

THE HOLBURNE MUSEUM

TRUSTEE REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE HOLBURN MUSEUM

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THE HOLBURN MUSEUM

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

The Holburne Museum ("The Museum") is an independent institution with registered charitable status, established by a 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 of The Company are detailed below:

Directors	Edward Bayntun-Coward, Chair ^{1,2,4}
	Francesca Beauman, Vice Chair ^{2,4}
	Martin Clarke ¹
	Magdalen Fisher (resigned 19 May 2023) ²
	Sandra Forbes ^{1,4}
	Jeremy Garfield- Davies ²
	Angela Gillibrand ¹
	Sukie Hemming ²
	Caroline Howell ³
	Sharanjit Leyl (appointed 7 July 2023)
	Charlotte Murphy
	Lynda Nead (appointed 19 May 2023)
	Andrew Salmon
	Christopher Stephens ^{1,2,3,4}
	Rohan Surana ¹

¹ Finance, Audit & Investment Committee

² Fundraising Committee

³ Learning & Engagement Advisory Committee

⁴ Nominations Committee

**Charity registered
number** 310288

Principal office Great Pulteney Street
Bathwick
Bath
BA2 4DB

Independent auditors Bishop Fleming LLP
Chartered Accountants
10 Temple Back
Bristol
BS1 6FL

Bankers CAF Bank
PO Box 289
West Malling
Kent
ME19 4TA

Solicitors Stone King
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

THE HOLBURNE MUSEUM

TRUSTEE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

STRUCTURE AND GOVERNANCE

The Trustee submits its annual report and accounts for the year ended 31 December 2023. 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 2019.

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 are detailed on page 1 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 Trust Company	Company Registration Number: 4104120
The Holburne Museum	Charity Registration Number: 310288
Holburne Trading Company Ltd	Company Registration Number 6954139
Museums and Galleries Commission	Registered Museum Number: 930

The address of The Museum, and its registered office, is Great Pulteney Street, Bath BA2 4DB. The names and addresses of The Museum's professional advisers and bankers are shown on page 1

Structure, governance and management

- Organisational structure

The Museum is an independent registered charitable trust of which the Company is the sole trustee. The Museum has one subsidiary, the Holburne Trading Company, which operates the commercial activities of the Museum, being the café, shop, car park, commercial events.

- Governance

The Museum charity is governed by a board of directors of the Company, known as "the Directors" who are appointed by the members of The Company. The maximum number of general Directors is eighteen. In addition, the Board may have up to two Representative Directors of whom one is nominated by the University of Bath and one by Bath Spa University.

New Directors 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.

- Management

The Directors, 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. They are also responsible for:

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

The primary functions of the Directors are to:

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

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Full list of committees of the Board during 2023:

• Finance, Audit & Investment Committee	Chair - Angela Gillibrand
• Fundraising Committee	Chair – Sukie Hemming
• Nominations Committee	Chair - Sandra Forbes
• Learning & Engagement Advisory Committee	Chair – Caro Howell

The Directors maintain a Risk Register which identifies the major risks to which the Museum, Directors, staff and volunteers are exposed. This Register is maintained by the Treasurer and reviewed by the Directors, most recently by the Finance, Audit and Investment Committee in September 2024, thus bringing risks to the attention of the Directors and enabling them to establish strategies for dealing with them. The key risks identified are:

• Operational – commercial	Visitor numbers fail to reach targets, commercial income targets not met
• Operational – fundraising	Failure to meet fundraising targets
• Operational – premises	Unexpected capital costs arising from failure of parts of the building or items of plant and equipment
• Operational – premises	Increased prices of services make the building unaffordable
• Financial	Lack of financial resources to continue as a going concern

The Avon Pension Fund liability was extinguished during the year with the payment of the outstanding liability and the departure of the sole remaining employee member.

In 2023, the Management Team included the Director, Chief Operating Officer, Head of Learning & Engagement, Curator, Exhibitions Manager, Head of Visitor Services, Head of Marketing & Communications, and the Museum Administrator. The aims of the monthly Management Team meetings are:

- To monitor day-to-day performance (financial and operational) of the Museum in order to report to the Directors.
- 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.
- To generate new ideas for the furtherance of the Museum's mission and its sustainability.

OBJECTIVES AND ACTIVITIES

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 end 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, Gainsborough and Lawrence. The collection continues to develop, and a Collections Policy was agreed in 2018. The Holburne stages international exhibitions and other projects involving fine and decorative arts of all periods and is admired for its dynamic displays, vibrant learning and community engagement programme and innovative interpretation.

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Vision

Our vision is to make the Holburne an open, welcoming, inspiring and empowering space for everyone.

- At the heart of this vision is the powerful relationship of art, creativity and social and personal wellbeing.
- Our vision is encapsulated by our slogan **Changing Lives Through Art**.
- We seek to deliver our **Mission with Ambition and Innovation**, ensuring that we always do so in ways that are **Inclusive, of the highest Quality, Relevant and Sustainable**.

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 Directors 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

We continued with an exhibition programme based on three seasons a year with two or three small exhibitions each season. The aim is to balance different periods and types of art made up of popular and less familiar subjects. With no core funding, we are heavily reliant on ticket income and so are obliged to programme at least one popular exhibition per season which we seek to balance with more adventurous projects that introduce new artists and art forms to our visitors as well as attracting new audiences. The lead exhibition in the first part of the year was Alberta Whittle's *Dipping below a waxing moon*, the dance claims us for release which combined new work with a selection of Whittle's earlier films. The exhibition was the culmination of four years' working with Alberta which, though badly disrupted by the Covid pandemic, had already seen her contribution to an addition to our permanent collection displays; curated by Artisa Fellow Jill Sutherland, that new display addressed the Holburne family's historic links to sugar plantations in the Caribbean and so to slavery by focusing on a day book from one of the family's plantations. The daybook was also the trigger for the main part of Alberta's exhibition, in our Roper Gallery, which was dominated by a group of life-size mannequins limboing under impossibly low bars.

