

REGISTERED CHARITY NUMBER: 703056

Report of the Trustees and
Financial Statements for the Year Ended
31 December 2022

for
Hereford Mappa Mundi Trust

Hereford Mappa Mundi Trust

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for the Year Ended 31 December 2022

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Hereford Mappa Mundi Trust

Report of the Trustees for the Year Ended 31 December 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Trust are: -

- 1) The preservation for the benefit of the public of the Historic Libraries and the Mappa Mundi.
- 2) The provision of funds towards the cost of erecting a building to house and display the Historic Libraries and the Mappa Mundi.
- 3) The provision of support for all or any of the charitable purposes to which the capitular revenues of The Chapter of Hereford Cathedral are applicable.

ACHIEVEMENT AND PERFORMANCE

Net assets have decreased by £531,374 to £5,405,010 (2021: have increased by £397,647 to £5,936,384). £4,690,799 of this represents the endowment funds where the capital cannot be spent. The decrease is due to net losses on investments over the year of £580,673 (2021: net gain of £547,343) before deducting the investment management costs of £9,488 (2021: £25,966). All the investments are held in the Cazenove Charity Responsible Multi Asset Fund.

Grants paid to Chapter decreased to £158,660 (2021 £252,975). Investment income for the year increased to £214,617 (2021: £131,505). The performance of the assets dictates how much the Trust can grant to The Chapter in future since the available funds are calculated on a total return basis.

The Statement of Financial activities shows a surplus of £49,299 (2021: £149,696 deficit) before movement on investments.

Further details of the financial position of the Charity are set out in the following financial statements.

In order to achieve the aims of the Trust, donations to the Chapter during the year totalled £158,660 (2021: £252,975), of which £37,926 was for Library and Cataloguer's salaries. Other major donations paid to Chapter were an unrestricted grant of £19,267 from the royalties on use of the Mappa Mundi; £75,000 towards Chapter property renovations and £14,451 towards the cost of exhibitions, including a new, secure display case. A full list of the grants to Chapter are in Note 5 to the accounts.

The trust will continue to strive to continue to maximise returns on investments in order to fulfil its commitments to the Cathedral.

FINANCIAL REVIEW

Investments

Investments are managed by Cazenove Capital Management. The finance committee monitors performance on a regular basis. A "total returns" policy on investments has been adopted. Cazenove Capital Management continue to act as investment advisors and quarterly distributions totalling £204,792 have been made to the Trust during the year (2021: £207,244), distributions being calculated on a total annual return of 4% of the average of the previous three years' valuations at 30th June.

Reserves policy

The trustees aim, on an annual basis, is to distribute the total return payments to The Chapter of Hereford Cathedral in accordance with the terms of the trust deed. Inevitably there are timing differences at the balance sheet date leaving funds awaiting distribution for specific projects.

Hereford Mappa Mundi Trust

Report of the Trustees for the Year Ended 31 December 2022

Reserves policy (continued)

As at 31 December 2022 the Trust had £713,528 (2021: £706,199) of unrestricted funds, of this £11,432 (2021: £13,085) has been allocated for the anticipated costs relating to the archaeological implications of the original establishment of the Mappa Mundi exhibition. The remaining £702,096 (2021: £693,114) is intended to cover annual expenditure and for planned projects over the next few years.

Funds

The endowment funds are subject to specific trusts. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the Charity.

During 2017 the Trustees agreed that unrestricted cash surpluses that had accumulated over the years in the current account would be transferred to a separate investment fund with Cazenove called the "Hereford Mappa Mundi Free Fund". This fund mirrors the Trust's other investment funds and is a separate unrestricted fund and is also be run on a 4% total return basis. During 2017 the Trustees transferred £200,000 of unrestricted cash to the "Free Fund". At 31st December 2022 the value of the Unrestricted "Free Fund" held at Cazenoves was £200,840 (£223,839 at 31 December 2021).

