</u> |

Incoming resources of the Permanent Endowment Fund comprise a further legacy payment from the Johanna Austin Estate, and reimbursement of the VAT element of PEF management fees.

Fixed asset investments for the Permanent Endowment Fund are carried at cost rather than market value. The reasons for this treatment are disclosed in note 1 of the financial statements.

The market value of the Permanent Endowment Fund investments at 31 March 2025 was £8,520,085 (2024: £8,204,910)

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

15 Stocks

| | 2025 | 2024 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Finished goods and goods for resale | 13,674 | 11,830 |
| Less: Provision for obsolete stock | - | - |
| | <u>13,674</u> | <u>11,830</u> |

16 Debtors

| | 2025 | 2024 |
|--|---------------|---------------|
| | £ | £ |
| Amount falling due within one year: | | |
| Trade debtors | 120 | - |
| Other debtors | 51,312 | 24,901 |
| Prepayments and accrued income | 24,109 | 23,784 |
| | <u>75,541</u> | <u>48,685</u> |

17 Cash at Bank and In Hand

| | 2025 | 2024 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Balance at Bank | 25,625 | 32,016 |
| Balance with CCLA on COIF deposit | 445,000 | 445,000 |
| | <u>470,625</u> | <u>477,016</u> |

18 Creditors

| | 2025 | 2024 |
|--|----------------|---------------|
| | £ | £ |
| Amount falling due within one year: | | |
| Trade creditors | 84,843 | 25,430 |
| Social Security and Other Taxes | 7,510 | - |
| Accruals and deferred income | 25,479 | 27,706 |
| Other Creditors | 712 | 4,679 |
| | <u>118,544</u> | <u>57,815</u> |

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 April 2024 | Incoming Resources | Resources Expended | Transfers | Balance at 31 March 2025 |
|---|----------------------------|-----------------------|-----------------------|-----------|--------------------------------|
| | £ | £ | £ | £ | £ |
| MEAA Metalware conservation project | 24,353 | - | - | - | 24,353 |
| The Reimaging Project fund | 206,512 | 117 | - | 2,656 | 209,285 |
| L.G Harris Trust Security Enhancements | 722 | - | - | (722) | - |
| L.G Harris Trust Photography of collection | 3,800 | - | - | - | 3,800 |
| Museum Founder Brian McElney Memorial fund | 1,934 | - | - | (1,934) | - |
| WECA Small Museum Capital grant Discovery Room | - | 24,997 | - | - | 24,997 |
| Museum Development South West Audience Development Consultant | - | 6,500 | (6,500) | - | - |
| B&NES Heritage services Community Voices at MEAA | - | 1,000 | (1,000) | - | - |
| Medlock Charitable Trust Empowering Volunteer | - | 5,000 | (2,500) | - | 2,500 |
| | 237,321 | 37,614 | (10,000) | - | 264,935 |

Incoming funds

The Reimagining Project fund for the redevelopment of whole Museum.

West of England Combined Authority Small Museum Capital Grant for Discovery room.

Museum Development South West Small Grants scheme for Audience Development Consultant.

B&NES Heritage Services for Museum in a Box – Community Voices at MEAA project

THE MUSEUM OF EAST ASIAN ART

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

20 Endowment funds

The Endowment funds, which are material to the charity's activities, are made up as follows:

| | Movement in funds | | | | | Balance at 31 March 2025 £ |
|---------------------------------|----------------------------|-----------------------|-----------------------|-----------|------------------------------|-------------------------------------|
| | Balance at 1 April 2024 | Incoming Resources | Resources Expended | Transfers | Revaluations gains/losses | |
| | £ | £ | £ | £ | £ | |
| Permanent Endowment fund | 6,476,955 | 203,982 | (26,617) | - | 63,747 | 6,718,067 |
| Gift from Franklin Tsu's Estate | 884,620 | - | - | - | - | 884,620 |
| Special capital reserve | 9,352 | - | - | - | - | 9,352 |
| Emergency Endowment fund | 525,615 | - | - | - | 9,374 | 534,989 |
| | <u>7,896,542</u> | <u>203,982</u> | <u>(26,617)</u> | <u>-</u> | <u>73,121</u> | <u>8,147,028</u> |

Incoming Resources of the Permanent Endowment Fund of £203,982 represents a further legacy payment from the Johanna Austin Estate.

The Permanent Endowment Fund exists as a separate charity. The capital of this fund is invested and only the income is available to pay towards the running expenses of the Museum. The investments are managed by a sub-committee of the Museum's Management Committee in conjunction with Brewin Dolphin the investment advisers. Copies of the quarterly statement showing the contributions to the Permanent Endowment Fund and the investments held by it are circulated quarterly to the sub-committee. The Charity Commission has confirmed that the accounts of the Permanent Endowment Fund can form part of the accounts so long as the funds are kept separate.

21 Analysis of net assets between funds

| | General funds | Restricted funds | Endowment funds | Total |
|--|------------------|---------------------|--------------------|------------------|
| | £ | £ | £ | £ |
| Fund balances at 31 March 2025 are represented by: | | | | |
| Tangible assets | 78,109 | - | 888,261 | 966,370 |
| Investments | - | - | 7,258,388 | 7,258,388 |
| Current assets/(liabilities) | <u>175,982</u> | <u>264,935</u> | <u>379</u> | <u>441,296</u> |
| | <u>254,091</u> | <u>264,935</u> | <u>8,147,028</u> | <u>8,666,054</u> |

The Restricted Funds balance consists entirely of current assets/liabilities. The Unrestricted Funds of £254,091 consist of fixed assets of £78,109 and net current assets of £175,982.

22 Related party transactions

Transactions with related parties

During the year the charity entered into no transactions with related parties.