At the same time as the Alberta Whittle exhibition, we showed Albrecht Dürer's suite of woodcut prints, *The Great Passion*, along with some of the earliest printed books from fifteenth and sixteenth century Germany including the iconic Nuremberg Chronicle from 1493. It was a rare opportunity to see one of Dürer's most important suite of prints framed on the wall as opposed to bound in a book and was part of our on-going partnership with the Schroder Collection.

We started the summer season with one of our most ambitious exhibitions ever: *Painted Love: Renaissance Marriage Portraits*. This magnificent show, curated by former Royal Collection curator Lucy Whitaker, included iconic paintings generously lent from the likes of the National Gallery, H.M. the King and such prestigious private collections as those of Lord Rothschild at Waddesdon and the Marquis of Bath at Longleat. We had ambitious income targets against that exhibition and were disappointed to miss them until we opened in July an exhibition of Lucie Rie ceramics (originated by Kettles Yard and previously shown in Middlesborough as well as Cambridge) which created a significant uplift in attendance. That continued in the autumn with the opening of *Gwen John*, an exhibition selected from a larger show at Pallant House, Chichester. Alongside the Renaissance portraits, we presented a room of densely hung drawings by Michael Simpson, a locally based artist with an international profile and an impressive reputation as an influential teacher at Bath Academy of Art. After that, in the Wirth Gallery, we opened a show of the Victorian miniature painter Sarah Biffin, who made highly accomplished miniatures despite having no hands or feet. With Lucie

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Rie and Gwen John, I believe this was the first time that the Holburne hosted three exhibitions all of female artists.

In addition to the seven exhibitions that we opened at the Holburne, we also mounted another at the Assembly Rooms in central Bath. Unlimited: Art for Everyone in the 1960s explored a project initiated by local engineer and entrepreneur Jeremy Fry to make unlimited editions of works of art by such major artists as Lygia Clarke, Liliane Lijn, Kenneth Martin, Mary Martin and Takis. The project had had a long gestation, delayed in part by the Covid pandemic and originally planned for the gallery at the University of Bath that we managed through 2022. Thanks to the cooperative support of the National Trust and with significant financial support from a range of donors we were able to show the exhibition in the large Tea Room of the Assembly Rooms, their Georgian grandeur echoing Jeremy Fry's home at Widcombe Manor where the works were originally fabricated.

Exhibitions

Albert Whittle: Dipping below a waxing moon, the dance claims us for release / Woodcuts in the Age of Dürer
Unlimited: Art for Everyone in the 1960s

Painted Love: Renaissance Marriage Portraits / Michael Simpson: Drawing towards painting / Lucie Rie: The Adventure of Pottery

Gwen John: Art & Life in London and Paris / Lucie Rie / Sarah Biffin

This programme stimulated a rich series of collateral events. Our desire to grow our reputation as a place to see and better understand contemporary art was reflected in a number of talks and conversations with artists including Alberta Whittle, Alison Lapper and Edmund de Waal, whose reflections on Lucie Rie and exile were felt by many present to be one of the most extraordinary presentations of their lives. We were also delighted to welcome Gus Casely-Hayford, Director of V&A East, who told us about plans for the new museum in east London. Our commitment to continue to address the Holburne's connections to the historic Caribbean plantation economy built on enslaved labour stimulated an event with Alberta Whittle and scholars in the UK and Barbados discussing the Plantation Day Book that is a focal point in our collection displays. In a similar vein, in July we co-hosted a three-day workshop looking at Creative Practices to Explore Colonial Legacies in Cultural and Natural Heritage Sites, a partnership between the Holburne, University of Bath, Bath Royal Literary & Scientific Institute, National Trust and colleagues from Barbados. Other events were organised by our Supporters Committee, chaired by the indefatigable Jonno Davis.

Our widely respected Learning and Engagement programme continued going from strength to strength. We were able to continue the important work of our Pathways to Wellbeing groups, supporting 792 individuals with lived experience of poor mental health, thanks to the generosity of three local charitable trusts who pledged funding for three years. We extended this work into care homes and welcomed young men to the groups. At the same time, another local charity funded us to continue our work with our six partner schools which, amongst many things, provides a golden ticket that enables every pupil to bring their families to the museum for free during school holidays. We were a leading partner in 'Reach In and Reach Out' (RIRO), a co-produced programme for young people that supported their creativity and wellbeing and offered pathways to community engagement and cultural sector volunteering in the West of England. Our fledgling Holburne Future Collective, a group of 16-25 year olds interested in working in museums, gathered momentum and began planning the museum's first Pride event for June 2024. A total of 175 young people engaged directly through these projects. They also delivered two of the eleven monthly UpLates, some of which are produced by various student groups from the two Bath universities. Under the rubric 'Creativity for All', our various creative workshops for adults and young people, including several free drop-in days for families and the freely accessible 'Space to Make' next to the Café, attracted over 7,000 participants.

Entry to the museum is free for the UpLates on the last Friday of each month and every Wednesday afternoon.

Our marketing and digital profile were considerably improved with the arrival of a new Head of Marketing & Communications, Sophie Woodward. The quality of and response to our social media presence was especially clearly enhanced.

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

The year saw some major developments around the collection. The new 2023 Fund is an on-going relationship with a couple who are donating both modern and contemporary prints and drawings and funds for us to buy more. We began negotiations with the owner of a large collection of 18th century fine and decorative arts the gift of which came to fruition in 2024. Most importantly, our negotiations with the Schroder family over the long-term loan of their magnificent collection of Renaissance silver, paintings, ceramics, bronzes and gems and the creation of new galleries in which to house them progressed very well and contracts were signed at the end of the year confirming the loan for a minimum of twenty years and the terms on which the galleries would be built and paid for, along with the transfer of much of our collection to a new facility outside Bath.