The trustees designated sufficient monies to cover the costs that were anticipated to be incurred in respect of the archaeological implications of the original establishment of the Mappa Mundi exhibition. This was based on the trustees' estimate of the costs, according to advice received. By 31 December 2022 the outstanding financial liability of the archaeology project was estimated to be £11,432 (2021: £13,085).

Public benefit

In drafting this report, the trustees have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission.

Future plans

In the forthcoming year, the Trust will continue to support the Library and Archive staff salaries together with providing grants for specific projects undertaken by the Cathedral. In 2023 the Mappa Mundi Trust is supporting the Chapter of Hereford Cathedral with the funding needed to replace the air conditioning and humidification plant system, which was originally installed shortly after the library and Mappa building was completed.

The Trust continues to closely monitor the value of its investments and the endowment fund, particularly as these were significantly impacted in 2022 because of the Russian invasion of Ukraine. At 31st March 2023 the total value of investments held with Cazenoves was £5,096,071, an improvement of £11,166 since the year end.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust. It constitutes an unincorporated charity with a sole corporate Trustee as explained in more detail on the following page.

The Trust's governing document is the Trust Deed dated 21 May 1990. The Trust is registered with the Charity Commission (Charity Number 703056).

Recruitment and appointment of new trustees

Potential trustees are carefully selected from people who have a keen interest in the activities of the charity.

Induction and training of new trustees

After appointment all new trustees fill in relevant forms for the Charity Commission and Companies House.

Hereford Mappa Mundi Trust

Report of the Trustees for the Year Ended 31 December 2022

Risk Management

The trustees have assessed the risks faced by the Trust and consider that investment management and performance poses the greatest area of risk. To mitigate this risk, regular meetings of the investment committee, chaired by Richard Jonathan Evans, take place and reports and recommendations are made to the trustees. The appointment of investment advisors is considered to have further reduced the risk in this area.

Damage or destruction of the historic collections is the other major risk; the Trustees have taken advice on security from relevant experts and appropriate insurance cover is in place.

Settlor

The Lord Bishop of Hereford Cathedral and The Chapter of the Cathedral Church of the Blessed Virgin Mary and St. Ethelbert in Hereford.

Trust Fund

The original Trust Fund consisted of £10 cash. The Historic Libraries and the Mappa Mundi were added by deed of gift dated 29 January 1991.

Endowment Fund

On 30 January 1991 an endowment of £2,000,000 together with accrued interest, was made by the National Heritage Memorial Fund. Should there be failure of the specified Trusts then the endowment fund but not the accrued interest must be returned to the National Heritage Memorial Fund.

Building Fund

On 30 January 1991 a private donation of £1,000,000 was made, subject to specified terms and conditions. Under the Gift Aid Scheme, the donation was supplemented by £333,333 of income tax recovery. The charity used this donation to partly-fund the construction of the "Mappa Mundi Building" at Hereford Cathedral.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
703056

Principal address
5 College Cloisters
The Close
Hereford
Herefordshire
HR1 2NG

Patron
Canon Edward Harley LL OBE

Trustees

The Hereford Mappi Mundi Trust has a sole corporate trustee, The Hereford Mappa Mundi Trustee Company Limited. Reference to "trustees" in this document refers to the directors of the corporate trustee company. The directors during the year and up to the date of the approval of the financial statements are listed below:

The Very Revd Sarah Brown
The Revd Canon Chris Pullin (Resigned 31st August 2022)
The Right Revd Richard Jackson, Bishop of Hereford
Peter Barber
Prof Michelle Brown
Sarah Clay
Tamsin Clive DL (Chairman)
Sir Henry Cotterell
Richard Jonathan Evans
Claire Breay
Giles Mandelbrote
Michael Guy (Appointed 6th December 2022)

Hereford Mappa Mundi Trust

Report of the Trustees for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Secretary

Mrs Rosemary Firman (Retired 30.06.2022)
Jennifer Dumbleton (Appointed 10.10.2022)

