

THE HOLBURNE MUSEUM

THE HOLBURNE MUSEUM FINANCIAL STATEMENTS 31 DECEMBER 2017

THE HOLBURNE MUSEUM

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FOR THE YEAR ENDED 31 DECEMBER 2017

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**THE HOLBURNE MUSEUM
REPORT BY THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017**

STRUCTURE AND GOVERNANCE

Introduction

The Trustees submit their annual report and accounts for the year ended 31 December 2017. The accounts (financial statements) have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and UK Generally Accepted Practice as it applies from 1 January 2015.

Reference and administration information

The Holburne Museum ("The Museum") is an independent institution with registered charitable status, established by Deed of Trust in 1883. The sole Trustee, by whom the Trust is administered, is the Holburne Museum Trust Company ("The Company"), a company limited by guarantee.

The directors and senior management of The Company are detailed on pages 9 & 10, together with the names of directors of The Company who acted during the course of the year but are no longer directors at the date of this report. Relevant registration information is shown below:

▪ The Holburne Museum	Registered Charity Number:	310288
▪ Holburne Trading Company Ltd	Company Number:	6954139
▪ The Holburne Museum Trust Company	Company Number:	4104120
▪ Museums and Galleries Commission	Registered Museum Number:	930

The address of the principal offices and premises of The Museum, and of the registered office of The Company, is Great Pulteney Street, Bath BA2 4DB. The names and addresses of The Museum's professional advisers and bankers are shown on page 11.

Structure, governance and management

▪ Organisational structure

The Museum is an independent registered charitable trust of which The Company is the sole trustee.

The Company has one subsidiary, which was established in 2011 to operate the commercial activities of the Museum - being the café, shop, car park, commercial events and paying exhibitions.

▪ Governance

The charity is governed by the board of directors of The Company, known as "The Trustees" who are appointed by the members of The Company.

The maximum number of General Trustees is eighteen. In addition, the Board may have up to four Representative Trustees of whom one is nominated by The Council of the University of Bath, one by Bath Spa University, one by Bath & North East Somerset Council and one by the Friends of the Holburne Museum.

New Trustees are required to sign a "Declaration of Eligibility to Act" and a "Declaration of Interests" in order to comply with the Board's Conflicts of Interest policy.

The Museum's responsibilities and duties as a University Museum are governed by the Higher Education Strategy Board (which meets twice a year).

▪ Management

The Trustees, who meet formally at least four times each year, are responsible for setting strategies and policies for the Museum and for ensuring that these are implemented. In 2015 the Chairman and the Chair of the Nominations Committee formalised committees of the Board in order to draw on the specific strengths and expertise of Board members from fundraising to community engagement. These committees also allow increased opportunities for staff mentoring with opportunities for staff to join committee meetings.

The Trustees are responsible, in particular, for:

- Appointing the Director.
- Approving the annual budget.
- Approving the Trustee's report and audited financial statements.

To achieve a closer connection of the Trustees with the 'day to day' operational control the *Finance and General Purposes Committee* which met monthly has been disbanded. In its place there are regular, normally at least weekly, informal meetings between senior executives and one of the Chairman, Treasurer or other Chairs of the committees below.

The primary functions of the Trustees are to:

- Oversee the key decisions affecting the operation of the Museum.
- Assist the Director in formulating policy and with significant operational decisions.
- Review quarterly management accounts and key financial performance indicators against budget.
- Oversee the identification and management of risks.

Full list of committees of the Board during 2017:

- Finance, Audit & Investment Committee. Chairman - Antony Constantinidi
- Development Committee. Chairman – Alex Chapman
- Nominations Committee. Chairman - Michael King
- Learning & Engagement Advisory Committee. Chairman – Adrian Tinniswood

There is also a Higher Education Strategy Board Committee made up of University of Bath, Bath Spa University, University of Bristol and The University of the West of England. This committee meets twice a year.

In September a new Chair was elected, Edward Bayntun-Coward, and John Barneby stood down as interim Chair.

The Trustees maintain a Risk Register which identifies the major risks to which the Museum, Trustees, staff, volunteers are exposed. This Register is maintained by the Treasurer and reviewed by the Trustees annually. Thus bringing risks to the attention of the Trustees and enabling them to establish strategies for dealing with them.

The Museum staff comprises 22 full time equivalents. Salary levels and job descriptions are benchmarked against Museum Association guidelines. A staff realignment exercise in December 2014 led to the formation of a Senior Management Team comprising the six heads of department (Finance, Development, Curatorial, Commercial & Visitor Operations, Communications, and Learning) to support the Director on overall Museum management. The Senior Management Team met monthly in the week preceding Board. The aims of the Senior Management Team meetings are:

- To monitor the day-to-day performance (financial and operational) of the Museum in order to report to the Trustees.
- To provide a forum for management support in particular by identifying staff professional development opportunities and addressing HR issues.
- To provide a platform for joined-up thinking across departments in implementing the Museum's strategy.

Objectives and activities for the public benefit

The Holburne Museum was founded in 1882 as Bath's first art museum with, at its heart, the collection of Sir William Holburne (1793-1874). In 1916 the collection moved to its present location at the top of Great Pulteney Street and in May 2011 an award-winning extension by architect Eric Parry provided space for additional galleries and a garden café. The Holburne is a treasure house of Old Master paintings, portrait miniatures, porcelain, Renaissance bronzes and ceramics, silver, and embroidery. It is particularly renowned for its eighteenth-century British portraits, most notably by Ramsay, Stubbs, Zoffany and Gainsborough. The collection continues to develop with regular bequests, loans and acquisitions, including the purchase of the oil sketch by Thomas Lawrence of *Arthur Atherley* following a major fundraising campaign from September to December 2015. The Holburne stages international exhibitions and contemporary commissions and is admired for its dynamic displays, vibrant learning & community engagement programme and innovative interpretation.

The Holburne Museum Vision:

CHANGING LIVES THROUGH ART

The Holburne believes enjoyment of the arts changes people's lives. The Holburne promotes this by keeping the Museum free to enter and by:

- Caring for, understanding, developing, displaying and interpreting the collection, building and site.
- Reaching as wide a public as possible by providing a welcoming, intimate experience of the arts.
- Creating exhibitions, events and educational activities of outstanding quality, impact and imagination.
- Being confident, adventurous and innovative.

Statement of Purpose:

The Holburne's charitable objects for the public benefit, as set out in its original trust deed, are:

- The provision and maintenance of a museum in the city of Bath for the exhibition to the public of a collection of specimens of the fine and decorative arts.
- The extension, enhancement, conservation, storage and maintenance of the art collection.
- Promotion of education in art and allied subjects, and of the appreciation of art.

As a University Museum it also seeks to:

- Develop and encourage the use of the Holburne's collection and the expertise of its staff as educational resources and stimuli for research.

When reviewing the charity's aims and objectives and planning future activities, the Trustees have had due regard to the public benefit guidance published by the Charities Commission. The activities undertaken to assist in the delivery of the Museum's objectives are outlined below.

Achievement and performance

The year 2017 was a challenging one for the Holburne and its staff. Jennifer Scott left as Director in March after two and a half years in Bath. Sally Hutton, Head of Finance, served as interim Director until Dr Chris Stephens took up his post in July. Scott's appointment to Dulwich Picture Gallery and the recruitment of Stephens, formerly a senior curator at Tate, is indicative of the status of the Holburne. The rapid turn-around of directors, accompanied by an equally high turn-over of fundraisers, inevitably had a disruptive effect, impacting on staff morale and strategic clarity. This, combined with the on-going financial challenges and the failure to grow the endowment has obliged the in-coming Director to review fundamentally the business model of the Museum and its strategic direction.