Following a competitive procurement process, the hospitality firm Grayson's took over our Café. The space was closed through July whilst they refurbished and refurnished it and the changes greatly improved the environment and, most importantly, the acoustics which had been a persistent problem. The quality and range of the food offer was improved also. We took the opportunity to drop the name 'Garden Café' and replaced it with 'The Holburne Café' which is how people tend to refer to the place anyway. The garden played host to a summer outdoor theatre festival again but the appalling weather seriously impacted attendance and the opportunity it offered the Café for increased custom. Nevertheless, the new caterers were able to offer the museum an increased minimum annual rent.

FINANCIAL REVIEW

Review of the year

Total income for the year amounted to £2,242,185 (2022: £1,886,454), an increase of £355,731 (19%) over the previous year. Admissions were £424,405, up 11% from 2022. Shop sales saw an increase of 3%, however, Café and car parking decreased by 3%. Venue Hire was £59.5k (2022: £100.1k), a decrease of 40.1%. Total expenditure was (£2,447.0k (2022: £1,832.5k). In addition to these funds the Endowment gains totalled £287.2k resulted in an overall net gain of £82.4k compared to a deficit of (£316.3k) in 2022.

The Museum's net assets at 31 December 2023 amounted to £13.24m, of which Endowment Funds stood at £3.78m, Restricted Funds at £8.18m, while Unrestricted Funds decreased to a total of £1.28m.

Details of Funds

The Directors' long-term objective is to maintain the following funds, which are separately recorded and accounted for in the Museum's records:

- Endowment Fund – this comprises the DCMS/ National Lottery Heritage Fund Catalyst: Endowments Fund award, together with subsequent donations. This year a further £250k of Endowment donations were received, with an additional £200k currently waiting to be transferred at 31st December to the Endowment fund. Under the Total Asset Return basis of accounting, 3% of the net increase in the value of investments has been added to the Endowment Fund, the remainder being added to Unrestricted Funds.
- Restricted - Development Fund – this comprises funds donated, and grants raised to finance the Museum' major redevelopment scheme (including the Gardener's Lodge development). The annual depreciation charges on freehold and leasehold property, and on fixtures and fittings financed from this Fund, are charged against the Fund.
- Restricted – Heritage Assets Fund – this represents the value of Heritage Assets purchased by or donated to the Museum.
- Restricted- Specific Purposes Fund – these are the unspent balances of grants and donations made to the Museum with a specific purpose or intent.

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

- Unrestricted Fund – these are the accumulated revenue surpluses of the Museum, providing finance for the core operating costs relating to the on-going activities of the Museum.

Investment policy and performance

The assets of the Endowment Fund are invested through a professional investment manager, Sarasin & Partners, with a medium to low risk/capital preservation Total Asset Return mandate in accordance with the powers given to the Trustee under the Trustee Investment Act 1961. After a further £250,000 was invested in the year, funds totalled £3.78m (2022 £3.29m), recording a gain during the year £287.2k (2022: £370.2K loss) before investment management costs which amounted to £51.8k (2022: £68.5k). The performance of the investments is reported quarterly to the Directors.

Unrestricted Funds operational approach

The Directors are concerned to maintain a level of unrestricted reserves which will provide sufficient working capital and enable the Museum to cope with unexpected shortfalls in income or increases in operating costs. A three-year Implementation Plan had been prepared, the objective of which is to preserve the Endowment Funds and ultimately to increase them to a level at which the total return income generated will cover the annual deficit of the Museum, but this is being re-assessed in light of the changes arising as a result of the Covid19 pandemic and its impact on the Museum. It is the long-term aim of the charity to maintain unrestricted reserves, which are the free reserves of the Museum, at a level that is sufficient to cover the running costs of the Museum for at least six months, being in the region of £700,000.

Avon Pension Fund

The Museum's participation in the Avon Pension Fund defined benefit scheme for its employees resulted in a reduction of £721,500 in the calculated net actuarial deficit during the year. A decision was made to crystallise the obligation on the pension fund and a payment of £115,500 was made to this effect in April 2023.

Plans for future periods

Though we keep it under review, we remain committed to the Vision agreed by staff and Directors in 2019 that set the triangular relationship of art, creativity and wellbeing at the heart of our organisation. We intend to deepen the Holburne's commitment to supporting individual wellbeing through art and to playing a significant role in the wellbeing of our communities. We actively pursuing our long-term ambitions to open up more of our historic building to public use, to reconceive the presentation of the building and the collection, and to reconceive the grounds as a destination garden in line with our commitment to sustainability. During 2023, we actively sought off-site accommodation to which staff might be decanted with a view to creating new gallery and learning spaces and an expanded shop within the museum.

To grow the Endowment Fund remains a key priority for long-term sustainability with the immediate aim of raising the money that will enable us to fully realise the potential of the pledged £1,000,000 match-funding.

At the end of 2023, we finalized plans for the new Schroder galleries on the Lower Ground and First Floors as well as signing the contracts that set out the terms for the long-term loan of the Schroder Collection and for the funding of the project to create new galleries and an appropriate context on the Lower Ground Floor. We were also preparing a further funding application to the Foyle Foundation to refurbish the toilets, enhance the security as required by the contract with the Schroder Collection, and to create a new display on the Lower Ground floor from the Holburne Collection. We recognize the potential for the Schroder Collection loan and new galleries to attract media attention and to raise the profile and status of the Holburne in general terms.

There are longer-term ambitions to bring more of the garden into public use and to better align our landscape with the climate emergency, setting out to create an environment that encourages biodiversity whilst engaging young people and families. We hope to combine these ambitions with that to de-carbonise the current system of gas-powered boilers.

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TRUSTEE REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

It is widely recognized that, in recent years, the Holburne has changed its approach and is now more playful in tone and more approachable for many. In large part, this is driven by the exhibition programme, and we plan to find ways of embedding this new approach in the permanent presentation of the museum, installing artist's interventions in the hallway, for example, rethinking our interpretation, creating environments in which visitors feel able to relax, and introducing changes to the garden.