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

Lloyds Bank plc
8 High Town
Hereford
HR1 2AE

Investment Advisers

Cazenove Capital Management
1 London Wall Place
London
EC2Y 5AU

STATEMENT OF TRUSTEES RESPONSIBILITIES

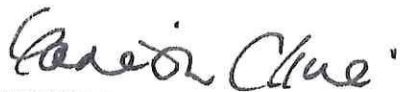
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 9th May 2023 and signed on its behalf by:



.....
Tamsin Clive DL - On behalf of The Hereford Mappa Mundi Trustee Company Ltd

Report of the Independent Auditors to the Trustees of Hereford Mappa Mundi Trust

Opinion

We have audited the financial statements of The Hereford Mappa Mundi Trust for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of the charity's net movement in funds 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Hereford Mappa Mundi Trust (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charity 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:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual accounting journals. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors
Date: 22 May 2023

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hereford Mappa Mundi Trust

Statement of Financial Activities
for the Year Ended 31 December 2022

	Notes	Unrestricted funds £	Restricted fund £	Endowment funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM:						
Charitable activities	3					
Artefacts		19,267	-	-	19,267	15,630
Donations		75	-	-	75	-
Investment income	2	<u>9,385</u>	<u>12</u>	<u>205,220</u>	<u>214,617</u>	<u>131,505</u>
Total		28,727	12	205,220	233,959	147,135
EXPENDITURE ON:						
Raising Funds	4-7					
Investment management fees		377	-	9,111	9,488	25,966
Charitable activities						
Donations		158,660	-	-	158,660	252,975
Other direct charitable costs		9,243	-	-	9,243	9,220
Support costs		7,009	260	-	7,269	8,670
Total		175,289	260	9,111	184,660	296,831
Net movement on investments	7	<u>(45,009)</u>	<u>-</u>	<u>(535,664)</u>	<u>(580,673)</u>	<u>547,343</u>
NET (EXPENDITURE)/ INCOME		(191,571)	(248)	(339,555)	(531,374)	397,647
Transfers between funds	15	<u>198,900</u>	<u>-</u>	<u>(198,900)</u>	<u>-</u>	<u>-</u>
Net movement in funds		7,329	(248)	(538,455)	(531,374)	397,647
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>706,199</u>	<u>931</u>	<u>5,229,254</u>	<u>5,936,384</u>	<u>5,538,737</u>
TOTAL FUNDS CARRIED FORWARD		713,528	683	4,690,799	5,405,010	5,936,384

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of the financial statements.

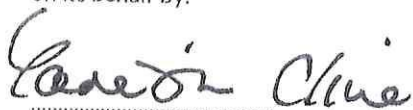
Hereford Mappa Mundi Trust

Balance Sheet
At 31 December 2022

	Notes	Unrestricted funds £	Restricted fund £	Endowment funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
The Mappa Mundi and Historic Libraries at nominal value	10	-	-	1	1	1
All Saints Chained Library at nominal value	11	-	-	1	1	1
Investments	12	<u>394,108</u>	-	<u>4,690,797</u>	<u>5,084,905</u>	<u>5,668,591</u>
		394,108	-	4,690,799	5,084,907	5,668,593
CURRENT ASSETS						
Debtors	13	10,664	-	-	10,664	4,263
Cash at bank and in hand		<u>341,622</u>	<u>683</u>	-	<u>342,305</u>	<u>286,215</u>
		352,286	683	-	352,969	290,478
CREDITORS						
Amounts falling due within one year	14	<u>(32,866)</u>	-	-	<u>(32,866)</u>	<u>(22,687)</u>
NET CURRENT ASSETS		<u>319,420</u>	<u>683</u>	-	<u>320,103</u>	<u>267,791</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>713,528</u>	<u>683</u>	<u>4,690,799</u>	<u>5,405,010</u>	<u>5,936,384</u>
NET ASSETS		<u><u>713,528</u></u>	<u><u>683</u></u>	<u><u>4,690,799</u></u>	<u><u>5,405,010</u></u>	<u><u>5,936,384</u></u>
FUNDS						
Unrestricted funds	15				713,528	706,199
Restricted funds					683	931
Endowment funds					<u>4,690,799</u>	<u>5,229,254</u>
TOTAL FUNDS					<u><u>5,405,010</u></u>	<u><u>5,936,884</u></u>

