

THE HANDEL HOUSE TRUST LIMITED

England & Wales · Charity number 1006009

Details

Other names	THE HANDEL HOUSE ASSOCIATION LIMITED, HANDEL HOUSE MUSEUM
Status	Registered
Legal form	Charitable company
Company number	02653428
Registered	1991-11-14
Register	View on the Charity Commission register

Contact

Address	25 Brook Street London W1K 4HB
Phone	02074951685
Email	mail@handelhendrix.org
Website	www.handelhendrix.org

Activities

Objects: The charity's objects are, for the public benefit: 5.1. to promote, encourage, maintain, improve and advance education of the public in the life and works of George Frederic Handel and to establish and maintain the property located at 25 Brook Street, London W1 as a museum to house and preserve all articles having connection with the said George Frederic Handel; in particular by: i. the redevelopment, operation and maintenance of the property located at 25 Brook Street, London W1 known as the Handel House which was occupied by the composer George Frederic Handel from 1723 until his death in 1759; ii. to provide public access to the said premises for the purpose of promoting public awareness and appreciation of the historical nature and significance of the property; iii. to enhance public knowledge of Handel in general as well as his contributions to the field of classical music as a composer; and 5.2 to enhance public knowledge of the musical and cultural heritage of Brook Street, London W1 following Handel's lifetime and in particular the music and culture of the 1960s (including the association with Jimi Hendrix) by maintaining all or part of 23 Brook Street to house and preserve the charity's collections and other articles relating to such period and providing public access to such premises as an addition to the museum referred to in article 5.1 above.

Activities: To promote knowledge, awareness, and enjoyment of Handel and his music to as wide a public audience as possible.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£982,079	£1,769,647	£12,285,693	11
2023-10-31	£981,811	£1,191,219	£12,644,859	8
2022-10-31	£959,684	£657,481	£12,928,681	8
2021-10-31	£1,409,349	£570,278	£12,956,354	8
2020-10-31	£788,802	£552,384	£11,464,293	7

Trustees

Name	Role	Appointed
Dr Peter Kerber		2020-05-07
Harry Alexander Bicket		2018-05-14
John Charles Gracey		2025-05-20
Lord Roderick Balfour		2018-06-25
Lucy Rhoda Le Fanu		2019-01-14
Martin Donnelly		2024-07-11
Simon Richards Daniels		2022-01-11
Victoria Rowland Broackes		2015-06-08
Viscountess Penelope Ann Cobham CBE		2024-07-11
William James Conner		2017-07-17

THE HANDEL HOUSE TRUST LIMITED

England & Wales - Charity number 1006009

Accounts

Charity registration number 1006009 (England and Wales)

Company registration number 02653428

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

THE HANDEL HOUSE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Earl of Balfour	
	Harry Bicket OBE	
	Victoria Broackes	
	William J Conner	
	Simon Daniels	
	Peter Kerber	
	Lucy Le Fanu	
	Simon Weil (Chairman)	
	The Viscountess Cobham CBE	(Appointed 2 July 2024)
	Martin Donnelly	(Appointed 2 July 2024)
	John Gracey	(Appointed 20 May 2025)
President	Christopher Purvis CBE	
Charity number (England and Wales)	1006009	
Company number	02653428	
Registered office	Handel Hendrix House 25 Brook Street London W1K 4HB	
Auditor	Richard Place Dobson Services Limited Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT	
Bankers	Lloyds plc 185 Baker Street London NW1 6XB	
	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ	
Investment advisors	Lombard Odier 48 Dover Street London W1S 4FF	
	Ruffer 80 Victoria Street London SW1E 5JL	

THE HANDEL HOUSE TRUST LIMITED

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THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE PERIOD ENDED 31 MARCH 2025 *FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025*

I am pleased to present the accounts to 31 March 2025 of The Handel House Trust.

These accounts incorporate the first full year of trading by the Trust since the completion, in May 2023, of the Hallelujah Project. There is much to be proud of, with highlights being the launch of our new education programme, our display to mark the 300th anniversary of the first performance of Handel's *Rodelinda* and the acquisition of important Hendrix materials for our collection.

Visits have firmly recovered to pre-pandemic levels, and the feedback we receive on the quality of the experience we offer is extremely positive.

Our dedicated volunteers make a difference to every visitor's experience of the museum, offering a friendly welcome and sharing their knowledge and passion for Handel and Hendrix. The Trustees remain incredibly grateful for their support.

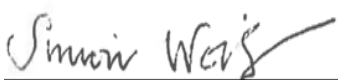
As an independent charity that raises all its own funds, the support of donors and grant makers is vital to our work. The Trustees are most grateful to all those who have given donations or awarded grants to the Trust.

Trustees, staff and volunteers were deeply saddened by the death, aged 32 years old, of Bobby Bertolli in September 2024. Bobby was a much-loved member of staff, who fought a brave battle against bowel cancer for almost four years. Throughout his illness he was upbeat and determined to do the job he loved doing, and it is thanks to Bobby that our live music programme and concert series were so successful. We celebrated Bobby's contribution to the Trust by dedicating to his memory the 'An Electric Church' concert in November.

These are the last accounts that I will present on behalf of the Trust. After more than 25 years on the Board, I will be stepping down as both Chairman and a Trustee in September 2025. At that point, Penelope, Viscountess Cobham CBE will become Chairman. I know that, with Penny, the Trust will be in very capable and experienced hands.

I am honoured that the Trustees have invited me to remain involved with the charity by acting as Patron and I look forward to seeing the Trust continue to thrive into the future.

On behalf of the Board of Trustees, I would like to offer renewed thanks to our staff, volunteers, donors, performers and to all those who make the museum a special, engaging and joyful place to visit, and whose dedication enables us to preserve the legacy of Handel and Hendrix on Brook Street.



S Weil

Chairman

Date: 15 September 2025

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the 17 Month Period ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

In July 2024, the Trustees agreed a new Strategic Plan to 2029 that will focus the Trust's work and guide how we achieve our charitable objectives. Our vision is to be the place where through music, creativity and stories people grow a sense of belonging in musical worlds of London, past and present. Trustees agreed four areas of strategic focus to achieve that vision and to guide our work:

- Heritage and Collections
- Visitors and Audiences
- Resources
- Financial Sustainability

Within these strategic priorities, we have set deliverables and milestones to complete to further our mission and vision.

The activities described in this report are organised under these priorities.

Heritage and collections

The care and development of our heritage buildings and collections underpins everything we do. We completed a significant overhaul and conservation of our Kirkman harpsichord, one of the most significant objects in our care and key to our live music performances. Specialist conservator Ben Marks gave the instrument a conservation clean, replaced some of the strings and re-quilled the jacks. Other repairs to the body of the instrument were also completed as part of this project.