Responsibility for the accounts and financial statements

The Charities Act 2011 requires the Trustee 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 Trustee is 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 Trustee is 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. It is 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.

The Trustee is 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

Auditors

Bishop Fleming 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

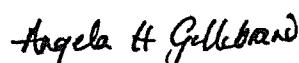
The Directors convey their sincere thanks to all the staff and volunteers who have provided their support to the Museum, without which it could not continue to honour and deliver its response to the charitable objectives laid down for it by its founder in 1882.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:



Edward Bayntun-Coward
Chairman

Date: 18/12/2024



Angela Gillibrand
Treasurer

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STATEMENT OF TRUSTEE RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustee is responsible for preparing the Trustee Report 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 & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLBURNE MUSEUM

OPINION

We have audited the financial statements of The Holburne Museum (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charity's affairs as at 31 December 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Group's or the parent 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 Trustee with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustee is responsible for the other information contained within the 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLBURNE MUSEUM (CONTINUED)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustee Report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustee Responsibilities Statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Group's and the parent 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 Trustee either intends to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLBURNE MUSEUM (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and the directions of the trustee company in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of board minutes;
- Enquiring of management in relation to actual and potential claims and litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

THE HOLBURNE MUSEUM

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLBURNE MUSEUM (CONTINUED)

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with laws and regulations, will not be detected by us. The risk increases the further removed compliance with a law or regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 trustee for our audit work, for this report, or for the opinions we have formed.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 19 December 2024

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HOLBURN MUSEUM

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	4	651,882	373,012	250,000	1,274,894	1,111,131
Charitable activities	5	448,301	-	-	448,301	417,129
Other trading activities	6	305,037	-	-	305,037	356,800
Investments	7	6,043	-	-	6,043	1,394
Other income	8	207,910	-	-	207,910	-
Total income and endowments		1,619,173	373,012	250,000	2,242,185	1,886,454
Expenditure on:						
Raising funds	9,10	151,862	-	51,848	203,710	227,819
Charitable activities	11	1,706,904	536,402	-	2,243,306	1,604,712
Total expenditure		1,858,766	536,402	51,848	2,447,016	1,832,531
Net (expenditure)/income before net gains/(losses) on investments		(239,593)	(163,390)	198,152	(204,831)	53,923
Net gains/(losses) on investments		-	-	287,240	287,240	(370,239)
Net movement in funds before other recognised gains/(losses)		(239,593)	(163,390)	485,392	82,409	(316,316)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	-	-	-	949,000
Net movement in funds		(239,593)	(163,390)	485,392	82,409	632,684
Reconciliation of funds:						
Total funds brought forward		1,524,424	8,344,742	3,290,708	13,159,874	12,527,190
Net movement in funds		(239,593)	(163,390)	485,392	82,409	632,684
Total funds carried forward		1,284,831	8,181,352	3,776,100	13,242,283	13,159,874

THE HOLBURNE MUSEUM

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	7,759,302	7,991,793
Heritage assets	17	827,000	827,000
Investments	18	4,022,999	4,075,603
		12,609,301	12,894,396
Current assets			
Stocks	19	26,721	23,456
Debtors	20	295,114	386,010
Cash at bank and in hand		587,638	191,028
		909,473	600,494
Creditors: amounts falling due within one year	21	(276,491)	(335,016)
Net current assets		632,982	265,478
Total assets less current liabilities		13,242,283	13,159,874
Total net assets		13,242,283	13,159,874
Charity funds			
Endowment funds	22	3,776,100	3,290,708
Restricted funds:			
Development fund	22	7,182,847	7,359,079
Heritage assets	22	827,000	827,000
Special purposes funds: Revenue	22	171,505	158,663
Total restricted funds	22	8,181,352	8,344,742
Unrestricted funds	22	1,284,831	1,524,424
Total funds		13,242,283	13,159,874

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:

Edward Bayntun-Coward
Chair of Trustees

Date: 18/12/2024

Angela Gillibrand
Treasurer

The notes on pages 19 to 45 form part of these financial statements.

THE HOLBURNE MUSEUM

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	7,759,302	7,991,793
Heritage assets	17	827,000	827,000
Investments	18	4,023,099	4,075,703
		<hr/> 12,609,401	<hr/> 12,894,496
Current assets			
Debtors	20	334,377	504,351
Cash at bank and in hand		547,810	31,905
		<hr/> 882,187	<hr/> 536,256
Creditors: amounts falling due within one year	21	(249,316)	(270,889)
Net current assets		<hr/> 632,871	<hr/> 265,367
Total assets less current liabilities		<hr/> 13,242,272	<hr/> 13,159,863
Total net assets		<hr/> 13,242,272	<hr/> 13,159,863

THE HOLBURNE MUSEUM

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Charity funds			
Endowment funds	22	3,776,100	3,290,708
Restricted funds:			
Development fund	22	7,182,847	7,359,079
Heritage assets	22	827,000	827,000
Special purposes funds: Revenue	22	171,505	158,663
Total restricted funds	22	8,181,352	8,344,742
Unrestricted funds	22	1,284,820	1,524,413
Total unrestricted funds	22	1,284,820	1,524,413
Total funds		13,242,272	13,159,863

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:

EWG Bayntun-Coward

Edward Bayntun-Coward
Chair of Trustees

Date: 18/12/2024

Angela H Gillibrand

Angela Gillibrand
Treasurer

The notes on pages 19 to 45 form part of these financial statements.