The notes form part of the financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 9th May 2023 and were signed on its behalf by:



Tamsin Clive DL - On behalf of The Hereford Mappa Mundi Trustee Company Ltd

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition, effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The accounts are prepared on a going concern basis and, in the opinion of the trustees, there is no material uncertainty in connection with the charity's ability to continue to operate for the foreseeable future and a minimum period of twelve months from the approval of the financial statements.

Income

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

Expenditure

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are held for the furtherance of the objects of the Trust and the management and administration thereof.

Designated funds are held for the anticipated costs in relation to the archaeological implication of the original establishment of the Mappa Mundi exhibition.

Restricted funds are applied for the purposes imposed by the donors.

Endowment funds comprise investments, managed on a "total return basis", the Mappa Mundi and Historic Libraries and the All Saints Chained Library. Investment income is attributed to the endowment fund and a transfer made to unrestricted funds equal to 4% of the average value of investments over the previous three years.

All bank interest is allocated to the appropriate fund.

Heritage assets

The Hereford Mappa Mundi Trust has a collection of historical books, part of which is contained within the Chained Library, and the rest are throughout the cathedral as well as the Mappa Mundi. These are all held in support of the Trust's primary objective of the preservation for the benefit of the public of historic libraries and the Mappa Mundi.

The trustees consider that, owing to the incomparable nature of these historic items, conventional valuation approaches lack sufficient reliability and that, even if the valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Trust and users of the accounts. As a result, no value is reported for these assets in the Balance Sheet. Further information is given in the notes to the accounts.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Investments

Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation or sale is taken to the Statement of Financial Activities (SOFA).

Cash at bank and in hand

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

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

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

2. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	945	37
Dividends and interest on investments	<u>213,672</u>	<u>131,468</u>
	<u>214,617</u>	<u>131,505</u>

Deposit Account Interest & Interest on Investments

	2022	2021
	£	£
Unrestricted funds:		
Central Board of Finance of the Church of England	<u>933</u>	<u>37</u>
	933	37
Restricted fund:		
Central Board of Finance of the Church of England	12	-
Endowment fund:		
Schroders	<u>34</u>	-
	<u>979</u>	<u>37</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Use of artefacts	19,267	15,630
Folio Society Royalties	-	-
	<u>19,267</u>	<u>15,630</u>

Hereford Mappa Mundi Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 5)	Total 2022
	£	£	£
Artefacts	9,243	-	9,243
Donations	-	<u>158,660</u>	<u>158,660</u>
	<u>9,243</u>	<u>158,660</u>	<u>167,903</u>

<i>Prior year comparative</i>	Direct costs	Grant funding of activities (See note 5)	Total 2021
	£	£	£
Artefacts	9,220	-	9,220
Donations	-	<u>252,975</u>	<u>252,975</u>
	<u>9,220</u>	<u>252,975</u>	<u>262,195</u>

5. GRANTS PAYABLE

	2022	2021
	£	£
Donations	<u>158,660</u>	<u>252,975</u>

The total grants paid to institutions during the year were as follows:

	2022	2021
	£	£
Chapter - Library salaries	37,926	38,490
Chapter - Mappa Building Plant Replacement	8,576	-
Chapter - Temporary Exhibitions	14,451	-
Chapter - Humidity Control	-	(1,145)
Chapter - Catalogue Software	1,440	-
Chapter - Conservation & Book repairs	2,000	-
Chapter - Royalties	19,267	15,630
Chapter - Property Repairs	75,000	200,000
	<u>158,660</u>	<u>252,975</u>