Despite these challenges, we staged our most successful exhibition ever in spring 2017. *Bruegel: Defining a Dynasty* (11 Feb.-4 June 2017) was curated by Jennifer Scott and the art historian Amy Orrock. The exhibition showcased new research on the collection, including the re-attribution of our *The Wedding Dance* to Pieter Bruegel the Younger. The story of the 'newly discovered' Bruegel attracted significant national news coverage and was widely reviewed and, as a consequence, the exhibition not only attracted our largest audience to date – over 27,000 visitors – but also a much greater than usual proportion of first-time visitors and visitors from beyond Bath.

Alongside *Bruegel*, in the Wirth Gallery we showed *Anne Desmet RA: Under Changing Skies* (11 March – 4 June 2017). Desmet is a locally-based artist working in a traditional idiom. The works were pre-existing so the cost of the display was minimal.

The summer exhibition was *Tapestry: Here and Now* (24 June to 01 Oct 2017) which was shown in both the Roper and Wirth Galleries. This exhibition of contemporary tapestry was originated by the National Centre for Craft and Design, Sleaford, Lincs, and was curated at the Holburne by Catrin Jones, Curator, Applied Arts. Though the exhibition didn't draw a large audience it was well received by a constituency of committed enthusiasts and specialists as was demonstrated by a sold-out symposium which included a number of speakers from overseas.

The following exhibition also occupied both the Roper and Wirth galleries. This was *Seurat to Riley: The Art of Perception*, an exhibition originated by Compton Verney, selected by their curator and condensed to less than half its original size by Tom Boggis at the Holburne. The exhibition had garnered considerable press coverage, being favourably reviewed by several national art critics, while at Compton Verney. As a consequence, it proved difficult attracting any attention to its appearance at the Holburne, though it featured in several highlights listings. Its audience was, however, pretty strong, especially given the fact that it was such an eclectic show. The content allowed for relationships with several departments at the University of Bath, the main sponsor for the exhibition and collaborative events with mathematics and psychology departments were especially successful.

As well as the Anne Desmet display, our commitment to contemporary practice was marked by a display in the Davidson Ballroom of new work by the artist Michael Petry. The main piece was a line along the table-top made up of solid blocks of sand-cast glass. This was a project sponsored by Bath Spa University.

The museum continues to enjoy the invaluable support of both of Bath's universities in form both of on-going core support (in terms of money and services) and of individual exhibition sponsorship. The relationship with both institutions, their teaching, students and ethos remains a defining characteristic of the Holburne.

During 2017 we delivered a particularly ambitious programme of creative activities for all ages, engaging with nearly 13,280 people including over 1000 university students. We successfully ran the Bronze Art Award, enabling ten young people to achieve this national qualification, introduced Art Masterclasses for teenagers, worked with over 850 people on a multi-audience project inspired by the Lawrence study of Arthur Atherley and ran a lively programme of activities and events to complement our exhibition programme. The latter included working with University of Bath scientists to deliver an 'Up Late', Family Fun Day and sixth-form study day inspired by *Seurat to Riley: The Art of Perception*. Around 40% of participants in these activities were experiencing the Holburne for the first time.

We continued our pioneering work with dementia patients and their carers in partnership with Bath Preservation Trust and Avon & Wiltshire Mental Health Partnership NHS Trust. This ground-breaking project brings both the Collection and personal memories to life, enabling people to enjoy art in a non-clinical setting. The sessions are led by an artist and arts psychotherapist supported by volunteers. The importance and innovation of this project is reflected in the fact that it was nominated for a Creative Bath Award.

Also nominated was 'Pathways to Wellbeing' - a three year project funded by the Big Lottery Fund to work with people affected by lived experience of mental health issues, homelessness and social isolation, opening it up to 200 participants. 'Pathways offers different routes to improve confidence, skills and mental health. The programme attracted national recognition, with the project manager speaking at an international conference on Culture, Health and Wellbeing.

In the wake of our centenary celebrations, 2017 has been a year of significant change. We ended the year with the beginnings of a new Business Plan that, recognising the challenges in building an endowment without the impetus of a capital campaign, sets out to balance the Holburne's budget. The new Director arrived with a remit to make the Museum – the place and the brand – feel more energetic and contemporary, modernising the programmes, look and tone of voice while protecting all the best things that have secured the Museum its formidable reputation for excellence. Plans have also begun to enhance all aspects of the Holburne's income generation and a new contract was negotiated with Benugo's, the café contractor, towards the end of the year.

FINANCIAL REVIEW

Responsibility for the accounts and financial statements

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year that provide a true and fair view of the state of affairs of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements, The Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate that the museum will continue operating.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position at any time and which ensure that the financial statements comply with the applicable rules and regulations. They are also responsible for safeguarding the assets of the charity and for their proper application under charity law, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

▪ Review of the year

The Trustees are satisfied that the responsibilities set out above have been discharged and that these accounts have been prepared in accordance with the applicable accounting standards, save where stated in respect of donated heritage assets.

The net cost of operating was £534,636 which has been funded in part by the growth on investments of £132,415 and the balance from our unrestricted funds. The total donations and grants receivable were £578,446 (2016 £473,704).

Overall the unrestricted income fund totalled £840,803 before the pension reserve deficit of £711,000, leaving a net unrestricted income fund of £129,803 at the year end. This is a net decrease of £123,236 for the year. Investment income from dividends and interest was £15,307 (2016 £14,657). Whilst the actuarial adjustment to the pension deficit reserve is a non cash item it is required to be held in unrestricted reserves. The Trustees concluded that it would be appropriate to apply to the Charity Commission for an Order to permit the pension reserve deficit to be offset against the Special Acquisitions restricted reserve at least until the unrestricted reserves have been rebuilt, as a result of the changes now being implemented. Subsequent to the year end, the Charity Commission have agreed to make the Scheme provided that we give the appropriate notice of the change. Notices have been published in the local paper and on the Holburne Museum website. On July 4th this will be confirmed to the Charity Commission, which will then allow the Scheme to be noted at the AGM on the 6th of July.

Clearly the drain on the reserves is unsustainable and, in so far as it represents a cash outflow, is primarily the result of a failure to achieve the annual fundraising target. The Trustees appointed a new fundraiser and the early indications are that the fresh approach is beginning to yield results in 2018. Coincident with this, the Trustees also concluded that central to the future operational efficiency of the changes, it was necessary for the Director, Chris Stephens, to become a Trustee, thus enabling more rapid decision making on important issues, not least in the sphere of grant applications. An Order has therefore been applied for to the Charity Commission to permit the payment of a Trustee. The Charity Commission Order dated 4 May 2018 now allows this change to be approved at the AGM on the 6th of July.

Our Catalyst Endowment Fund and Restricted Income Funds are discussed below.

At the end of 2017 the Museum Group's total net assets were £12,449,684, a reduction of £315,221. This reduction included two non-cash items – the actuarial gain on the defined benefit pension scheme (£87,000) and the provision for depreciation (£241,182). The total net assets includes £8,332,213 for the building and its redevelopment completed in 2011. The Trustees are satisfied that the Balance Sheet is in a sufficiently sound state with sufficient resources for the short to medium term.

The Trustees' objective is to manage the Museum's annual operating costs ultimately to achieve at least breakeven after annual fundraising and the total return achieved on investments. To move towards this goal the decision has been taken to revert to the position prior to the building of the extension and relaunch and to start charging for admission to the museum, other than on the ground floor later in 2018. In the long term the objective is to build the unrestricted fund which, taken together with the Catalyst and Education Endowment funds, will generate average total returns from investments sufficient to cover the Museum's core operating costs after annual fundraising and charging for admission and so ensure the longer term stability of the Museum and its operations.