THE HOLBURN MUSEUM

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	140,067	144,022
Cash flows from investing activities		
Dividends and income from investments	6,043	1,394
Purchase of tangible fixed assets	-	(9,035)
Proceeds from sale of investments	450,500	-
Purchase of investments	(200,000)	(420,000)
Net cash provided by/(used in) investing activities	256,543	(427,641)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	396,610	(283,619)
Cash and cash equivalents at the beginning of the year	191,028	474,647
Cash and cash equivalents at the end of the year	587,638	191,028

The notes on pages 19 to 45 form part of these financial statements

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

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

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The 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 the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Holburne Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Going concern

The activities of the Charity, together with the factors likely to affect its future development and performance are set out in the Trustee's Annual Report. The financial position of the Charity and its cashflow are presented in the financial statements and accompanying notes.

The directors consider that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

In addition, its subsidiary incurs no current tax charge as all its profits, which would otherwise be taxable, are distributed to the Museum by way of Gift Aid and thus no tax liability arises.

The Group receives Museum and Gallery Exhibition Tax Relief, which is surrendered, giving rise to a tax repayment to the Group. The arising credit is recognised in the year in which the related expenditure is incurred. The credit is recognised in other income in the Consolidated Statement of Financial Activities. Gift Aid recoverable on certain donation, and where applicable, has been included in income.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

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

2.8 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year in accordance with the rules of the scheme.

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 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 20.

Pension costs - 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 been 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 future entitlement) occurs, the obligation and related plan assets are admeasured 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 unot 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.

Pension costs - 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.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

2.16 Fund accounting

Restricted and unrestricted income funds - unrestricted income funds are expendable at the discretion of the Directors in furtherance of the objects of the Museum. Funds designated for a particular purpose are also unrestricted. 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 funds - the 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, was 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 Special Acquisitions Fund comprised the proceeds of sale of an item from the collection in 2011 for £1 million, with the balance in the fund amounting to £920,000; the Museum has received legal advice which has led to this Fund being reclassified as part of the Endowment of the Museum.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments 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.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023	Restricted funds 2023	Endowment funds 2023	Total funds 2023
	£	£	£	£
Donations				
University contributions	-	37,617	-	37,617
Exhibitions donations	-	61,000	-	61,000
Pathways Programme	-	35,000	-	35,000
Grants				
Grants for exhibitions	-	91,045	-	91,045
Capital grants	-	60,000	-	60,000
Pathways Programme	-	45,000	-	45,000
Other grants	-	43,350	-	43,350
Grant 5	-	-	-	-
Total donations & grants	-	373,012	-	373,012

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. INCOME FROM DONATIONS AND LEGACIES (continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Donations	651,882	-	250,000	901,882
Subtotal	651,882	-	250,000	901,882
Total 2023	651,882	373,012	250,000	1,274,894

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Donations				
General donations	89,837	-	-	89,837
Raised from Patrons and Friends	170,574	-	-	170,574
University contributions	100,000	-	-	100,000
Grants				
General grants	-	42,000	-	42,000
Total donations & grants	360,411	42,000	-	402,411
Donations	-	274,884	420,000	694,884
Legacies	13,836	-	-	13,836
Total 2022	374,247	316,884	420,000	1,111,131

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £
Museum admissions	424,405	424,405
Exhibition costs recharged	-	-
Learning lectures, concerts, workshops etc.	23,896	23,896
	448,301	448,301

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. INCOME FROM CHARITABLE ACTIVITIES (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Museum admissions	383,608	383,608
Exhibition costs recharged	14,034	14,034
Learning lectures, concerts, workshops etc.	19,487	19,487
	<hr/> <hr/> 417,129	<hr/> <hr/> 417,129

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

		Total funds 2023 £
Plant sales		<hr/> <hr/> -

	Unrestricted funds 2022 £	Total funds 2022 £
Plant sales	1,890	1,890

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Museum shop sales	144,266	144,266
Income from cafe and car parking	97,488	97,488
Venue hire (including filming fees)	59,505	59,505
Other income	3,778	3,778
	<hr/> <hr/> 305,037	<hr/> <hr/> 305,037

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. INCOME FROM OTHER TRADING ACTIVITIES (continued)

Income from non charitable trading activities (continued)

	Unrestricted funds 2022 £	Total funds 2022 £
Museum shop sales	138,989	138,989
Income from cafe and car parking	100,277	100,277
Venue hire (including filming fees)	100,087	100,087
Other income	15,557	15,557
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	354,910	354,910
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	6,043	6,043
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

	Unrestricted funds 2022 £	Total funds 2022 £
Bank interest	1,394	1,394
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Museum & Gallery Tax relief	207,910	207,910	-
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. EXPENDITURE ON RAISING FUNDS

Fundraising trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £
Salary costs	144,872	144,872
Other costs of generating funds	6,990	6,990
	<hr/> 151,862	<hr/> 151,862

	Unrestricted funds 2022 £	Total funds 2022 £
Salary costs	143,098	143,098
Other costs of generating funds	16,230	16,230
	<hr/> 159,328	<hr/> 159,328

10. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2023 £	Total funds 2023 £
Investment management fees	51,848	51,848
	<hr/> 51,848	<hr/> 51,848

	Endowment funds 2022 £	Total funds 2022 £
Investment management fees	68,491	68,491
	<hr/> 68,491	<hr/> 68,491

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Museum activities (inc. cost of shop sales)	734,909	492,169	1,227,078
Learning activities	304,117	44,233	348,350
Exhibition activities	667,878	-	667,878
	<hr/> <hr/> 1,706,904	<hr/> <hr/> 536,402	<hr/> <hr/> 2,243,306

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Museum activities (inc. cost of shop sales)	390,636	479,049	869,685
Learning activities	222,107	29,296	251,403
Exhibition activities	483,624	-	483,624
	<hr/> <hr/> 1,096,367	<hr/> <hr/> 508,345	<hr/> <hr/> 1,604,712

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Museum activities (inc. cost of shop sales)	917,936	309,142	1,227,078
Learning activities	123,722	224,628	348,350
Exhibition activities	263,551	404,327	667,878
	<hr/> <hr/> 1,305,209	<hr/> <hr/> 938,097	<hr/> <hr/> 2,243,306