6. SUPPORT COSTS

	2022	2021
	£	£
Governance costs	<u>7,269</u>	<u>8,670</u>

Hereford Mappa Mundi Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

7. NET MOVEMENT ON INVESTMENTS

	2022	2021
	£	£
Net (loss)/gain on investments	(580,673)	547,343
Investment management costs	<u>(9,488)</u>	<u>(25,966)</u>
	<u>(590,161)</u>	<u>521,377</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

	2022	2021
	£	£
Trustees' expenses	<u>1,014</u>	<u>395</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 2021

	Notes	Unrestricted funds £	Restricted fund £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Artefacts		15,630	-	-	15,630
Folio Society Royalties		-	-	-	-
Donations		-	-	-	-
Investment income	2	<u>5,288</u>	<u>-</u>	<u>126,217</u>	<u>131,505</u>
Total		20,918	-	126,217	147,135
EXPENDITURE ON					
Raising Funds	4-7				
Investment management fees		1,022	-	24,944	25,966
Charitable activities					
Donations		252,975	-	-	252,975
Other direct charitable costs		9,220	-	-	9,220
Support costs		8,670	-	-	8,670
Total		271,887	-	24,944	296,831
Net movement on investments	7	<u>41,775</u>	<u>-</u>	<u>505,568</u>	<u>547,343</u>
NET (EXPENDITURE)/ INCOME		(209,194)	-	606,841	397,647
Transfers between funds	15	<u>199,178</u>	<u>-</u>	<u>(199,178)</u>	<u>-</u>
Net movement in funds		(10,016)	-	407,663	397,647
RECONCILIATION OF FUNDS					
Total funds brought forward		716,215	931	4,821,591	5,538,737
TOTAL FUNDS CARRIED FORWARD		<u>706,199</u>	<u>931</u>	<u>5,229,254</u>	<u>5,936,384</u>

Hereford Mappa Mundi Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

10. THE MAPPA MUNDI

	The Mappa Mundi £
COST	
At 1 January 2022 and 31 December 2022	<u>1</u>
NET BOOK VALUE	
At 31 December 2022	<u><u>1</u></u>
At 31 December 2021	<u><u>1</u></u>

11. ALL SAINTS CHAINED LIBRARY AT
NOMINAL VALUE

	Total £
COST	
At 1 January 2022 and 31 December 2022	<u>1</u>
NET BOOK VALUE	
At 31 December 2022	<u><u>1</u></u>
At 31 December 2021	<u><u>1</u></u>

12. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 January 2022	5,658,778	9,813	5,668,591
Additions	-	-	-
Disposals	(742)	-	(742)
Revaluations	(580,673)	-	(580,673)
Movement on cash	-	(2,271)	(2,271)
At 31 December 2022	<u>5,077,363</u>	<u>7,542</u>	<u>5,084,905</u>

During the year the portfolio of investments moved to the Cazenove Charity Responsible Multi Asset Fund.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. FIXED ASSET INVESTMENTS (continued)

Structure of the portfolio

	Market value	
	2022	2021
	£	£
Fixed interest securities	-	-
Cazenove Charity Responsible Multi Asset Fund	<u>5,077,363</u>	<u>5,658,780</u>
	<u>5,077,363</u>	<u>5,658,780</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	<u>10,664</u>	<u>4,263</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals and deferred income	<u>32,866</u>	<u>22,687</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. MOVEMENT IN FUNDS

	At 01.01.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	444,947	(175,022)	207,040	476,965
Designated - Investment "Free Fund"	248,167	(14,896)	(8,140)	225,131
Designated Fund - Archaeology	<u>13,085</u>	<u>(1,653)</u>	<u>-</u>	<u>11,432</u>
	706,199	(191,571)	198,900	713,528
Restricted funds				
Library Fund	931	(248)	-	683
Endowment funds				
The National Heritage Memorial Fund Investments	<u>5,229,254</u>	<u>(339,555)</u>	<u>(198,900)</u>	<u>4,690,799</u>
TOTAL FUNDS	<u>5,936,384</u>	<u>(531,374)</u>	<u>-</u>	<u>5,405,010</u>