Details of Funds

The Trustees long term objective is to maintain the following five separate funds:

- **The General Fund** is the fund through which all the Trust's day-to-day operating transactions (other than those that relate solely to one or more of the other funds) are recorded. This fund operates routinely in deficit, and is subject to regular subsidy from the Unrestricted fund.
- **The Unrestricted Fund** provides finance for the core operating costs relating to the on-going activities of the Museum. Total return income and gains from the Catalyst Endowment Fund, Education Endowment Fund and the Special Acquisition Fund are held within this fund.
- **The Development Fund** is a restricted fund operated solely for funds donated and grants raised for the purpose of financing the Trustees' major development scheme (which for these purposes included the Gardener's Lodge development).
- **The Specific Purposes Fund**, also a restricted fund, is an amalgam of the many donations to the charity over the years made with a specific purpose or intent expressed at the time of gift. It also contains the Special Acquisition Fund which holds the proceeds of sale of an item from the collection in 2011. All these transactions, both receipts and the use of the funding, are separately recorded and accounted for in the Trust's records.
- **The Endowment Funds** comprise of two grants: 1) The DCMS/Heritage Lottery Fund's Catalyst: Endowments Fund award together with the matched donations. 2) The Holburne Education Fund awarded by the Medlock Charitable Trust together with matched donations.
Both funds are required to be held intact for a minimum of 25 years from the date of the receipt.

Investment policy and performance

The assets of the Endowment Fund and Special Acquisitions Fund have been invested:

- Through a third party professional investment manager with a medium to low risk/capital preservation total return mandate in accordance with the powers given to the Trustee under the Trustee Investment Act 1961. Such funds totalled £1,235,329 at 31 December 2017, recording a gain of £7,168 during the year; and
- With the Trojan Income Fund. These funds totalled £1,841,795 at 31 December 2017 recording a surplus of £125,247.

The total market value of the investment portfolio totalled £3,077,124 (2016 £3,358,092) at the end of the year.

The balance of the funds is held in cash and is invested at regular intervals as appropriate. The performance of the investments is reported quarterly to the Trustees.

Unrestricted Funds operational approach

The Trustees are concerned to maintain a level of reserves which will provide sufficient working capital and enable the Museum to cope with unexpected shortfalls in income, or increases in operating costs. A five year Business Plan has been prepared and is under constant review, the objective of which is to preserve the Endowment funds and ultimately to increase them to a level at which the income generated will cover the core operating costs of the Museum.

It is the policy of the charity to maintain unrestricted reserves, which are the free reserves of the Charity, at a level that is sufficient to cover the running costs of the Charity for at least six months. The actions set out above are currently being implemented with the aim to restore this headroom.

Pension Fund Deficit

The Museum's participation in the defined benefit scheme for its employees in the Avon Pension Fund resulted in a net actuarial gain in 2017 of £87,000 (2016 net loss £325,000).

The present value of funded obligations is £1,742,000 (2016 £1,672,000), giving rise to a net pension liability of £711,000 (2016 £785,000). This deficit is charged to the Unrestricted Reserves Fund. This shows that the pension fund covers some 59% (2016 53%) of the projected liability that is expected to crystallise over a period of 20 years and may have to be funded from the charity's resources in the future. The liability is reassessed by the Scheme's actuary on a triennial basis. As the Trustees take the view that as this liability is most unlikely to crystallise at one point in time, the focus should be on funding the annual costs of servicing the scheme. The 2017 net decrease in pension liability has been charged to the Unrestricted Reserves Fund. Subsequent to the year end the Charity Commission has approved the trustees application for an Order to transfer the liability and place it against the Special Acquisitions restricted reserve at least until the unrestricted reserves have been rebuilt. The draft Order will be initiated at the AGM.

In 2010 the Trustees closed the defined benefit scheme to new employees and offered them a defined contribution scheme with *Scottish Widows*, which enables them to exercise some control over their entitlements. There was no take up of this scheme. In 2016 in line with government requirements, an automatic enrolment pension scheme was put into place, the provider being People's Pension.

Plans for future periods

Looking forward to 2017 and beyond, the priorities for the Trustees as set out in the Museum's Forward Plan are:

- **Excellence:** To maintain and develop the Holburne Museum's reputation for high quality in all of its activities.
 - **Resilience:** To create a sustainable museum through ambitious programming, fundraising, commercial activities, partnerships and staff development.
 - **Engagement:** To increase and broaden audiences by providing engaging, meaningful and welcoming experiences
- In addition, the Museum will use the success of the 2016 *100 Years Here* anniversary year to implement its Endowment and Bequests scheme.

Dr Chris Stephens arrived in July as the new Director to succeed Jennifer Scott. As Head of Displays and Lead Curator of Modern British Art at Tate Britain, Stephens is one of the foremost scholars of 20th century British art and the art of St Ives. He most recently curated the major 2017 *David Hockney* retrospective at Tate Britain, Centre Pompidou, Paris & Metropolitan Museum of Art, New York. The exhibition is projected to be the most visited exhibition in Tate Britain's history. He joined the Museum in early July 2017.

Auditors


Moore Stephens have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

Thanks

The Trustees convey their sincere thanks to all the staff and volunteers who have provided their support to the Museum, without which it could not continue to honour and deliver its response to the charitable objectives laid down for it by its founder in 1882.

This report was approved by the Trustees and signed on their behalf on 06 07 2018 by:


.....
Edward Bayntun-Coward
Chairman


.....
Antony Constantinidi
Treasurer

**THE HOLBURNE MUSEUM
OFFICERS AND MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Board of Directors of The Holburne Museum Trust Company ('The Trustees')

Edward Bayntun–Coward [Appointed as Trustee 7/7/2017, appointed Chairman 22/9/2017]
CHAIRMAN
Owner of George Bayntun, antiquarian book binders and booksellers
Deputy Lieutenant of Somerset.

John Barneby [1, 2] [Appointed as Chairman 13/1/2017 – 22/9/2017 Resigned]
JOINT VICE CHAIRMAN [Appointed 22/9/2017]
Former Chairman of Czarnikow Group Ltd

Prof. Brian Allen FSA, DLitt [3, 5]
JOINT VICE CHAIRMAN
Chairman, Hazlitt Group
Former Director of Studies at the Paul Mellon Centre

Antony Constantinidi FCA [1,2]
HON.TREASURER
Chartered Accountant
Former tax partner, PricewaterhouseCoopers

Alexandra Chapman [2]
Trustee, Reed Foundation
Chair of Trustees, Ethiopiaid

Dr Martin Clarke [2]
Founder partner at Ocean Bridge Partners
Director and Trustee of The Shakespeare's Globe Theatre, London
Chief Financial Officer, The AA

David Embleton [1] (Retired 7/7/2017)
Chairman, Wyvern Fund, a seed investment fund for the Universities of Bath, Bristol and Southampton
Co-Founder of Eden Ventures, Bath
Former Pro-Chancellor of the University of Bath, 1996-2003

Patricia Lankester [4, 5]
Educationalist
Trustee of the Chelsea Physic Garden
Former Trustee of the Tate and the National Gallery
Former Head of Education, National Trust

Michael King [5]
Consultant Solicitor
Former Chairman of Stone King LLP solicitors
Chairman, Prior Park Schools

John Lovering CBE[2]

Private equity specialist

Governor of Dulwich College, Chairman of Dulwich College Enterprises and Chairman of Hastings Pier Charity

Former chairmanships include: Mitchells & Butlers plc, Debenhams plc, Homebase Ltd, Somerfield Ltd

Trustee of The Lovering Charitable Foundation

Oluwatosin Onile-Ere-Rotimi [4] [Appointed 7/7/2017]

Contemporary African art specialist

Desmond Shawe-Taylor LVO [3]

Surveyor of The Queen's Pictures

Former Director of Dulwich Picture Gallery

Adrian Tinniswood OBE [4, 5]

Architectural historian, author, lecturer and broadcaster.