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Museum activities (inc. cost of shop sales)	643,979	225,706	869,685
Learning activities	87,402	164,001	251,403
Exhibition activities	188,424	295,200	483,624
	<u>919,805</u>	<u>684,907</u>	<u>1,604,712</u>

ANALYSIS OF SUPPORT COSTS

	Museum Activities 2023 £	Education Activities 2023 £	Exhibition Activities 2023 £	Total funds 2023 £
Staff costs	40,402	33,669	60,604	134,675
Premises	110,591	92,160	165,887	368,638
Other administrative costs	135,674	98,799	177,836	412,309
Governance costs	22,475	-	-	22,475
	<u>309,142</u>	<u>224,628</u>	<u>404,327</u>	<u>938,097</u>

	Museum Activities 2022 £	Education Activities 2022 £	Exhibition Activities 2022 £	Total funds 2022 £
Staff costs	37,413	31,177	56,119	124,709
Premises	94,682	67,148	120,865	282,695
Other administrative costs	78,811	65,676	118,216	262,703
Governance costs	14,800	-	-	14,800
	<u>225,706</u>	<u>164,001</u>	<u>295,200</u>	<u>684,907</u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

13. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,850	11,750
Fees payable to the Charity's auditor in respect of:		
Taxation compliance services	1,000	700

14. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	586,458	534,453	586,458	534,453
Social security costs	59,200	58,620	59,200	58,620
Contribution to pension schemes	96,418	17,822	96,418	17,822
Operating costs of defined benefit pension schemes	-	17,000	-	17,000
	<hr/> 742,076	<hr/> 627,895	<hr/> 742,076	<hr/> 627,895
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Full time employees	15	15	15	15
Part time employees	5	5	5	5
	<hr/> 20	<hr/> 20	<hr/> 20	<hr/> 20
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1

The total amount of employee benefits received by key management personnel is £148,153 (2022: £146,561).

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. TRUSTEE'S REMUNERATION AND EXPENSES

During the year, no Trustee received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

16. TANGIBLE FIXED ASSETS

Group and Charity

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2023	9,507,122	90,423	1,180,306	10,777,851
At 31 December 2023	9,507,122	90,423	1,180,306	10,777,851
Depreciation				
At 1 January 2023	2,099,902	81,810	604,346	2,786,058
Charge for the year	176,232	4,254	52,005	232,491
At 31 December 2023	2,276,134	86,064	656,351	3,018,549
Net book value				
At 31 December 2023	7,230,988	4,359	523,955	7,759,302
At 31 December 2022	7,407,220	8,613	575,960	7,991,793

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 was 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, and a further £145,499 has also subsequently been capitalised.

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 Gardener's Lodge. The cost included in the accounts represents the cost of the premium paid to Bath and 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 HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. HERITAGE ASSETS

Group and Charity

Assets recognised at cost

	Heritage assets 2023 £
Carrying value at 1 January 2023	827,000
Carrying value at 31 December 2023	827,000

Analysis of heritage asset transactions

Group and Charity

	2023 £	2022 £	2021 £	2020 £	Pre 2019 £
Purchases					
Various etchings	-	-	-	-	8,000
Portraits of the Burges Family	-	10,000	-	-	-
Donations					
Pablo Bronstein inks x 2	-	-	40,000	-	-
Walter Sickert painting	-	-	16,000	-	-
Total additions	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	10,000	56,000	-	8,000

The carrying value Heritage assets reflects the value of assets that have been purchased or donated, and capitalised in accordance with the Charity SORP. This value only represents a small proportion of the art collection and excludes the legacy of the Holburne family. This, and some other heritage assets, have not been included in the balance sheet in line with the SORP. Cost information is not available for these assets and conventional valuation approaches lack sufficient reliability to make any figures of use to the reader. The insurance value for the museum's collection is £18m and £22m for the loans.

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. FIXED ASSET INVESTMENTS

Charity		Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation				
At 1 January 2023		100	4,075,603	4,075,703
Additions		-	200,000	200,000
Disposals		-	(450,500)	(450,500)
Revaluations		-	249,744	249,744
Management fees		-	(51,848)	(51,848)
AT 31 DECEMBER 2023		100	4,022,999	4,023,099

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Holburne Trading Company Limited	06954139	Great Pulteney Street, Bath, BA2 4DB	Operation of the commercial activities at The Holburne Museum
Class of shares			
Ordinary	100%		

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Holburne Trading Company Limited	309,352	224,517	84,835	111

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. STOCKS

	Group 2023 £	Group 2022 £
Goods for resale	26,721	23,456

20. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Due within one year				
Trade debtors	39,771	85,813	2,568	55,890
Amounts owed by group undertakings	-	-	166,557	215,279
Other debtors	14,260	108,872	10,733	99,333
Prepayments and accrued income	25,777	164,595	24,956	133,849
Tax recoverable	215,306	26,730	129,563	-
	295,114	386,010	334,377	504,351

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	184,004	167,821	176,306	162,080
Other taxation and social security	11,282	71,996	-	21,880
Other creditors	-	11,170	-	11,170
Accruals and deferred income	81,205	84,029	73,010	75,759
	276,491	335,016	249,316	270,889

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General funds - charity	1,524,413	1,231,474	(1,471,067)	-	1,284,820
General funds - Holburne Trading Company	11	387,699	(387,699)	-	11
	<hr/> 1,524,424	<hr/> 1,619,173	<hr/> (1,858,766)	<hr/> -	<hr/> 1,284,831
Endowment funds					
Endowment fund	<hr/> 3,290,708	<hr/> 250,000	<hr/> (51,848)	<hr/> 287,240	<hr/> 3,776,100