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

	Income £	Expenditure £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	20,276	(173,260)	(22,038)	(175,022)
Designated - Investment "Free Fund"	8,451	(376)	(22,971)	(14,896)
Designated Fund - Archaeology	<u>-</u>	<u>(1,653)</u>	<u>-</u>	<u>(1,653)</u>
	28,727	(175,289)	(45,009)	(191,571)
Restricted funds				
Library Fund	12	(260)	-	(248)
Endowment funds				
The National Heritage Memorial Fund Investments	<u>205,220</u>	<u>(9,111)</u>	<u>(535,664)</u>	<u>(339,555)</u>
TOTAL FUNDS	<u>233,959</u>	<u>(184,660)</u>	<u>(580,673)</u>	<u>(531,374)</u>

15. MOVEMENT IN FUNDS – CONTINUED

2021 comparative figures

	At 01.01.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	476,697	(230,928)	199,178	444,947
Designated - Investment "Free Fund"	222,348	25,819	-	248,167
Designated Fund - Archaeology	17,170	(4,085)	-	13,085
	716,215	(209,194)	199,178	706,199
Restricted funds				
Library Fund	931	-	-	931
Endowment funds				
The National Heritage Memorial Fund Investments	4,821,591	606,841	(199,178)	5,229,254
TOTAL FUNDS	<u>5,538,737</u>	<u>397,647</u>	<u>-</u>	<u>5,936,384</u>

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

	Income £	Expenditure £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	15,668	(266,780)	20,184	(230,928)
Designated - Investment "Free Fund"	5,250	(1,022)	21,591	25,819
Designated Fund - Archaeology	-	(4,085)	-	(4,085)
	20,918	(271,887)	41,775	(209,194)
Restricted funds				
Library Fund	-	-	-	-
Endowment funds				
The National Heritage Memorial Fund Investments	126,217	(24,944)	505,568	606,841
TOTAL FUNDS	147,135	(296,831)	547,343	397,647

The Designated Investment "Free Fund" was set up from surplus unrestricted income that had accumulated in the current account. The fund is to generate unrestricted income on a total return basis.

The Designated Fund - Archaeology has been established to cover the anticipated costs in relation to the archaeological implications of the original establishment of the Mappa Mundi exhibition.

The Library Fund consists of donations to be used for library fittings. The fund is represented by monies held in the Central Board of Finance deposit account.

15. MOVEMENT IN FUNDS - CONTINUED

On 30 January 1991 an endowment of £2,000,000 together with accrued interest was made by the National Heritage Memorial Fund. The fund is represented by investments and the costs of managing these investments is charged against this fund. For the purposes of Total Return accounting, the gift element of the endowment is considered to be the amount of £2,000,000. The difference of £2,690,799 (2021: +£3,229,254) between this amount and the actual value of the endowment at 31 December 2022 of £4,690,799 represents the unapplied Total Return.

The All Saints Chained Library, the Historic Libraries and the Mappa Mundi are shown at nominal values being regarded as inalienable assets. It is considered that significant costs would be involved in obtaining reliable valuations and that these would far outweigh any benefits derived.

Transfers between funds

Investment income and the interest on endowment cash is attributed to the Endowment Fund and a transfer is made to the unrestricted fund equal to 4% of the average market value of investments at 30th June over the previous three years. The transfer is made on the "total return basis".

During 2018 £200,000 was transferred from the Unrestricted General Fund to a newly created Unrestricted Investment "Free Fund" with the investment advisors, Cazenove.