During the year, we have undertaken a project to photograph and document every item in our collection and to upload this data onto a new collections management system. At 31 March this work was nearing completion.

Following an application submitted in January 2024 our status as an Accredited Museum was renewed by Arts Council England.

Our Hendrix collections have been enriched by the acquisition of a hoard of material from Anim Records, Hendrix's management company, which was sold at auction by Patricia 'Trixie' Sullivan. Trixie Sullivan was assistant to Hendrix's manager Mike Jeffrey and something of a 'big sister' to the acts he managed. The material offers a tantalising glimpse into Hendrix's day-to-day life in London and on tour during the period he lived at 23 Brook Street and will be a source of new knowledge and understanding for our own curators and scholars further afield. The acquisition of the material, and a project to conserve, catalogue and digitise the material has been made possible by a grant from the National Lottery Heritage Fund.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

Our 2023 publication *Handel Hendrix House: a Souvenir Guide* written by Dr David Souden was complemented with the release, in February 2024, of *From Handel's Home: the Keyboards of Handel Hendrix House*, a recording of the keyboard instruments housed at the museum. Recorded by Julian Perkins and released on CD and digital download by Delphian Records, *From Handel's Home* is the first survey of the instruments cared for by the Trust and was received with glowing reviews in publications including *BBC Music Magazine* and *Gramophone*. The CD is beautifully produced with photographs and descriptions of every instrument. The recording takes our instrument collection to new audiences, including non-visitors, and is a popular souvenir for museum visitors.

November 2024 saw the dressing of Handel Hendrix House for Christmas with festive decorations inspired by its musical past. The displays were complemented by a series of evening events featuring live performances by the Meyer Dancers, who delighted audiences with their 60s 'go-go' dancing and fabulous outfits.

In February 2025 we opened a temporary display to celebrate the 300th anniversary of the first performance of Handel's great opera *Rodelinda*. The centrepiece of the display was a portrait, generously loaned by a private collection, by John Vanderbank of the castrato Senesino depicted playing the character Bertarido in the opera's original 1725 run. The exhibition also included an original libretto, on loan from the Foundling Museum, an 18th-century wallet on loan from the Schorr Collection and items from our own collection. Visitors could enjoy listening to musical extracts from the recent recording of *Rodelinda* by The English Concert. This display was a fitting tribute to one of Handel's most important and best-loved operas, which was the third that he wrote in Brook Street. We are most grateful to the exhibition lenders, The English Concert and Linn Records and Mr Richard Hopkin, who generously supported the exhibition.

Visitors and Audiences

Total visits, including attendance at concerts and events, for the period were 24,484 (2023: 9,439). In comparing these figures, it should be noted that the figure for 2023 counts visits from 18 May – 31 October only. We are delighted that so many people are engaging with our heritage and programme.

Live music has been a vital element in our programme over the period. Our programme of informal performances during visiting hours has shared Handel and Hendrix's music with new audiences and given a platform to many musicians to showcase their talents. This programme has received support from the Chapman Charitable Trust, the Garrick Trust and The Thistle Trust (whose generous support enabled musical performance every day during summer 2024).

Handel Hendrix House After Dark, which ran from November 2023 – February 2024 celebrated our re-opening with atmospheric, music-filled late openings on Friday. The candlelit museum was mesmerising for visitors, who enjoyed contrasting performances from Baroque and contemporary music artists during the same evening. The line-up for the series included Palisander, Intessa Duo, Incantati, Flutes and Frets, and Ese, Emily Elbert, Eddy Smith and William Rees.

We also experimented with new programming ideas. In September Handel's kitchen came to life when food historians Marc Meltonville and Robert Hoare presented a weekend of Georgian cookery. Dressed in 18th-century costume the cooks prepared dishes from Hannah Glasse's 1747 publication *The Art of Cookery Made Plain and Easy*. Visitors asked questions and talked to Marc and Robert as they prepared dishes ranging from syllabubs to chicken curry. At an evening event, visitors could sample the hot chocolate made the 18th-century way: with port wine.

Concerts of baroque and contemporary music have also delighted our audiences. We were pleased to launch a new series of gigs in the Hendrix Flat, the Jimi Sessions, which included performances with Francesca Ter-Berg, Caleb Kunle, and Intessa Duo. The Baroque programme offered performances by Endelienta Baroque, Venice Music Project, The English Concert, Adrian Butterfield with Silas Wollston, Laurence Cummings OBE, Steven Devine, John Kitchen MBE, Nathaniel Mander, and Sir Mark Padmore CBE among many others.

The Trust staged two large-scale offsite performances, too. In November 2024 we held the second 'An Electric Church' event at St Pancras Old Church to celebrate the legacy of Jimi Hendrix. This sold-out evening of music featured performances by the lively Spanish Guitar duo Zorito and Gorillaz bassist Seye Adelekan. In February, in collaboration with The Royal Academy of Music, we presented 'An Evening With Rachel Podger' in which the renowned baroque violinist coached and directed an ensemble of students in a programme of concerti and arias. This performance was generously supported by Maecenas.

Finally, we were pleased to host performances by our friends at the London Handel Festival, particularly showcasing emerging talent in their 'Stars of the Future' festival strand.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

Education programming has been central to the Trust's activities since the museum first opened in 2001. Our programming in this area was paused first by the COVID-19 pandemic and then by the Hallelujah Project building works. Using a generous grant from The Linbury Trust we were able to, first, appoint a Learning & Communities Manager in April and then to launch a new schools programme in October 2024.

To launch the new programme, we were excited to deliver a unique project for school instrumentalists. Inspired by a contemporary account of a rehearsal of Handel's *Music for the Royal Fireworks* that took place in Handel's house in April 1749, we gathered together 100 young people from several schools to rehearse and record a movement from the *Fireworks* in the museum. The young musicians, spread over two floors, were held together by the baton of Ollie Mansfield ably assisted by students from The Royal Academy of Music's Open Academy programme. The day was rounded off with a sharing concert at St George's Church.

A highlight of the day was a surprise visit by soprano Katherine Jenkins OBE, who spoke to the students about their music making and joined a celebratory photograph that was featured in *The Financial Times*. The day resulted in a film of the young people's performance, which can be viewed on our website. We are grateful to all the young people involved in this project, to the musical director and coaches, to Katherine Jenkins and to The Thistle Trust, for making the project possible through a donation.

The learning programme offers a distinctive suite of workshops for students from primary school to 'A' Level, with the activities led by professional musicians. All activities include an exploration of the heritage of 23 and 25 Brook Street, which becomes a source of information and inspiration for the young people.