A consultant with The National Trust and formerly Chairman of the HLF committee for the South West

Cllr. Paul Crossley [6]

Nominated Trustee, Leader of Bath and North East Somerset Council

Antonia Johnson [3, 7]

Nominated Trustee, The Friends of The Holburne Museum

Mark Humphriss [8]

Nominated Trustee, University of Bath Secretary

Prof. Christina Slade [9] [Retired 7/7/2017]

Nominated Trustee, Vice Chancellor of Bath Spa University

Prof. John Strachan. [9] [Appointed 7/7/2017]

Nominated Trustee, Bath Spa University

Management

Director of The Holburne Museum [2,3,4]

Dr Christopher Stephens

Notes

[1] Member of Investment Committee

[2] Member of the Development Committee

[3] Member of the Collection and Exhibitions Committee

[4] Member of the Learning and Community Engagement Committee

[5] Member of the Nominations Committee

[6] Nominee, Bath and North East Somerset Council

[7] Nominee, The Friends of The Holburne Museum

[8] Nominee, The University of Bath

[9] Nominee, Bath Spa University

Trustees and management who served during the year, but who are no longer in post at the date of this report

Alexandra Chapman until 20 April 2018.

**THE HOLBURNE MUSEUM
PROFESSIONAL ADVISORS AND BANKERS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Solicitors

Thrings LLP
2 Queen Square
Bath BA1 2HQ

Withy King
Midland Bridge House
Midland Bridge Road
Bath BA2 3FP

Auditors

Moore Stephens
Chartered Accountants & Statutory Auditors
30 Gay Street
Bath BA1 2PA

Investment managers and advisors

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London SW1E 5JL

Link Fund Solutions Limited
PO Box 389
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Insurance Brokers

Jelf Insurance Brokers Ltd
1 Crescent Office Park
Clarks Way
Bath BA2 2AF

Blackwall Green
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London EC4N 8AW

Bankers

CafBank Ltd
PO Box 289
West Malling
Kent ME19 4TA

**THE HOLBURNE MUSEUM
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MUSEUM
FOR THE YEAR ENDED 31 DECEMBER 2017**

Opinion

We have audited the financial statements of The Holburne Museum (the 'charity') for the year ended 31 December 2017 which comprise the Consolidated Statement of Financial Activities, Charity and Consolidated Balance Sheets, Consolidated Statement of Cash Flow 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 FRS 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 group's and the charitable company's affairs as at 31 December 2017 and of the group's incoming resources and application of resources, including its income and expenditure, 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 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 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 audit opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Trustees 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 Trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities Statement set out on page 5, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils 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 Chapter 3 of Part 8 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 and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Stephens

Moore Stephens

Statutory Auditor

30 Gay Street

Bath

Somerset

BA1 2PA

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

6th July 2018.

THE HOLBURNE MUSEUM

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR YEAR ENDED 31 DECEMBER 2017

		Unrestricted Funds	Restricted Funds	Endowment fund	Total Funds 2017	Total Funds 2016
	Note	£	£	£	£	£
INCOME AND ENDOWMENTS						
Donations and legacies	1	501,935	44,686	31,825	578,446	473,704
Income from charitable activities	2	266,825	40,657	-	307,482	195,568
Other trading activities	3	342,070	-	-	342,070	305,199
Income from investments	4	74	-	15,233	15,307	14,657
TOTAL INCOME AND ENDOWMENTS		1,110,904	85,343	47,058	1,243,305	989,128
EXPENDITURE						
Expenditure on raising funds	5	(91,608)	-	-	(91,608)	(68,211)
Investment management costs	6	-	-	(11,143)	(11,143)	(10,757)
Expenditure on charitable activities	7/8/9	(1,356,941)	(318,249)	-	(1,675,190)	(1,569,062)
TOTAL EXPENDITURE		(1,448,549)	(318,249)	(11,143)	(1,777,941)	(1,648,030)
NET INCOME/ (EXPENDITURE)	10	(337,645)	(232,906)	35,915	(534,636)	(658,902)
TRANSFERS BETWEEN FUNDS	11	127,409	5,000	(132,409)	-	-
NET INCOME/(EXPENDITURE) AFTER TRANSFERS		(210,236)	(227,906)	(96,494)	(534,636)	(658,902)
Gain on investments	15	-	-	132,415	132,415	302,649
Actuarial gain/(loss) on defined benefit pension scheme	19	87,000	-	-	87,000	(325,000)
NET MOVEMENT IN FUNDS		(123,236)	(227,906)	35,921	(315,221)	(681,253)
FUND BALANCES BROUGHT FORWARD		253,039	10,440,785	2,071,081	12,764,905	13,446,158
FUND BALANCES CARRIED FORWARD		129,803	10,212,879	2,107,002	12,449,684	12,764,905

The above results relate wholly to continuing activities; there were no other recognised gains or losses in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

THE HOLBURN MUSEUM

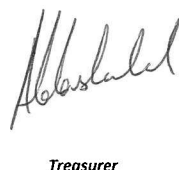
BALANCE SHEET

31 DECEMBER 2017

	Note	Unrestricted Funds General Funds £	Pension Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2017 £	Total Funds 2016 £
FIXED ASSETS							
Tangible fixed assets							
The Museum	13	550,000	-	7,782,213	-	8,332,213	8,508,445
Others	13	51,928	-	730,142	-	782,070	834,702
Heritage assets	14	-	-	753,000	-	753,000	748,000
Investments	15	68,790	-	920,000	2,088,434	3,077,224	3,358,192
TOTAL FIXED ASSETS		670,718	-	10,185,355	2,088,434	12,944,507	13,449,339
CURRENT ASSETS							
Bookshop stock	16b	2,500	-	-	-	2,500	2,500
Debtors	17b	216,068	-	-	-	216,068	172,752
Bank balances and cash in hand		130,432	-	27,524	18,568	176,524	148,518
		349,000	-	27,524	18,568	395,092	323,770
CREDITORS: Amounts falling due within one year	18b	(355,721)	-	-	-	(355,721)	(223,215)
NET CURRENT ASSETS/(LIABILITIES)		(6,721)	-	27,524	18,568	39,371	100,555
NET ASSETS/(LIABILITIES) BEFORE PENSION DEFICIT		663,997	-	10,212,879	2,107,002	12,983,878	13,549,894
Pension scheme deficit	19	-	(711,000)	-	-	(711,000)	(785,000)
NET ASSETS/(LIABILITIES)		663,997	(711,000)	10,212,879	2,107,002	12,272,878	12,764,894
ENDOWMENT FUND	20	-	-	-	2,107,002	2,107,002	2,071,081
RESTRICTED FUNDS	21						
Specific Purposes Fund: Revenue		-	-	72,271	-	72,271	77,740
Specific Purposes Fund: Capital		-	-	22,548	-	22,548	22,548
Specific Purposes Fund: Heritage assets		-	-	753,000	-	753,000	748,000
Special Acquisitions Fund		-	-	920,000	-	920,000	920,000
Development Fund		-	-	8,445,060	-	8,445,060	8,672,497
		-	-	10,212,879	-	10,212,879	10,440,785
UNRESTRICTED FUNDS							
General fund		663,997	-	-	-	663,997	1,038,028
Pension fund	19	-	(711,000)	-	-	(711,000)	(785,000)
	22b	663,997	(711,000)	-	-	(47,003)	253,028
		663,997	(711,000)	10,212,879	2,107,002	12,272,878	12,764,894

The financial statements were approved by the Trustees at their meeting on 6/7/18 and are signed on their behalf on


Chairman


Treasurer

The accompanying accounting policies and notes form an integral part of these financial statements.