16. ENDOWMENT FUND TOTAL RETURN

Endowed Fund - Total Return

Year Ending 31.12.2022

	Endowment £	Unapplied Total Return £	Total £
At the beginning of the reporting period			
Permanent Endowment	2,000,000	-	2,000,000
Unapplied Total Return	-	3,229,254	3,229,254
	2,000,000	3,229,254	5,229,254
Movements in the reporting period			
Investment return - dividends and interest	-	205,220	205,220
Investment return -realised and unrealised gains & (Losses)	-	(535,664)	(535,664)
Less: Investment management costs	-	(9,111)	(9,111)
Total movements	-	(339,555)	(339,555)
4% total return paid to Unrestricted funds		(198,900)	(198,900)
Net movement in reporting period	-	(538,455)	(538,455)
	2,000,000	2,690,799	4,690,799

Hereford Mappa Mundi Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

16. ENDOWMENT FUND TOTAL RETURN – CONTINUED

Endowed Fund - Total Return	Year Ending 31.12.2021		
	Endowment £	Unapplied Total Return £	Total £
At the beginning of the reporting period			
Permanent Endowment	2,000,000	-	2,000,000
Unapplied Total Return	-	2,821,591	2,821,591
	<hr/>	<hr/>	<hr/>
	2,000,000	2,821,591	4,821,591
Movements in the reporting period			
Investment return - dividends and interest	-	126,217	126,217
Investment return -realised and unrealised gains & (losses)	-	505,568	505,568
Less: Investment management costs	-	(24,944)	(24,944)
	<hr/>	<hr/>	<hr/>
Total movements	-	606,841	606,841
4% total return paid to Unrestricted funds	-	(199,178)	(199,178)
Net movement in reporting period	-	407,663	407,663
	<hr/>	<hr/>	<hr/>
	2,000,000	3,229,254	5,229,254

17. RELATED PARTY DISCLOSURES

The controlling Trustee of the Hereford Mappa Mundi Trust is The Hereford Mappa Mundi Trust Company Limited. The directors of The Hereford Mappa Mundi Trust Company Limited are listed on page 1.

The Very Reverend Sarah Brown and the Reverend Canon Chris Pullin are members of the Chapter of Hereford Cathedral. The Very Reverend Sarah Brown, the Reverend Canon Chris Pullin, Tamsin Clive DL (as the representative of Hereford Mappa Mundi Trust) are on the finance committee of the Chapter. During the year the charity made donations to the Chapter of £158,660 (2021: £252,975).

The Chapter owns and controls Hereford Cathedral Enterprises Limited. During the year, The Hereford Mappa Mundi Trust charged Hereford Cathedral Enterprises Limited £19,267 (2021: £15,630) for use of Artefacts and Hereford Cathedral Enterprises Limited charged The Mappa Mundi Trust £60 (2021: £0) for the supply of refreshments. At the end year Hereford Cathedral Enterprises Limited owed The Hereford Mappa Mundi Trust £10,664 (2021: £15,630) for the use of Artefacts. At the end year The Mappa Mundi Trust owed £0 (2021: £0) to Hereford Cathedral Enterprises Limited.

There are no other related party transactions requiring disclosure in the financial statements.

18. HERITAGE ASSETS NOT RECOGNISED IN THE BALANCE SHEET

Chained Library

The Hereford Mappa Mundi Trust maintains a collection of approximately 1,500 books within its Chained Library. These date from c.800 to 1885 and the oldest, most important book held is the 8th century Hereford Gospels. The chained library includes 229 medieval manuscripts and is the largest surviving Chained Library.

Other Historical Libraries

These consist of the music library, which contains a collection of books, printed sheet music and musical manuscripts dating from 1799 as well as the lower library containing theological books and manuscripts dating from before 1800.

Mappa Mundi

The Mappa Mundi is a 13th century scholar's interpretation of the world and is unique within British heritage.

Presentation and Management

Heritage assets are not routinely acquired or disposed of by the Trust.

The public have access to all heritage assets 6 days a week.