Resources

Delivering our mission requires careful stewardship and development of our human and physical resources. In summer 2024 we completed a quinquennial state of the fabric report, giving a detailed overview of our buildings, M&E and services, with a prioritised and costed list for repairs, servicing and replacement. This report will guide our maintenance strategy in the coming years.

We continue to recruit, retain and invest in our corps of volunteers. Numbering around 45, our volunteers make our work possible by acting as front of house guides to the museum. Volunteers have completed a number of visits to peer attractions and have been pleased to give reciprocal tours to volunteers from other organisations.

We are delighted that, during the period, two new Trustees joined the Board. Penelope, Viscountess Cobham CBE, and Martin Donnelly bring invaluable experience to the Board.

During the period, the Trustees resolved to amend the Trust's Articles of Association to more accurately reflect our care of the Hendrix flat and his London story and the wider musical heritage of Brook Street.

Financial sustainability (incorporating the Financial Review)

Growing the number of visits, increasing commercial income and fundraising are crucial to our financial sustainability, as is the income provided by our investments. Visitor income grew in line with the number of visits to £255,189 (2023: £98,768). Lower spend per head by visitors and flat demand for private hire of the museum meant trading income did not perform as well as had been hoped, reaching £63,464 (2023: £36,995). In the absence of a major capital project, we were pleased that fundraising contributed a total of £433,585 (2023: £771,385). A claim for Museums and Galleries Exhibition Tax Relief for the Hallelujah Project exhibitions contributed £170,051.

Total income was £982,079 (2023: £981,811). The comparison between the two years reflects the higher fundraising income achieved in 2023 owing to the Hallelujah Project campaign.

Expenditure on raising funds and charitable activities also reflects both the long accounting period and that we are now fully operating as a museum. We are investing in marketing to raise the profile of the museum and our brand, with demonstrable results in awareness and consideration. Expenditure on raising funds was £334,946 (2023: £231,250).

Charitable activities included exhibition making, live music and other programming and the care and development of our heritage and collections. Expenditure included some unforeseen and urgent repairs to lead roofs, lift and humidifier. Total expenditure on charitable activities was £1,434,701 (2023: £904,846).

Whilst we grow our audience, fundraising and commercial activities at the Trust and meet increasing staffing and running costs, the museum is currently carrying an operating deficit which is funded by the capital in our investments. This resulted in a net unrestricted fund balance of £75,251 (-£177,751).

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

The Trust retains funds in investments of £2,376,639 as an expendable endowment (2023: £2,733,167) and the balance sheet shows a net current assets position of £44,830 (2023: £174,305), both of which demonstrate the financial health of the Trust.

Handel Hendrix Enterprises Ltd, a company incorporated as a wholly owned subsidiary of the Trust under the provisions of the Companies Act 2006, was incorporated on 31 March 2023 in anticipation of increased non-primary purpose trading. Handel Hendrix Enterprises has not yet commenced trading and its accounts will be filed separately with Companies House.

Reserves policy

The Trust has a designated fund of £9,753,186 (2023: £10,086,995) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £1,410,263 (2023: £1,340,175) of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of three months' operating expenditure in free reserves, which is between £260,000 and £300,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total balance of £75,251. Until such time free reserves can be rebuilt from operating surpluses now that the museum is operational, the Trust may draw from endowment funds if needed.

Having produced detailed forecasts and scenario planning, the board considers that the strong reserves position and availability of funds is a sufficient buffer whilst the charity grows income and reduces costs to return to an operating surplus.

It has reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt going concern basis accounting preparing annual financial statements.

Fundraising regulator and compliance

Fundraising at the Trust is led by the Director with the close involvement of the Trustees. Fundraising performance and methods of engagement of donors and prospective donors are regularly discussed at Board meetings. The Trust does not use professional fundraisers and has not worked with a commercial participator during the year. The Director is aware of his responsibilities under the Code of Fundraising Practice. Proactive fundraising is done through applications to charitable foundations or companies and through tailored approaches to individuals who have generally expressed an interest in our work. We protect more vulnerable members in our community of supporters by not issuing appeals using direct marketing methods or telephone fundraising, and we limit our communications in general to an amount a supporter would reasonably expect to receive to keep informed about the charity's activities.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2023 - none).

Major risks

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

The Board met regularly to discuss and monitor the risks above.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

Structure, governance and management

The Handel House Trust Limited, also known as Handel Hendrix House or Handel House ("the Trust" "the House"), is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

The trustees, who are also the directors for the purpose of company law, and who served during the 17 Month Period and up to the date of signature of the financial statements were:

The Earl of Balfour

Harry Bicket OBE

Victoria Broackes

William J Conner

Simon Daniels

Peter Kerber

Lucy Le Fanu

Simon Weil (Chairman)

The Viscountess Cobham CBE

(Appointed 2 July 2024)

Martin Donnelly

(Appointed 2 July 2024)

John Gracey

(Appointed 20 May 2025)

Jane Ridley

(Resigned 20 May 2025)

Michael Ridley

(Resigned 20 May 2025)

Recruitment and appointment of trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the Trust and their role. There is a Nominations Committee that reviews the tenure of Board members, the skills that are required on the Board and the succession policy. It makes recommendations to the Board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its Board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each Board meeting.

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the Board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met six times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Connected Charities

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd. Further details of transactions and balances with these connected entities are given in the notes to the financial statements.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025*

The Trustees' report was approved by the Board of Trustees.

A handwritten signature in dark ink, appearing to read 'Simon Weil', with a long horizontal stroke extending to the right.

Simon Weil (Chairman)

Trustee

Date: 15 September 2025

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

The trustees, who are also the directors of The Handel House Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial 17 Month Period which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 17 Month Period.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE HANDEL HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of The Handel House Trust Limited (the 'Charity') for the 17 Month Period ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the 17 Month Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HANDEL HOUSE TRUST LIMITED

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the Charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We have made enquiries of management, and trustees, regarding the procedures relating to identifying, evaluating and complying with

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

Discussion among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:

1. management override of control - we reviewed management accounts and journals to discover any evidence of management override.
4. revenue recognition - this was tested substantively for all types of income, we also performed analytical testing over the balance.
5. estimated residual life of building - we reviewed the building for signs of impairment and recent valuation information to confirm the buildings were included within the accounts accurately.

We obtained an understanding of the legal and regulatory framework that the Charitable Company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charitable Company. The key laws and regulations we considered in this context included the UK Companies Act, Charities Act, data protection regulations, health and safety and employment legislation.

Discussion was had with management and the trustees and amongst the engagement team to gain an understanding of the entities current activities, authorisation procedures and effectiveness of the control environment. Our understanding was tested during the audit work and the systems and controls in place were found to be operating effectively.