THE HOLBURN MUSEUM

CONSOLIDATED BALANCE SHEET

31 DECEMBER 2017

	Note	Unrestricted Funds General Funds £	Pension Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2017 £	Total Funds 2016 £
FIXED ASSETS							
Tangible fixed assets							
The Museum	13	550,000	-	7,782,213	-	8,332,213	8,508,445
Others	13	51,928	-	730,142	-	782,070	834,702
Heritage assets	14	-	-	753,000	-	753,000	748,000
Investments	15a	68,690	-	920,000	2,088,434	3,077,124	3,358,092
TOTAL FIXED ASSETS		670,618	-	10,185,355	2,088,434	12,944,407	13,449,239
CURRENT ASSETS							
Bookshop stock	16a	57,812	-	-	-	57,812	45,028
Debtors	17a	231,026	-	-	-	231,026	137,036
Bank balances and cash in hand		186,192	-	27,524	18,568	232,284	183,057
		475,030	-	27,524	18,568	521,122	365,121
CREDITORS: Amounts falling due within one year	18a	(304,845)	-	-	-	(304,845)	(264,455)
NET CURRENT ASSETS/(LIABILITIES)		170,185	-	27,524	18,568	216,277	100,666
NET ASSETS/(LIABILITIES) BEFORE PENSION DEFICIT		840,803	-	10,212,879	2,107,002	13,160,684	13,549,905
Pension scheme deficit	19	-	(711,000)	-	-	(711,000)	(785,000)
NET ASSETS/(LIABILITIES)		840,803	(711,000)	10,212,879	2,107,002	12,449,684	12,764,905
ENDOWMENT FUND	20	-	-	-	2,107,002	2,107,002	2,071,081
RESTRICTED FUNDS	21						
Specific Purposes Fund: Revenue		-	-	72,271	-	72,271	77,740
Specific Purposes Fund: Capital		-	-	22,548	-	22,548	22,548
Specific Purposes Fund: Heritage assets		-	-	753,000	-	753,000	748,000
Special Acquisitions Fund		-	-	920,000	-	920,000	920,000
Development Fund		-	-	8,445,060	-	8,445,060	8,672,497
		-	-	10,212,879	-	10,212,879	10,440,785
UNRESTRICTED FUNDS							
General fund		840,803	-	-	-	840,803	1,038,039
Pension fund	19	-	(711,000)	-	-	(711,000)	(785,000)
	22a	840,803	(711,000)	-	-	129,803	253,039
		840,803	(711,000)	10,212,879	2,107,002	12,449,684	12,764,905

The financial statements were approved by the Trustees at their meeting on
and are signed on their behalf on 6/7/2018 by:


Chairman


Treasurer

The accompanying accounting policies and notes form an integral part of these financial statements.

THE HOLBURNE MUSEUM

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Cash flows from operating activities		
Net expenditure for the reporting period	(315,221)	(681,253)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	241,182	241,141
Net gains on investments	(132,415)	(302,649)
Dividends and rents from investments	(15,233)	(14,229)
Movement in pension reserve deficit	(74,000)	328,000
<i>Changes in:</i>		
Stocks	(12,784)	(2,126)
Trade and other debtors	(93,990)	319,375
Trade and other creditors	40,390	(457,191)
Net cash used in operating activities	<u>(362,071)</u>	<u>(568,932)</u>
Cash flows from investing activities		
Dividends and rents from investments	15,233	14,229
Purchase of tangible assets	(12,318)	(150,625)
Purchase of heritage assets	(5,000)	-
Purchases of other investments	(479,223)	(441,262)
Proceeds from sale of other investments	892,606	903,888
Net cash provided by investing activities	<u>411,298</u>	<u>326,230</u>
Net increase/(decrease) in cash and cash equivalents	49,227	(242,702)
Cash and cash equivalents at beginning of year	183,057	425,759
Cash and cash equivalents at end of year	<u>232,284</u>	<u>183,057</u>

THE HOLBURNE MUSEUM

ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2017

General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Great Pulteney Street, Bath, BA2 4DB.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure.

The consolidated accounts include the trading activities, assets and liabilities of the subsidiary company.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Defined benefit pension and other post-employment benefits

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, Bath and North East Somerset Council determine the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions relevant to the defined benefit pension and other post-employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are given in note 19.

THE HOLBURNE MUSEUM

ACCOUNTING POLICIES (*continued*)

YEAR ENDED 31 DECEMBER 2017

Revenue recognition

Donations, grants, sponsorship and legacies are credited to income only when it is probable that they will be received and the amount can be measured with sufficient reliability.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

No monetary value is attributed to the substantial amount of time and effort contributed by the many volunteers essential to the Museum's activities and who have not been paid for their assistance.

Income

Donations and legacies include all gifts, donations and related gift aid, grants which provide core funding and patrons' subscriptions.

Other trading activities are the trading and other fundraising activities primarily to generate incoming resources to undertake charitable activities.

Income from charitable activities includes any incoming resources received that are a payment for goods and services provided for the benefit of the charity's beneficiaries. 'Charitable activities' for the purposes of the Museum's financial statement are:

- a) Exhibitions and display
- b) Learning
- c) Events (lectures and concerts etc), room hire and catering.

Expenditure

Expenditure is recognised when incurred, and is reported gross of related income on the following bases:

- a) Expenditure on raising funds comprises the costs associated with attracting voluntary income and the costs of other income generation, e.g. the costs associated with management of the investment portfolio.
- b) Expenditure on charitable activities comprises direct expenditure including staff costs attributable to its activities. Where costs cannot be directly attributed, they are allocated to activities on a basis consistent with the use of resources as described below.
- c) Governance costs are costs incurred in the governance of the Trust's assets in order to comply with constitutional and statutory requirements and are included within expenditure on charitable activities.
- d) Support costs include the central functions and are allocated to activity cost categories on a basis consistent with the use of the resources, e.g. allocating staff costs according to time spent and other costs according to usage.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

THE HOLBURNE MUSEUM

ACCOUNTING POLICIES *(continued)*

YEAR ENDED 31 DECEMBER 2017

Investment assets and income

Dividends and interest from investments are credited to income on receipt.

The charity's investment in its subsidiary company is shown at cost.

All other investments are shown in the Balance Sheet at their mid-market price as quoted on the London Stock Exchange. Gains and losses on the revaluation and realisation of investments are taken or charged to income in the Statement of Financial Activities.

Taxation

No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources. Gift Aid is recoverable on certain donations, and where applicable, has been included in income.

Liabilities

Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Restricted and unrestricted income funds

Unrestricted income funds are expendable at the discretion of the Trustees in furtherance of the objects of the Museum.

Funds designated for a particular purpose are also unrestricted. The Trustee had in previous years designated the Capital Fund as a separate unrestricted fund from the General Fund for the future development and maintenance of the Museum's buildings and collection. The Trustee considers such designation is no longer appropriate and the designation has been removed.

The Museum receives grants and donations for purposes specified by the donors and funds are expended in accordance with donors' wishes. Such funds are restricted funds and are disclosed in the accounts under one of the headings Specific Purposes Funds or Development Funds.

Endowment fund

The charity's Catalyst endowment fund is the Heritage Lottery Fund/Department for Culture Media and Sport Catalyst: Endowment fund created from a grant of £1 million from the Heritage Lottery Fund which, together with 1:1 matched funding, will be received and raised over the period to June 2016. The capital must be retained as a permanent endowment for a minimum period of 25 years. The real value of investment returns on this fund will be used to support the operations of the Museum and will be transferred annually to the general fund.

The Holburne Learning endowment fund has been created by the Medlock Charitable Trust, Bath. It is a grant to be treated as a restricted endowment fund, the capital of which will be ring fenced to remain intact for a minimum of 25 years. The income, on a "total return" basis, from the fund will be used to support learning activities at the Holburne Museum.

Fixed Assets

Freehold property is shown in the Balance Sheet using a pre development valuation of £550,000 as deemed cost on transition to SORP(FRS102) plus subsequent costs of development of £8,949,750.

Since re opening in May 2011, depreciation has been provided on the Museum's building.

Expenditure on fixed assets is capitalised where material. Where capitalised, assets are stated at cost less subsequent depreciation unless otherwise stated. Other fixed asset expenditure of less than £200 is charged to general income or specific grants as appropriate. Where expenditure on material fixed assets is funded by specific grants or donations depreciation thereon is charged to the Specific Purposes Fund.