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Restricted funds					
The Holburne Museum development project	7,359,079	-	(176,232)	-	7,182,847
Heritage assets funds	827,000	-	-	-	827,000
National Lottery Comm Fund:					
Pathways	3,812	-	(3,812)	-	-
Pathways 3	40,504	80,000	(43,180)	-	77,324
Funds for other learning projects	1,951	-	(1,951)	-	-
Clore	78	-	(78)	-	-
Conservation	11,307	-	(11,307)	-	-
Alberta Whittle	31,602	10,000	(39,015)	-	2,587
Impressionist Sculpture	9,497	-	(9,054)	-	443
Funding for other Exhibitions	1,415	5,750	(7,165)	-	-
Lighting project	20,000	60,000	(67,328)	-	12,672
Re-imagine	38,497	-	(11,975)	-	26,522
Lucie Rie	-	15,500	(15,500)	-	-
Unlimited	-	66,617	(60,518)	-	6,099
P Love	-	63,295	(63,295)	-	-
G John	-	13,500	(13,500)	-	-
Lubaina	-	15,000	(1,409)	-	13,591
RIRO	-	7,000	(6,866)	-	134
John Ellerman	-	35,000	(4,217)	-	30,783
Print Fund	-	1,350	-	-	1,350
	8,344,742	373,012	(536,402)	-	8,181,352
Total of funds	13,159,874	2,242,185	(2,447,016)	287,240	13,242,283

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

22. STATEMENT OF FUNDS (CONTINUED)

Restricted Funds

The Development Project fund comprises monies received specifically to finance the Museum's development project. The annual depreciation charge for assets funded from the Development Project is charged against the fund.

The Heritage Asset Fund represents amounts received to purchase capitalised Heritage Assets or the value of items donated to the Collection (Note 17).

In prior years, the Special Acquisitions Fund held £920,000 received from the sale of an item in the collection; the Trustee obtained legal advice that the effect of the 2018 Scheme from the Charity Commission is that there is no longer a Special Acquisitions Fund and its balance of £920,000 has been added to the capital endowment of the Museum. Following the transfer of the Fund balance to Permanent Endowment, the whole of the Avon Pension Fund is now offset against Unrestricted funds.

The special purposes funds relate predominantly to exhibitions for which we have received funding, including David Hockney; Love Life, funded by the Blavatnik Family Foundation, Hamish Parker, Lydia & Manfred Gory, Stuart & Bianca Roden, Clore Wyndham, Thomas Gibson Fine Art and Hazlitt Holland-Hibber; The Tudors which was funded by Dr Martin and Dani Clarke, Van and Eva DuBose and King Edwards School; Nalini Malini which was funded through the National Gallery Contemporary Fellowship with Art Fund ; Impressionist Sculpture, which received support from the Blavatnik Family Foundation, Daniel Katz Gallery, Stuart and Bianca Roden and Michael and Yvonne Uva., Alberta Whittle which was supported by the Ampersand Foundation, Henry Moore Foundation and Modern Institute, Stuart and Bianca Roden; and Mick Peter, funded by Arts Council England.

The 3 year funding for Pathways by National Heritage Communities Fund came to an end in 2022 and we have secured 3 years additional support from the Medlock Charitable Trust and the Roper Family Charitable Trust.

The lighting project relates to funding from the Wolfson Foundation towards retrofitting the halogen lights with LED lamps. This project was completed in January 2023.

Re-imagine relates to a digital project around our collection, which was funded by Art Fund.

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General funds - charity	691,538	396,196	(502,321)	(10,000)	949,000	1,524,413
General funds - Holburne Trading Company	11	753,374	(753,374)	-	-	11
	691,549	1,149,570	(1,255,695)	(10,000)	949,000	1,524,424
Endowment funds						
Endowment fund	3,309,438	420,000	(68,491)	-	(370,239)	3,290,708
Restricted funds						
The Holburne Museum development project	7,535,311	-	(176,232)	-	-	7,359,079
Heritage assets funds	817,000	-	-	10,000	-	827,000
National Lottery Comm Fund: Pathways	76,256	-	(72,444)	-	-	3,812
Pathways 3	35,000	35,000	(29,496)	-	-	40,504
Funds for other learning projects	6,500	7,000	(11,549)	-	-	1,951
Ellerman Found / Traverse Trust - Curator funding	21,333	-	(21,333)	-	-	-
Clore	17,200	-	(17,122)	-	-	78
Conservation	14,103	-	(2,796)	-	-	11,307
Stumpwork	3,500	3,000	(6,500)	-	-	-
Alberta Whittle	-	35,000	(3,398)	-	-	31,602
Hockney	-	60,172	(60,172)	-	-	-
Mick Peter	-	11,463	(11,463)	-	-	-

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Tudors	-	15,000	(15,000)	-	-	-
Nalini Malani	-	42,000	(42,000)	-	-	-
Impressionist Sculpture	-	33,113	(23,616)	-	-	9,497
Funding for other Exhibitions	-	12,000	(10,585)	-	-	1,415
Lighting project	-	20,000	-	-	-	20,000
Volunteers	-	3,000	(3,000)	-	-	-
Re-imagine	-	40,136	(1,639)	-	-	38,497
	8,526,203	316,884	(508,345)	10,000	-	8,344,742
Total of funds	12,527,190	1,886,454	(1,832,531)	-	578,761	13,159,874

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	1,524,424	1,619,173	(1,858,766)	-	1,284,831
Endowment funds	3,290,708	250,000	(51,848)	287,240	3,776,100
Restricted funds	8,344,742	373,012	(536,402)	-	8,181,352
	13,159,874	2,242,185	(2,447,016)	287,240	13,242,283