The engagement partner has reviewed the team selected to undertake the engagement and ensure that they have sufficient competence and are capable of identifying and recognising non-compliance with laws and regulations. No non-compliance was identified.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

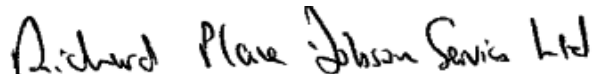
THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HANDEL HOUSE TRUST LIMITED

Use of our report

This report is made solely to the charity's trustees, 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Place Dobson Services Limited
Chartered Accountants

16 September 2025
Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

Richard Place Dobson Services Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

Current financial 17 Month Period	Unrestricted funds general	Unrestricted funds designated funds	Restricted funds	Endowment funds	Total	Total
	2025	2025	2025	2025	2025	2023
Notes	£	£	£	£	£	As restated £
Income and endowments from:						
Donations and legacies 3	343,403	-	90,182	-	433,585	771,385
Charitable activities 4	259,404	-	1,667	-	261,071	100,068
Other trading activities 5	63,464	-	-	-	63,464	36,995
Investments 6	53,908	-	-	-	53,908	73,363
Other income 7	170,051	-	-	-	170,051	-
Total income	<u>890,230</u>	<u>-</u>	<u>91,849</u>	<u>-</u>	<u>982,079</u>	<u>981,811</u>
Expenditure on:						
Raising funds 8	309,847	-	25,099	-	334,946	231,250
Charitable activities 9	1,354,711	-	79,990	-	1,434,701	904,846
Total expenditure	<u>1,664,558</u>	<u>-</u>	<u>105,089</u>	<u>-</u>	<u>1,769,647</u>	<u>1,136,096</u>
Net gains/(losses) on investments 14	<u>4,577</u>	<u>-</u>	<u>-</u>	<u>368,702</u>	<u>373,279</u>	<u>(74,414)</u>
Net income/(expenditure)	<u>(769,751)</u>	<u>-</u>	<u>(13,240)</u>	<u>368,702</u>	<u>(414,289)</u>	<u>(228,699)</u>
Transfers between funds	<u>1,071,630</u>	<u>(333,809)</u>	<u>(12,591)</u>	<u>(725,230)</u>	<u>-</u>	<u>-</u>
Net movement in funds 11	<u>301,879</u>	<u>(333,809)</u>	<u>(25,831)</u>	<u>(356,528)</u>	<u>(414,289)</u>	<u>(228,699)</u>
Reconciliation of funds:						
Fund balances at 1 November 2023						
As originally reported	(177,751)	10,086,995	2,448	2,733,167	12,644,859	12,928,681
Prior 17 Month Period adjustment	(48,877)	-	104,000	-	55,123	-
Fund balances at 1 November 2023	<u>(226,628)</u>	<u>10,086,995</u>	<u>106,448</u>	<u>2,733,167</u>	<u>12,699,982</u>	<u>12,928,681</u>
Fund balances at 31 March 2025	<u>75,251</u>	<u>9,753,186</u>	<u>80,617</u>	<u>2,376,639</u>	<u>12,285,693</u>	<u>12,699,982</u>

The statement of financial activities includes all gains and losses recognised in the 17 Month Period. All income and expenditure derive from continuing activities.

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

Prior financial year		Unrestricted funds general	Unrestricted funds designated funds	Restricted funds	Endowment funds	Total
		2023 As restated	2023	2023 As restated	2023	2023 As restated
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and legacies	3	262,594	-	508,791	-	771,385
Charitable activities	4	100,068	-	-	-	100,068
Other trading activities	5	36,995	-	-	-	36,995
Investments	6	73,363	-	-	-	73,363
Total income		<u>473,020</u>	<u>-</u>	<u>508,791</u>	<u>-</u>	<u>981,811</u>
Expenditure on:						
Raising funds	8	183,250	-	48,000	-	231,250
Charitable activities	9	788,183	-	116,663	-	904,846
Total expenditure		<u>971,433</u>	<u>-</u>	<u>164,663</u>	<u>-</u>	<u>1,136,096</u>
Net gains/(losses) on investments	14	<u>(25,301)</u>	<u>-</u>	<u>-</u>	<u>(49,113)</u>	<u>(74,414)</u>
Net income/(expenditure)		<u>(523,714)</u>	<u>-</u>	<u>344,128</u>	<u>(49,113)</u>	<u>(228,699)</u>
Transfers between funds		<u>(237,172)</u>	<u>1,291,762</u>	<u>(1,054,590)</u>	<u>-</u>	<u>-</u>
Net movement in funds	11	<u>(760,886)</u>	<u>1,291,762</u>	<u>(710,462)</u>	<u>(49,113)</u>	<u>(228,699)</u>
Reconciliation of funds:						
Fund balances at 1 November 2022						
As originally reported		534,258	8,795,233	816,910	2,782,280	12,928,681
Prior 17 Month Period adjustment		-	-	-	-	-
As restated		<u>534,258</u>	<u>8,795,233</u>	<u>816,910</u>	<u>2,782,280</u>	<u>12,928,681</u>
Fund balances at 31 October 2023		<u>(226,628)</u>	<u>10,086,995</u>	<u>106,448</u>	<u>2,733,167</u>	<u>12,699,982</u>

THE HANDEL HOUSE TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2023 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		8,603,961		8,801,942
Heritage assets	17		1,410,263		1,340,175
Investments	18		2,226,639		2,383,560
			<u>12,240,863</u>		<u>12,525,677</u>
Current assets					
Stocks	19	9,510		12,417	
Debtors	20	146,257		172,237	
Cash at bank and in hand		48,447		147,326	
		<u>204,214</u>		<u>331,980</u>	
Creditors: amounts falling due within one year	21	(159,384)		(157,675)	
		<u></u>		<u></u>	
Net current assets			44,830		174,305
Total assets less current liabilities			<u>12,285,693</u>		<u>12,699,982</u>
The funds of the Charity					
Endowment funds	24		2,376,639		2,733,167
Restricted income funds	25		80,617		106,448
Unrestricted funds - general	27		75,251		(226,628)
Unrestricted funds - designated funds	26		9,753,186		10,086,995
			<u>12,285,693</u>		<u>12,699,982</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the 17 Month Period ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the 17 Month Period in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 15 September 2025.