THE HOLBURNE MUSEUM

ACCOUNTING POLICIES *(continued)*

YEAR ENDED 31 DECEMBER 2017

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property - 50 years straight line (SL)
Fixtures and fittings - pre development, 20% reducing balance - post development, 15 to 30 years SL
Leasehold property - over the period of the lease

Where the recoverable amount of a tangible fixed asset is found to be below its net book value, the asset is written down to its recoverable amount and the loss on impairment is charged to the relevant expenditure category of the statement of financial activities. Where an asset is not primarily used to generate income its impairment is assessed by reference to its service potential on its initial acquisition. In the year, the charity currently has no tangible fixed assets to which impairment provisions apply.

Heritage assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity.

The directors of the trustee company have identified three heritage assets acquired in earlier years and these have been capitalised.

With the exception of the three assets mentioned above the collection is the legacy of the Holburne family and it would be difficult and costly to attribute a cost or value to the collection. As such these assets are excluded from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability and significant costs would be involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

The very long expected lives of heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is, therefore, not provided.

Stock

Stock in the Museum shop is included in the financial statements at the lower of its original cost and net realisable value.

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in expenditure on a straight-line basis over the period of the lease.

THE HOLBURNE MUSEUM

ACCOUNTING POLICIES (*continued*)

YEAR ENDED 31 DECEMBER 2017

Pension costs

For defined contribution pension schemes, contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

For defined benefit pension schemes, current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

Financial instruments

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

1. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £
Donations and legacies				
Specific purposes revenue fund	132,215	6,000	–	138,215
General donations, grants and legacies	223,067	28,686	31,825	283,578
Patrons' subscriptions and donations	47,486	–	–	47,486
Friends of the Holburne Museum	25,000	10,000	–	35,000
University contributions	74,167	–	–	74,167
	<u>501,935</u>	<u>44,686</u>	<u>31,825</u>	<u>578,446</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £
Donations and legacies				
Specific purposes revenue fund	74,375	39,478	–	113,853
General donations, grants and legacies	56,273	12,251	–	68,524
Patrons' subscriptions and donations	49,527	–	–	49,527
Friends of the Holburne Museum	35,000	–	–	35,000
Endowment donations	–	–	124,731	124,731
University contributions	70,000	–	–	70,000
ACE grants	–	6,995	–	6,995
Grants and donations for Atherley acquisition	–	5,074	–	5,074
	<u>285,175</u>	<u>63,798</u>	<u>124,731</u>	<u>473,704</u>

2. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Exhibition admissions and touring income	225,409	–	225,409
Learning lectures, concerts, workshops etc	41,416	40,657	82,073
	<u>266,825</u>	<u>40,657</u>	<u>307,482</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Exhibition admissions and touring income	121,425	–	121,425
Learning lectures, concerts, workshops etc	33,818	40,325	74,143
	<u>155,243</u>	<u>40,325</u>	<u>195,568</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

3. Other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Corporate Sponsorship and membership	43,855	43,855	60,100	60,100
Other activities for generating funds	297,378	297,378	244,243	244,243
Museum room hire and lettings	837	837	856	856
	<u>342,070</u>	<u>342,070</u>	<u>305,199</u>	<u>305,199</u>

4. Investment income

	Unrestricted Funds £	Endowment Funds £	Total Funds 2017 £
Income from UK listed investments	–	15,233	15,233
Bank interest receivable	74	–	74
	<u>74</u>	<u>15,233</u>	<u>15,307</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2016 £
Income from UK listed investments	2,187	12,042	14,229
Bank interest receivable	428	–	428
	<u>2,615</u>	<u>12,042</u>	<u>14,657</u>

5. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Other costs of generating funds	91,608	91,608	68,211	68,211
	<u>91,608</u>	<u>91,608</u>	<u>68,211</u>	<u>68,211</u>

6. Investment management costs

	Unrestricted Funds £	Endowment Funds £	Total Funds 2017 £
Investment management fees	–	11,143	11,143
	<u>–</u>	<u>11,143</u>	<u>11,143</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2016 £
Investment management fees	1,654	9,103	10,757
	<u>1,654</u>	<u>9,103</u>	<u>10,757</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

7. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Museum activities	582,117	249,389	831,506
Learning activities	104,903	57,691	162,594
Exhibition activities	163,307	11,169	174,476
Support costs	506,614	–	506,614
	<u>1,356,941</u>	<u>318,249</u>	<u>1,675,190</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Museum activities	515,876	263,602	779,478
Learning activities	116,562	23,777	140,339
Exhibition activities	216,545	2,500	219,045
Support costs	430,200	–	430,200
	<u>1,279,183</u>	<u>289,879</u>	<u>1,569,062</u>

8. Costs of charitable activities by activity type

	Staff costs £	Other direct costs £	Support costs £	Total Funds 2017 £	Total Funds 2016 £
Museum activities	352,870	478,636	167,213	998,719	939,996
Learning activities	98,208	64,386	96,193	258,787	240,662
Exhibition activities	26,246	148,230	205,623	380,099	355,484
	<u>477,324</u>	<u>691,252</u>	<u>469,029</u>	<u>1,637,605</u>	
Governance costs	–	–	37,585	37,585	32,920
	<u>477,324</u>	<u>691,252</u>	<u>506,614</u>	<u>1,675,190</u>	<u>1,569,062</u>

9. Analysis of support costs

	Museum activities £	Education activities £	Exhibition activities £	Total 2017 £	Total 2016 £
Staff costs	44,440	25,394	55,867	125,701	132,105
Premises	82,084	47,055	102,121	231,260	211,080
Other administrative costs	40,689	23,744	47,635	112,068	54,095
	<u>167,213</u>	<u>96,193</u>	<u>205,623</u>	<u>469,029</u>	<u>397,280</u>

10. Net outgoing resources for the year

This is stated after charging:

	2017 £	2016 £
Depreciation	241,182	241,141
Auditors' remuneration:		
- audit of the group financial statements	10,900	10,700
- audit of the charity financial statements	8,500	8,525
	<u>260,582</u>	<u>260,366</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

11. Fund transfers

The transfer from endowment funds to unrestricted funds is the unapplied total return on the endowment fund which has been allocated to income in the reporting period.

12. Staff costs and emoluments

Total staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	550,671	505,145
Social security costs	48,077	43,784
Other pension costs	32,000	22,000
Other post-retirement benefit costs	7,331	5,871
	<u>638,079</u>	<u>576,800</u>

Other pension costs above represents the total operating charge included in expenditure in the Statement of financial activities and does not include amounts included in other finance costs.

Particulars of employees:

The average number of employees during the year, was as follows:

	2017	2016
	No.	No.
Director	1	1
Curatorial	3	2
Learning	5	4
Exhibitions	1	1
Shop	1	1
Administration & finance	2	2
Fundraising	2	2
Communications	2	2
Facilities	1	1
Front of House	4	5
	<u>22</u>	<u>21</u>

There were 14 (2016:17) part time employees and 12 (2016:8) full time employees during the year, being 26 (2016:25) employees in total. The average full time equivalent being 22 (2016:21) employees.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

12. Staff costs and emoluments (*continued*)

No employee received remuneration of more than £60,000 during the year (2016 – nil)

Trustees

No remuneration is payable to the sole trustee of the Museum, or to any of the directors of that company. Expenses of £181 (2016:£277) were reimbursed to two (2016: one) director of the Trustee company for expenses incurred on travel to quarterly board meetings.

Key Management Personnel

The total amount of employee benefits received by key management personnel is £152,283 (2016:£140,700).