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. SUMMARY OF FUNDS (CONTINUED)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	691,549	1,149,570	(1,255,695)	(10,000)	949,000	1,524,424
Endowment funds	3,309,438	420,000	(68,491)	-	(370,239)	3,290,708
Restricted funds	8,526,203	316,884	(508,345)	10,000	-	8,344,742
	<u>12,527,190</u>	<u>1,886,454</u>	<u>(1,832,531)</u>	<u>-</u>	<u>578,761</u>	<u>13,159,874</u>
	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	404,950	7,354,352	-	7,759,302
Fixed asset investments	246,899	-	3,776,100	4,022,999
Heritage assets	-	827,000	-	827,000
Current assets	909,473	-	-	909,473
Creditors due within one year	(276,491)	-	-	(276,491)
Total	1,284,831	8,181,352	3,776,100	13,242,283
	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	474,051	7,517,742	-	7,991,793
Fixed asset investments	784,895	-	3,290,708	4,075,603
Heritage assets	-	827,000	-	827,000
Current assets	600,494	-	-	600,494
Creditors due within one year	(335,016)	-	-	(335,016)
Total	1,524,424	8,344,742	3,290,708	13,159,874
	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>	<u><u>=====</u></u>

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

25. UNAPPLIED TOTAL RETURN

	2023 £	2022 £
At 1 January	3,290,708	3,309,438
Amounts donated/transferred in	250,000	420,000
Investment management costs	(51,848)	(68,491)
Gains/(losses) on investment	287,240	(370,239)
At 31 December	3,776,100	3,290,708

The trustees operate a return fund by making use of the ability to draw down unapplied total return (UTR) monies. In the year ended 31 December 2023, cumulative investment losses exceeded the amount of unapplied total return, therefore there was no draw down of the fund and the loss has been treated as a reduction in the value of the trust for investment component of the permanent endowment.

26. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	82,409	(316,316)
Adjustments for:		
Depreciation charges	232,491	235,056
Heritage assets donated	-	(10,000)
Gains/(losses) on investments	(249,744)	370,239
Investment management costs	51,848	68,491
Dividends and income from investments	(6,043)	(1,394)
Decrease/(increase) in stocks	(3,265)	13,550
Decrease/(increase) in debtors	90,896	(267,725)
Increase/(decrease) in creditors	(58,525)	76,121
Defined benefit pension scheme cost less contributions payable	-	(43,000)
Defined benefit pension scheme finance cost	-	19,000
Net cash provided by operating activities	140,067	144,022

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023	Group 2022
	£	£
Cash in hand	587,638	191,028
Total cash and cash equivalents	587,638	191,028

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023	At 31 December 2023
	Cash flows	£
	£	£
Cash at bank and in hand	191,028	396,610
	191,028	396,610
	191,028	587,638

29. PENSION COMMITMENTS

The Group operated a defined benefit pension scheme. At 18 October 2022 when the Lower Risk Funding Valuation was calculated by the Actuary the deficit was £150,000. A deficit prepayment of £115,000 was made in April 2023. In March 2023, the last employee in the scheme left the museum and the final termination valuation was calculated at £51,600, which was paid in June 2023. A termination certificate has been issued and there are no further liabilities connected with this pension fund.

The Museum participated in the Avon Pension Fund, which provides benefits in accordance with the LGPS Regulations. The LGPS is a defined benefit pension scheme which provides benefits to participants on retirement and benefits to their dependants on death. Pre April 2014 benefits are linked to final pensionable salary and service at date of retirement (or date of leaving the scheme if earlier), post March 2014 benefits accrue on a Career Average Revalued Earning (CARE) basis.

The most recent comprehensive valuation of the Fund took place as at 31 March 2019. This valuation is used for the purpose of setting contribution rates. Where a deficit is identified for a particular employer then contributions are set with the aim of restoring the funding level to 100% over a specific recovery period. Contributions are typically expressed as a percentage of pensionable pay for accruing benefits and as fixed cash amounts in respect of any deficit payments.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 December 2023	At 31 December 2022
	%	%
Discount rate	-	4.80
Future salary increases	-	2.65
Future pension increases	-	2.65
Inflation assumption	-	2.65

THE HOLBURN MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

29. PENSION COMMITMENTS (continued)

	At 31 December 2023 Years	At 31 December 2022 Years
MORTALITY RATES (IN YEARS)		
- for a male aged 65 now	-	23.4
- at 65 for a male aged 45 now	-	24.9
- for a female aged 65 now	-	25.5
- at 65 for a female aged 45 now	-	27.5

The Group's share of the assets in the scheme was:

	At 31 December 2023 £	At 31 December 2022 £
Other	-	1,414,000

The actual return on scheme assets was £Nil (2022 - £44,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	-	17,000
Net interest on defined benefit liability	-	(26,000)
Interest cost	-	45,000
Total amount recognised in the Consolidated Statement of Financial Activities	-	36,000

Movements in the present value of the defined benefit obligation were as follows:

	2023 £
Opening defined benefit obligation	(931,000)
Current service cost	-
Interest cost	-
Actuarial gains	-
Benefits paid	-
Contributions by scheme participants	-
Closing defined benefit obligation	(931,000)

THE HOLBURNE MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

29. PENSION COMMITMENTS (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £
Opening fair value of scheme assets	262,000
Expected return on assets	-
Actuarial gains	-
Contributions by employer	-
Contributions by employer	-
Benefits paid	-
Closing fair value of scheme assets	262,000

The Group has an unrecognised surplus of £Nil in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

After the year end, the Directors have opted to prepay the next three years of pension scheme deficit contributions. This has not been reflected in the financial statements for the year ended 31 December 2022 as no amounts had been prepaid in respect of the scheme at this date.

30. RELATED PARTY TRANSACTIONS

The nominee of the University of Bath, Rohan Surana, sits on the Board of Directors of the Museum. During the year the University made grants totalling £37,617 (2022: £80,000) to the Museum, and provided 'in kind' support (payroll, IT, security services) with an estimated value of £30,000 (2022: £30,000).

The nominee of Bath Spa University, Dr Andrew Salmon, also sits on the Board of Trustees of the Museum. During the year the University made grants totalling £Nil (2022: £20,000) to the Museum.