Simon Weil (Chairman)
Trustee

Company registration number 02653428 (England and Wales)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

	Notes	2025 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	33		(765,934)		(680,624)
Investing activities					
Purchase of tangible fixed assets		(54,427)		(1,135,046)	
Proceeds from disposal of tangible fixed assets		153,463		-	
Purchase of heritage assets		(16,088)		(229,940)	
Purchase of investments		(263,301)		(251,719)	
Proceeds from disposal of investments		793,500		1,482,714	
Investment income received		53,908		73,363	
Net cash generated from/(used in) investing activities			667,055		(60,628)
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(98,879)		(741,252)
Cash and cash equivalents at beginning of 17 Month Period			147,326		888,578
Cash and cash equivalents at end of 17 Month Period			48,447		147,326

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Handel House Trust Limited is a private company limited by guarantee without share capital

1.1 Reporting period

On 17 September 2024, the Trustees resolved to change the Trust's financial year end from 31 October to 31 March, effective from 31 March 2025. The rationale for this change was to improve our business planning by moving the peak summer trading period from the end to the beginning of the financial year and to facilitate benchmarking with similar organisations, the majority of whom adopt a 31 March year end.

1.2 Accounting convention

The financial statements have been prepared in accordance with the trustee's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of investments at fair value]. The principal accounting policies adopted are set out below.

1.3 Prior period adjustment

During the period the Trustees reviewed the treatment of depreciation on the leasehold improvements. This review highlighted that depreciation was being charged at a rate which would write off the leasehold improvements over too short a period. It was decided to adjust the depreciation rate over the life of the lease. This led to an adjustment to the prior years depreciation charged to the statement of financial activities of £55,125 and increased the net book value of the related assets by the same amount.

It was identified that restricted income related to The Library Trust had been recognised and included within the unrestricted fund, rather than being included as restricted income leading to a restricted fund balance to carry forward at the end of the previous accounting period of £104,000. The statement of financial activities for the previous accounting period has now been amended to transfer £104,000 from unrestricted funds to restricted funds.

1.4 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Charitable funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognized in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited to a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.6 Income

All income is included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Voluntary income including grants and donations are recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably. Grants of the general nature that are not conditional on delivering certain levels of service are included in donations and legacies.

Income from the shop and commercial hires are accounted for when receivable and allocated to other trading activity.

Investment income is accounted for when receivable.

Admission fees to the museum and exhibition and events income are accounted for on receipt and accounted for as charitable activities.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalized and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or

- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

1.7 Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied that are identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Depreciation is charged at cost less estimated residual value over their useful lives on the following bases:

Buildings incl. Learning & exhibitions	Over 50 years to an estimated residual value of £4m
Long leasehold property	Over the life of the lease
Computers and Office Equipment	Over 4 years reducing balance
Museum fittings	Over 4 to 20 years reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Capital expenditure on buildings including exhibitions and education includes the cost of materials externally contracted services.

1.9 Heritage assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

1.10 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic condition & the attitude of investors to investment risk.

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

1.11 Impairment of fixed assets

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

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.12 Stocks

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

1.13 Cash and cash equivalents

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

1.14 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.15 Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense.

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

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

1.16 Retirement benefits

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

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.17 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange rate differences are taken into account in arriving at the net incoming resources.

2 Critical accounting estimates and judgements

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

- a) Estimate of fair values of the heritage assets
- b) Estimated residual value of the leasehold property at £4m.

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations. The Trustees this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations from individuals	63,294	51,051	114,345	45,805	404,791	450,596
Legacies	190,000	-	190,000	143,597	-	143,597
Grants	12,500	38,754	51,254	4,000	104,000	108,000
Handel House Foundation of America	77,609	377	77,986	69,192	-	69,192
	<u>343,403</u>	<u>90,182</u>	<u>433,585</u>	<u>262,594</u>	<u>508,791</u>	<u>771,385</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Charitable activities						
Admission fees	255,189	-	255,189	98,768	-	98,768
Exhibitions and events	1,876	1,667	3,543	1,300	-	1,300
Education	2,339	-	2,339	-	-	-
	<u>259,404</u>	<u>1,667</u>	<u>261,071</u>	<u>100,068</u>	<u>-</u>	<u>100,068</u>

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2023 £
Shop income	48,161	21,385
Commercial Hires	15,303	15,610
	<u>63,464</u>	<u>36,995</u>
Other trading activities	<u>63,464</u>	<u>36,995</u>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2023 £
Income from listed investments	53,739	73,330
Other income	169	33
	<u>53,908</u>	<u>73,363</u>
	<u>53,908</u>	<u>73,363</u>

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2023 £
Other income	170,051	-
	<u>170,051</u>	<u>-</u>
	<u>170,051</u>	<u>-</u>

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fundraising and publicity						
Commercial Hires	8,162	-	8,162	11,903	-	11,903
Investment management fees	60,023	-	60,023	19,327	-	19,327
Fundraising	134,622	25,099	159,721	57,331	48,000	105,331
Shop costs	107,040	-	107,040	94,689	-	94,689
	<u>309,847</u>	<u>25,099</u>	<u>334,946</u>	<u>183,250</u>	<u>48,000</u>	<u>231,250</u>
	<u>309,847</u>	<u>25,099</u>	<u>334,946</u>	<u>183,250</u>	<u>48,000</u>	<u>231,250</u>

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

8 Expenditure on raising funds (Continued)

£25,099 of raising fund expenditure spent in 2024 (2023: £48,000) was in respect of restricted funds.

9 Expenditure on charitable activities

	Museum running expenses	Education	Exhibitions and events	Governance costs	Total
	2025	2025	2025	2025	2025
	£	£	£	£	£
Direct costs	958,494	51,056	28,136	17,843	1,055,529
Support	350,239	-	-	28,933	379,172
	<u>1,308,733</u>	<u>51,056</u>	<u>28,136</u>	<u>46,776</u>	<u>1,434,701</u>

£79,990 (2023: £116,663) of expenditure on charitable activities was in respect of restricted funds.

Previous year:	Museum running expenses	Education	Exhibitions and events	Capital project costs	Governance costs	Total
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Direct costs	493,440	6,407	62,110	239,540	6,266	807,763
Support	122,516	-	-	9,935	19,755	152,206
	<u>615,956</u>	<u>6,407</u>	<u>62,110</u>	<u>249,475</u>	<u>26,021</u>	<u>959,969</u>

10 Support costs allocated to activities

	2025 £	2023 £
Staff	47,709	15,097
IT Costs	33,734	34,596
Maintenance	57,871	47,290
Finance	38,339	19,717
Other costs	172,586	15,751
Governance Costs	28,933	19,755
	<u>379,172</u>	<u>152,206</u>
Analysed between:		
Museum running expenses	350,239	122,516
Capital project costs	-	9,935
Governance costs	28,933	19,755
	<u>379,172</u>	<u>152,206</u>

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

10 Support costs allocated to activities (Continued)

	2025	2023
	£	£
Governance costs comprise:		
Audit fees	14,350	15,537
Legal and professional	14,583	4,218
	<u>28,933</u>	<u>19,755</u>

11 Net movement in funds

	2025	2023
	£	£

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	14,350	15,537
Depreciation of owned tangible fixed assets	44,946	18,102
	<u></u>	<u></u>

12 Trustees

Simon Daniels is Director of the Charity and is also a Trustee. During the 17 month period Simon received a total remuneration of £120,417 (2023 - £82,500) for his role as Director. This role is also in accordance with the articles as stated above.