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

13. Tangible Fixed Assets
The group and the charity

	Freehold property £	Fixtures & Fittings £	Leasehold Property £	Total £
COST				
At 1 January 2017	9,499,750	1,121,464	90,423	10,711,637
Additions	–	12,318	–	12,318
At 31 December 2017	9,499,750	1,133,782	90,423	10,723,955
DEPRECIATION				
At 1 January 2017	991,305	323,569	53,616	1,368,490
Charge for the year	176,232	60,251	4,699	241,182
At 31 December 2017	1,167,537	383,820	58,315	1,609,672
NET BOOK VALUE				
At 31 December 2017	8,332,213	749,962	32,108	9,114,283
At 31 December 2016	8,508,445	797,895	36,807	9,343,147

Freehold property

The freehold of the Museum buildings and grounds is held by the Trustee, in Trust for the charity.

The Museum building and grounds were professionally valued at £550,000 in 1994 and this valuation has been used as a deemed cost on transition to SORP (FRS 102).

During 2011 the Development project was completed and the total cost of £8,811,623 reanalysed as freehold property.

Since the opening of the Museum in May 2011, depreciation commenced on the freehold property on a straight line basis over a period of 50 years. In August 2017 the building was valued at £16.6m (2016 £16m) by the Charity's insurers, this being based on the cost of restoring or repairing the building using modern techniques and materials or replacing the property with a modern equivalent.

Leasehold property

The leasehold property is the Gardener's Lodge. The cost included in the accounts represents the cost of the premium paid to Bath & North East Somerset Council for the grant by them of a 20 year rent-free lease on these premises in Sydney Gardens, together with the cost of small subsequent improvements. The lease commenced on 20 November 2004 and its costs are being amortised by equal annual instalments over the life of the lease. The amount of the depreciation is charged against the Development Fund.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

14. Heritage Assets

The group and the charity

	Heritage Assets £
COST	
At 1 January 2017	748,000
Additions	5,000
	<u>753,000</u>
At 31 December 2017	<u>753,000</u>
DEPRECIATION	
At 31 December 2017	<u>-</u>
NET BOOK VALUE	
At 31 December 2017	<u>753,000</u>
At 31 December 2016	<u>748,000</u>

A Bead Basket costing £78,000 and a cabinet costing £250,000 were purchased in earlier years and capitalised as a prior year adjustment as at 1 January 2015. The Atherley portrait costing £420,000 was purchased in 2015.

During the current year an Ivory Fan was purchased for £5,000.

15a. INVESTMENTS

The group and the charity

Movement in market value

	2017 £	2016 £
Market value at 1 January 2017	3,358,092	3,518,069
Acquisitions at cost	479,223	441,262
Disposals at opening book value	(915,827)	(917,360)
Net gains on revaluations in the year ended 31 December 2017	132,415	302,649
Movement in cash account during the year ended 31 December 2017	23,221	13,472
	<u>3,077,124</u>	<u>3,358,092</u>
Market value at 31 December 2017	<u>3,077,124</u>	<u>3,358,092</u>
Historical cost at 31 December 2017	<u>2,033,857</u>	<u>2,235,345</u>

Analysis of investments at 31 December 2017 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
Listed investments					
UK Quoted Shares	8,398	920,000	2,088,434	3,016,832	3,321,021
Other investments					
UK Cash held as part of Portfolio	60,292	-	-	60,292	37,071
	<u>60,292</u>	<u>-</u>	<u>-</u>	<u>60,292</u>	<u>37,071</u>
	<u>68,690</u>	<u>920,000</u>	<u>2,088,434</u>	<u>3,077,124</u>	<u>3,358,092</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

15a. INVESTMENTS *(continued)*

Individual holdings in excess of 5% of the total portfolio are as follows:

Trojan income fund - 'S' accumulation shares £1,841,795.

The charity

	2016 £	2015 £
Investment in subsidiary	100	100

15b. SUBSIDIARY UNDERTAKING

The charity owns the whole of the issued share capital of Holburne Trading Company Limited, a company registered in England. The address of the principal office is Great Pulteney Street, Bath, BA2 4DB.

Its principal activity is the operation of the commercial activities at the Holburne Museum and a summary of its results and balance sheet is provided below:

	2017 £	2016 £
Profit and loss account		
Turnover	569,764	430,630
Cost of sales	(215,534)	(230,020)
Gross profit	354,230	200,610
Administrative expenses	(177,457)	(116,060)
Operating profit	176,773	84,550
Interest receivable	23	134
Distribution to Holburne Museum	-	(84,684)
Result for the financial year	176,796	-
Balance sheet		
Assets	257,920	130,846
Liabilities	(81,013)	(130,735)
Retained reserves	176,907	111

16a. STOCKS

The group

	2017 £	2016 £
Stock	57,812	45,028

16b. STOCKS

The charity

	2017 £	2016 £
Stock	2,500	2,500

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

17a. DEBTORS

The group

	2017	2016
	£	£
Trade debtors	29,690	19,311
Other debtors	157,090	21,140
VAT	1,575	22,755
Prepayments	42,671	73,830
	<u>231,026</u>	<u>137,036</u>

17b. DEBTORS

The charity

	2017	2016
	£	£
Trade debtors	5,015	371
Amounts owed by group undertakings	–	85,608
Other debtors	156,407	19,900
VAT	20,162	26,542
Prepayments	34,484	40,331
	<u>216,068</u>	<u>172,752</u>

18a. CREDITORS: Amounts falling due within one year

The group

	2017	2016
	£	£
Trade creditors	125,681	104,760
Other creditors	4,759	5,912
Accruals and deferred income	174,405	153,783
	<u>304,845</u>	<u>264,455</u>

18b. CREDITORS: Amounts falling due within one year

The charity

	2017	2016
	£	£
Trade creditors	111,183	96,747
Amounts owed to group undertakings	113,203	–
Accruals and deferred income	127,401	121,381
Other creditors	3,934	5,087
	<u>355,721</u>	<u>223,215</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Auto enrolment with Peoples Pension came into force February 2016. Therefore all eligible staff are automatically enrolled on to the scheme. The old Scottish Widows pension had no members and is no longer available to employees.

The museum also participates in a multi employer defined benefit scheme which has some 65,000 members. The assets of the scheme are held in the Avon pension fund administered by Bath & North East Somerset council. The Avon pension scheme was closed to new members in September 2010. The last actuarial valuation was undertaken as at 31 March 2016.

The amounts recognised in the statement of financial activities are as follows:

	2017 £	2016 £
<i>Total operating charge in resources expended:</i>		
Current service cost	32,000	22,000
Total operating charge	<u>32,000</u>	<u>22,000</u>
<i>Amounts included in other finance cost:</i>		
Expected return on scheme assets	(24,000)	(36,000)
Interest on scheme liabilities	46,000	53,000
Other finance cost	<u>22,000</u>	<u>17,000</u>
	2017 £	2016 £
<i>Amounts included in other recognised gains and losses:</i>		
Actuarial (gain)/loss	(87,000)	325,000
Other recognised (gains)/losses	<u>(87,000)</u>	<u>325,000</u>
Total (credit)/charge to the statement of financial activities	(33,000)	364,000
Less employer's contributions	<u>(41,000)</u>	<u>(36,000)</u>
(Decrease)/increase in net liability	<u>(74,000)</u>	<u>328,000</u>

The total operating charge and other finance cost are recognised in the following line items in the statement of financial activities:

	2017 £	2016 £
Costs of generating funds	32,000	22,000
Other finance costs	22,000	17,000
	<u>54,000</u>	<u>39,000</u>

The amounts recognised in the balance sheet are as follows:

	2017 £	2016 £
Present value of funded obligations	(1,742,000)	(1,672,000)
Fair value of scheme assets	1,031,000	887,000
Net pension liability	<u>(711,000)</u>	<u>(785,000)</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Changes in the present value of the defined benefit obligation scheme are as follows:

	2017	2016
	£	£
Opening defined benefit obligation	1,672,000	1,338,000
Current service cost	32,000	22,000
Interest on scheme liabilities	46,000	53,000
Actuarial loss	—	266,000
Contributions by scheme participants	6,000	7,000
Benefits paid	(14,000)	(14,000)
Closing defined benefit obligation	1,742,000	1,672,000

Changes in the fair value of scheme assets are as follows:

	2017	2016
	£	£
Opening fair value of scheme assets	887,000	881,000
Expected return on scheme assets	24,000	36,000
Contributions by employer	41,000	36,000
Contributions by scheme participants	6,000	7,000
Actuarial gain/(loss)	87,000	(59,000)
Benefits paid	(14,000)	(14,000)
Closing fair value of scheme assets	1,031,000	887,000

The pension contributions rates for the year were 16.8% of salary plus a fixed contribution of £19,700. This is expected to change to 18.4% plus a fixed contribution of £25,200 for the year commencing 1 April 2018.

The fair value of the major categories of scheme assets as a percentage of total scheme assets are as follows:

	2017	2016
	%	%
Equities	44	52
Government bonds	11	12
Other bonds	5	8
Property	9	9
Cash	3	1
Other assets	28	18

The principal actuarial assumptions as at the balance sheet date were:

	2017	2016
	%	%
Discount rate	3	3
Rate of increase in salaries	4	4
Rate of increase in pensions in payment	2	2
Inflation	2	2

Amounts for the current and previous four periods are as follows:

	2017	2016	2015	2014	2013
	£	£	£	£	£
Defined benefit obligation	(1,742,000)	(1,672,000)	(1,338,000)	(1,302,000)	(1,045,000)
Fair value of scheme assets	1,031,000	887,000	881,000	829,000	723,000
Deficit in the scheme	(711,000)	(785,000)	(457,000)	(473,000)	(322,000)

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

20. ENDOWMENT FUNDS

The group and the charity

	Balance at 1 January 2017 £	Income £	Expenditure and transfers £	Gains and losses £	Balance at 31 December 2017 £
Permanent endowments					
Catalyst endowment fund	2,021,081	47,058	(143,552)	132,415	2,057,002
Learning endowment fund	50,000	—	—	—	50,000
	<u>2,071,081</u>	<u>47,058</u>	<u>(143,552)</u>	<u>132,415</u>	<u>2,107,002</u>

The charity's endowment fund is a Heritage grant of £1 million from the Heritage Lottery Fund which, together with 1:1 matched funding, will be received and raised over the period to June 2016. The capital must be retained as an endowment for a minimum period of 25 years. The real value of investment returns on this fund will be used to support the operations of the Museum.

The Holburne Learning endowment fund has been created by the Medlock Charitable Trust, Bath. It is a grant to be treated as a restricted endowment fund, the capital of which will be ring fenced to remain intact for a minimum of 25 years. The income, on a "total return" basis, from the fund will be used to support learning activities at the Holburne Museum.

Disclosure of total return approach to investment of permanent endowment	Trust for Investment	Unapplied Total Return	Total Endowment
Balance as at 1 January 2017			
Gift component of the permanent endowment	2,056,609	-	2,056,609
Unapplied total return	-	14,472	14,472
Total	<u>2,056,609</u>	<u>14,472</u>	<u>2,071,081</u>
Movements in the reporting period			
Gift of endowment funds	31,825	-	31,825
Investment return: dividends & interest	-	15,233	15,233
Investment return: realised & unrealised gains & (losses)	-	132,415	132,415
Less: Investment management costs		(11,143)	(11,143)
	<u>31,825</u>	<u>136,505</u>	<u>168,330</u>
Unapplied total return allocated to income in the reporting period	-	(132,409)	(132,409)
Net movements in the reporting period	<u>31,825</u>	<u>4,096</u>	<u>35,921</u>
Balance as at 31 December 2017			
Gift component of the permanent endowment	2,088,434	-	2,088,434
Unapplied total return	-	18,568	18,568
Total	<u>2,088,434</u>	<u>18,568</u>	<u>2,107,002</u>

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

21. RESTRICTED INCOME FUNDS

The group and the charity

	Balance at 1 Jan 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2017 £
Development fund					
Gardener's lodge	31,463	—	(4,699)	—	26,764
Major development project	8,641,034	—	(222,738)	—	8,418,296
Specific purposes					
-Capital funds					
Assets	8,270	—	—	—	8,270
Cash	14,278	—	—	—	14,278
-Revenue funds					
Learning	718	6,000	(5,287)	—	1,431
Railings	2,412	—	—	—	2,412
Conservation	15,349	37,239	(19,635)	—	32,953
Adopt a Treasure	1,202	—	—	—	1,202
D E B Pike for conservation	—	1,447	—	—	1,447
Collections for Music Fund	2,382	—	—	—	2,382
Pathways	11,457	40,657	(21,670)	—	30,444
-Heritage asset funds					
Atherley project	31,789	—	(31,789)	—	—
Silver	12,431	—	(12,431)	—	—
Atherley acquisition fund	420,000	—	—	—	420,000
Bead basket fund	78,000	—	—	—	78,000
Cabinet fund	250,000	—	—	—	250,000
Ivory Fan	—	—	—	5,000	5,000
Special Acquisitions fund	920,000	—	—	—	920,000
	<u>10,440,785</u>	<u>85,343</u>	<u>(318,249)</u>	<u>5,000</u>	<u>10,212,879</u>

The Development project fund is monies received specifically to finance the Museum's development project.

The Special Acquisitions Fund holds £920k received from the sale of an item in the collection and under the charity's constitution is required to be held and applied for the further purchase of other works of art for the collection. Therefore, any income, gains or losses on the investments held in the Special Acquisitions fund are allocated to unrestricted funds in order to maintain the balance within the fund.

The Bead Basket fund, the Cabinet fund and the Atherley acquisition fund are funds used to acquire earlier years heritage assets which have now been capitalised.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

22a. UNRESTRICTED INCOME FUNDS

The group

	Balance at 1 Jan 2017	Income	Expenditure and transfers	Gains and losses	Balance at 31 Dec 2017
	£	£	£	£	£
Pension fund	(785,000)	–	(13,000)	87,000	(711,000)
General Funds	1,038,039	1,110,904	(1,308,140)	–	840,803
	<u>253,039</u>	<u>1,110,904</u>	<u>(1,321,140)</u>	<u>87,000</u>	<u>129,803</u>

22b. UNRESTRICTED INCOME FUNDS

The charity

	Balance at 1 Jan 2017	Incoming resources	Outgoing resources and transfers	Gains and losses	Balance at 31 Dec 2017
	£	£	£	£	£
Pension fund	(785,000)	–	(13,000)	87,000	(711,000)
General Funds	1,038,028	709,312	(1,083,343)	–	663,997
	<u>253,028</u>	<u>709,312</u>	<u>(1,096,343)</u>	<u>87,000</u>	<u>(47,003)</u>

23. RELATED PARTIES

As a University Museum, Mark Humphriss, the nominee of the University of Bath sits on the board of Trustees. During the year, grants totalling £14,167 (2016: £10,000) were made by the University to the Museum plus exhibition sponsorship of £20,000 (2016: £20,000). In addition to this services 'in-kind' were provided by the University to the Museum in relation to IT, payroll and security services estimated at a value of £30,000 (2016: £30,000). This is included in both income and expenditure.

John Strachan, the nominee of Bath Spa University sits on the board of Trustees.

During the year, grants totalling £60,000 (2016: £60,000) were made by the University to the Museum plus exhibition sponsorship of £20,000 (2016: £20,000).

THANK YOU

The Holburne is a registered charity and every year we rely on the support of gifts and donations to deliver all of our activities and care for our collection and building.

We are very grateful to everyone who donated to support the Holburne in 2017, and would like to extend special thanks to:

Major Donors

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Very special thanks to

The Volunteers of the Holburne Museum
Donors to the Big Give Christmas Challenge
Every visitor who made a donation

If you would like to support the Holburne by making a donation, please get in touch with Camilla Johns
c.johns@holburne.org 01225 388564.

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The Peter Stormonth Charitable Trust
Ian Thorn
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