None of the other Trustees received remuneration or benefits, in this period or the previous year, for their services as Trustees.

13 Employees

The average number of employees during the 17 month period was 11 (2023: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2025	2023
	Number	Number
Capital Project	-	3.6
Museum running	5.5	0.6
Education	0.8	0.2
Raising funds	2.2	1.2
Events	0.1	0.2
Support	0.5	0.1
	<u></u>	<u></u>
Total	9.1	5.9

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

13 Employees (Continued)

Employment costs	2025 £	2023 £
Wages and salaries	485,481	251,045
Social security costs	45,653	20,816
Other pension costs	16,404	8,369
	<u>547,538</u>	<u>280,230</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2023 Number
£80,000 - £90,000	<u>1</u>	<u>1</u>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2023 £
Aggregate compensation	<u>179,685</u>	<u>154,484</u>

The key management personnel comprise of the trustees, the Director and the Deputy Director. The total benefits received by key management are shown above.

14 Gains and losses on investments

	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Gains/(losses) arising on:						
Sale of investments	<u>4,577</u>	<u>368,702</u>	<u>373,279</u>	<u>(25,301)</u>	<u>(49,113)</u>	<u>(74,414)</u>

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

16 Tangible fixed assets

	Buildings incl. Learning & exhibitions	Long leasehold property	Assets under construction	Museum fittings	Computers & office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 November 2023	4,321,233	4,378,173	-	205,260	257,803	9,167,979
Additions	18,349	-	5,401	-	30,677	54,427
Disposals	-	-	-	(151,260)	(2,203)	(153,463)
Transfer to heritage assets	-	-	-	(54,000)	-	(54,000)
At 31 March 2025	4,339,582	4,378,173	5,401	-	286,277	9,014,943
Depreciation and impairment						
At 1 November 2023	253,011	105,193	-	-	7,373	366,036
Depreciation charged in the 17 Month Period	5,913	10,716	-	-	26,660	44,946
At 31 March 2025	258,924	115,909	-	-	34,033	410,982
Carrying amount						
At 31 March 2025	4,080,658	4,262,264	5,401	-	252,244	8,603,961
At 31 October 2023	4,068,221	4,272,980	-	205,260	250,430	8,801,942

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

17 Heritage assets

	£
At 1 November 2023	1,340,175
Purchases	16,088
Transfer from fixed assets	54,000
At 31 March 2025	1,410,263

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

18 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 November 2023	2,356,690	26,870	2,383,560
Additions	263,301	-	263,301
Valuation changes	373,279	-	373,279
Movement in cash	-	(26,870)	(26,870)
Disposals	(766,631)	-	(766,631)
At 31 March 2025	2,226,639	-	2,226,639
Carrying amount			
At 31 March 2025	2,226,639	-	2,226,639
At 31 October 2023	2,356,690	26,870	2,383,560

Historical cost:

31 March 2025: £1,085,736

31 October 2023: £1,616,492

19 Stocks

	2025 £	2023 £
Finished goods and goods for resale	9,510	12,417

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

20 Debtors

	2025 £	2023 £
Amounts falling due within one year:		
Trade debtors	526	-
Other debtors	15,003	34,478
Prepayments and accrued income	130,728	137,759
	<u>146,257</u>	<u>172,237</u>

21 Creditors: amounts falling due within one year

	Notes	2025 £	2023 £
Other taxation and social security		-	7,882
Deferred income	22	434	-
Trade creditors		74,851	49,204
Other creditors		6,041	1,752
Accruals		78,058	98,837
		<u>159,384</u>	<u>157,675</u>

22 Deferred income

	2025 £	2023 £
Other deferred income	<u>434</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2025 £	2023 £
Deferred income is included within:		
Current liabilities	<u>434</u>	<u>-</u>
Movements in the 17 Month Period:		
Deferred income at 1 November 2023	-	-
Resources deferred in the 17 Month Period	<u>434</u>	<u>-</u>
Deferred income at 31 March 2025	<u>434</u>	<u>-</u>

23 Retirement benefit schemes

	2025 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>16,404</u>	<u>8,369</u>

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

23 Retirement benefit schemes

(Continued)

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

24 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 November 2023 £	Transfers £	Gains and losses £	At 31 March 2025 £
Expendable endowments				
Expendable Endowment - Investments	2,483,167	(625,230)	368,702	2,226,639
Expendable Endowment - Donation	250,000	(100,000)	-	150,000
	<u>2,733,167</u>	<u>(725,230)</u>	<u>368,702</u>	<u>2,376,639</u>
	<u><u>2,733,167</u></u>	<u><u>(725,230)</u></u>	<u><u>368,702</u></u>	<u><u>2,376,639</u></u>
Previous year:	At 1 November 2022 £	Transfers £	Gains and losses £	At 31 October 2023 £
Expendable endowments				
Expendable Endowment - Investments	2,532,280	-	(49,113)	2,483,167
Expendable Endowment Donation	250,000	-	-	250,000
	<u>2,782,280</u>	<u>-</u>	<u>(49,113)</u>	<u>2,733,167</u>
	<u><u>2,782,280</u></u>	<u><u>-</u></u>	<u><u>(49,113)</u></u>	<u><u>2,733,167</u></u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(B) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street which was originally planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

25 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 November 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Art Fund	2,448	-	-	(2,448)	-
The Linbury Trust	104,000	-	(33,500)	-	70,500
The Hallelujah Capital Project	-	21,197	(11,080)	-	10,117
Handel House Friends of America	-	377	(377)	-	-
Roth Costanzo Event	-	24,660	(24,660)	-	-
Rachel Podger Event	-	4,361	(4,361)	-	-
Thistle Trust	-	25,000	(25,000)	-	-
Garrick Charitable Trust	-	2,500	(2,500)	-	-
The Chapman Charitable Trust	-	2,000	(2,000)	-	-
The National Lottery Heritage Fund: T Sullivan Archive	-	11,754	(1,611)	(10,143)	-
	<u>106,448</u>	<u>91,849</u>	<u>(105,089)</u>	<u>(12,591)</u>	<u>80,617</u>
Previous year:	At 1 November 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 October 2023 £
The Linbury Trust	-	-	-	104,000	104,000
Capital Project Development Phase	814,462	508,791	(164,663)	(1,158,590)	-
Art Fund	2,448	-	-	-	2,448
	<u>816,910</u>	<u>508,791</u>	<u>(164,663)</u>	<u>(1,054,590)</u>	<u>106,448</u>

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix* in London which completed and reopened in May 2023 at which point the remaining funds were transferred to the general fund at the point of the asset capitalisation.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

26 Unrestricted funds - designated funds

These are unrestricted funds which are material to the Charity's activities.

	At 1 November 2023 £	Transfers £	At 31 March 2025 £
Designated Fixed Assets Fund	8,746,820	(403,898)	8,342,922
Designated Heritage Assets Fund	1,340,175	70,089	1,410,264
	<u>10,086,995</u>	<u>(333,809)</u>	<u>9,753,186</u>
Previous year:	At 1 November 2022 £	Transfers £	At 31 October 2023 £
Designated Fixed Assets Fund	7,684,998	1,061,822	8,746,820
Designated Heritage Asset Fund	1,110,235	229,940	1,340,175
	<u>8,795,233</u>	<u>1,291,762</u>	<u>10,086,995</u>

The designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property.

The Heritage Assets Fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

27 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 November 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General funds	(226,628)	890,230	(1,664,558)	1,071,630	4,577	75,251
	<u>(226,628)</u>	<u>890,230</u>	<u>(1,664,558)</u>	<u>1,071,630</u>	<u>4,577</u>	<u>75,251</u>
Previous year:	At 1 November 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 October 2023 £
General funds	534,258	473,020	(971,433)	(237,172)	(25,301)	(226,628)
	<u>534,258</u>	<u>473,020</u>	<u>(971,433)</u>	<u>(237,172)</u>	<u>(25,301)</u>	<u>(226,628)</u>

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserve policy.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

28 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds designated funds	Restricted funds	Endowment funds	Total
	2025 £	2025 £	2025 £	2025 £	2025 £
At 31 March 2025:					
Tangible assets	261,038	8,342,923	-	-	8,603,961
Heritage assets	-	1,410,263	-	-	1,410,263
Investments	-	-	-	2,226,639	2,226,639
Current assets/(liabilities)	(185,787)	-	80,617	150,000	44,830
	<u>75,251</u>	<u>9,753,186</u>	<u>80,617</u>	<u>2,376,639</u>	<u>12,285,693</u>
	Unrestricted funds general	Unrestricted funds designated funds	Restricted funds	Endowment funds	Total
	2023 £	2023 £	2023 £	2023 £	2023 £
At 31 October 2023:					
Tangible assets	55,123	8,746,819	-	-	8,801,942
Heritage assets	-	1,340,175	-	-	1,340,175
Investments	-	-	-	2,383,560	2,383,560
Current assets/(liabilities)	(281,751)	1	106,448	349,607	174,305
	<u>(226,628)</u>	<u>10,086,995</u>	<u>106,448</u>	<u>2,733,167</u>	<u>12,699,982</u>

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 17 MONTH PERIOD ENDED 31 MARCH 2025

29 Related party transactions

Personal donations were made by Trustees of £100,347 (2023 - £152,027) and Trustees expenses totalled £Nil (2023 - £Nil).

Simon Weil is a partner of Charles Russell Speechlys LLP, who were paid £13,733 for legal services (2023 - £Nil) as an arms length transaction during the year. There were no outstanding balances as at 31 March 2025 (2023 - £7,678).

During the 17 month period The English Concert were paid £29,340 (2023: £Nil) for performances. Trustee Simon Weil is also a Trustee of the English Concert. Trustee Harry Bicket is Artistic Director at The English Concert.

There were no other related party transactions or Trustee expenses (2023 - none).

30 Connected Charities

Handel House Foundation of America is a connected charity which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £77,986 (2023: £23,139) from the Foundation.

Handel Hendrix Enterprises Ltd is a connect company. There were no related party transactions with the company as it is dormant.

31 Company limited by guarantee

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members as at March 31 2025 (2023 :10 members)

32 Ultimate Controlling Party

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.

33 Cash absorbed by operations	2025 £	2023 £
Deficit for the 17 Month Period	(414,289)	(228,699)
Adjustments for:		
Investment income recognised in statement of financial activities	(53,908)	(73,363)
(Gain)/loss on disposal of investments	(373,279)	74,414
Depreciation and impairment of tangible fixed assets	44,946	18,102
Movements in working capital:		
Decrease/(increase) in stocks	2,907	(817)
Decrease/(increase) in debtors	25,980	(45,709)
Increase/(decrease) in creditors	1,275	(424,552)
Increase in deferred income	434	-
Cash absorbed by operations	(765,934)	(680,624)

34 Analysis of changes in net funds

The Charity had no material debt during the year.

THE HANDEL HOUSE TRUST LIMITED

England & Wales - Charity number 1006009

Accounts

Company Registration Number 02653428

Charity Number 1006009

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 OCTOBER 2023

THE HANDEL HOUSE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2023

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THE HANDEL HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name The Handel House Trust Limited

Charity number 1006009

Company registration number 02653428

Principal and registered office 25 Brook Street
London
W1K 4HB

President Christopher Purvis CBE

Trustees

The Earl of Balfour	2
Harry Bicket OBE	
Victoria Broackes	1, 3
William J Conner	
Simon Daniels	
Peter Kerber	2
Lucy Le Fanu	
Jane Ridley	
Michael Ridley	2, 3
Simon Weil (Chairman)	1, 2, 3

1 = member of the Nominations Committee

2 = member of the Finance Committee

3 = member of the Building Committee

Auditor Price Bailey LLP
Chartered Accountants & Statutory Auditor
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Investment advisers Ruffer
80 Victoria Street
London
SW1E 5JL

Lombard Odier
Queensbury House
3 Old Burlington Street
London W1S 3AB

Bankers Lloyds TSB plc
185 Baker Street
London NW1 6XB

THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2023

On 18 May 2023, The Handel House Trust marked the beginning of a new chapter when we opened to the public Handel Hendrix House. This followed almost two years' construction and restoration work, which was the culmination of several years' intense planning and preparation to deliver what we called the 'Hallelujah Project'. By restoring *all* of Handel's home at 25 Brook Street, the successful completion of the Hallelujah Project was the fulfilment of a dream more than 60 years in the making, when Stanley Sadie and others first began to galvanise those who cared about Handel's music around the idea of restoring the great composer's house.

The Hallelujah Project has significantly enhanced the presentation of Handel's house, which is now enjoyed by visitors as his home complete with a kitchen and the ground floor parlours - rooms which were lost to development in 1905. New exhibitions about Handel and Jimi Hendrix offer a richer, more engaging visitor experience than ever before.

The Trustees are delighted that our pride in the quality of the restoration is shared by our visitors, who have provided wonderful feedback, and the media. Visitor performance over the summer was strong and we were pleased to have reached pre-pandemic levels of visits, despite the ongoing challenges faced by the wider visitor economy.

The house is once again filled with music, too, with live music offered as part of a visit on Fridays, Saturdays and Sundays and through our regular concert series. We soon look forward to relaunching our learning programme, which has been made possible by generous support from The Linbury Trust.

Our volunteers are as invaluable as ever. We simply could not operate without their dedication and we know that contact with volunteers is something people particularly enjoy during their visit.

In September, the second Handeliade Festival of Handel and the 18th Century was a wonderful coda to the year. This year's festival began at Handel Hendrix House and continued, by kind permission of the Duke of Buccleuch, at Boughton House in Northamptonshire. Festival goers enjoyed performances by The English Concert, Ensemble Molière, Steven Devine, Julian Perkins and The Brook Street Band and talks by Dan Cruickshank, Ellen Harris, Jonathan Keates and Peter Kerber. The Trustees are most grateful to the Duke for hosting the festival.

On behalf of the Board of Trustees, I would like to extend sincere thanks to all those who have made 2022/23 and the Hallelujah Project such a successful and important year; the musicians who perform so beautifully for our visitors; our volunteers; the museum staff; and all our friends, donors and supporters.

Simon Weil

.. Simon Weil (May 16, 2024, 2:26pm) ..

Signed by **SIMON WEIL** (CHAIRMAN)

Date: 16 May 2024

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ended 31 October 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the financial statements.

The Trustees

The Trustees who served during the year were as follows:

The Earl of Balfour
Harry Bicket OBE
Victoria Broackes
William Conner
Peter Kerber
Lucy Le Fanu
Simon Daniels
Jane Ridley
Michael Ridley (Deputy Chairman)
Simon Weil (Chairman)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The Handel House Trust Limited, also known as Handel Hendrix House or Handel House ("the Trust" "the House"), is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met six times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the Trust and their role. There is a Nominations Committee that reviews the tenure of Board members, the skills that are required on the Board and the succession policy. It makes recommendations to the Board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its Board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each Board meeting.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the Board.

Risk management

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

The Board met regularly to discuss and monitor the risks above. The delivery of the Hallelujah Project required ongoing review of risks associated with the construction project. Governance of the Hallelujah Project was provided by a Project Board comprising the Chairman, Deputy Chairman and Mr Robin Broadhurst (formerly a Trustee). A separate risk register was maintained by the Design Team and reviewed on a monthly basis. The Project Board received monthly reports on progress and budget and an assessment on key project risks/mitigations, as follows:

Risk	Mitigation
Unforeseen works increase costs.	Thorough site surveys completed prior to contract. Allocating realistic provisional sums for elements for which uncertainty remains. Close working between contractor and design team to workshop solutions to issues as they emerge.
International supply chain pressures delay delivery of essential materials.	Appointed a contractor with a wide supplier network and able to programme flexibly when issues emerge. Regular reviewing of programme and discussions with contractor to flag supply chain concerns.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The completion of the building project and the re-opening of the museum in May 2023 presented new risks for the organisation to manage. The most significant being:

Risk	Mitigation
Recruitment/retention of staff and volunteers to safely operate the museum	Continuous recruitment of volunteers, comprehensive induction of volunteers and staff, maintaining a motivating environment to encourage retention.
Raising and earning budgeted income	Investment in retail and commercial hire offer, PR and marketing campaigns to drive ticket sales, proactive fundraising, income from endowment funds.

The Director regularly updated Trustees on the management of these risks on a regular basis.

Mission

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

On 18 May 2023 we achieved an ambition that has been more than 60 years in the making: we fully restored all of Handel's home and opened it to the public. After 20 years' operating on the upper floors only, with a modern entrance to the rear of 25 Brook Street, it is a source of great pride that our visitors now enter the museum through Handel's front door and enjoy his ground floor parlours, basement kitchen and the rest of his house much as he might have known it. New exhibitions introduce his music and the musicians with whom he worked. In 23 Brook Street, new displays explore aspects of Jimi Hendrix's music and life in London in Handel and Hendrix's times.

The interpretation and dressing of Handel's home, like the flat of Jimi Hendrix, attempts to re-create the rooms as he might have known them. Recently acquired old master paintings decorate the rooms, their gilded frames glittering in the candlelight from new sconces and chimney lights. Many private lenders have been generous in offering significant pieces for display and it was a particular pleasure to see the portrait of Handel by Philippe Mercier – a picture Handel himself once owned – grace the walls of the Drawing Room for our re-opening.

Prior to re-opening, the focus of our activities comprised the building project and our staff and design team worked closely with Messenger Construction to complete the building works on budget. Having taken back the building on 11 April 2023, our staff worked tirelessly to co-ordinate the return of the collection, the completion of the displays, the re-induction and recruitment of volunteers and the all the preparations necessary to open on time.

The whole Board joins me in congratulating the staff, contractors and craftsmen who made extraordinary contributions to complete the Hallelujah Project.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

Fundraising for the project continued. A particular highlight featured a recital gifted to the museum by Iestyn Davies and Harry Bicket, together with musicians from The English Concert. This brought several new major donors to our cause. The Wolfson Foundation, the Michael Uren Foundation and the J. Paul Getty Jnr Foundation gave generous grants during the year. The Board of Trustees is most grateful to all those who supported the museum with grants and donations during the year.

Our goal is to raise the full balance of the £2.9m construction costs of the Hallelujah Project, rather than to draw on our reserves. At year end a balance of £200,000 remained to be raised and fundraising continues.

Visitors to the re-opened museum have been overwhelmingly enthusiastic in their feedback about their experience. We are delighted that visitor numbers immediately returned to pre-COVID levels, with 9,468 visiting between 18 May and 31 October 2023. In addition to the displays and exhibitions, those visiting on weekends enjoy live baroque music performed by professional musicians at no additional charge. On Fridays, some of London's best guitarists fill the Hendrix flat with the sort of relaxed, improvisatory music it is easy to imagine Hendrix himself played. At the end of October, we launched a series of late openings 'Handel Hendrix House After Dark'. These candlelit viewings of the house, complemented by live baroque and contemporary music, have brought new audiences and offered a contrasting way in which to explore the museum.

Re-opening has not just been about the building itself, however. A new brand identity has been developed, and we now operate as Handel Hendrix House. This change, we hope, more clearly identifies us as a place to visit, and our new 'H' logo imaginatively combines Handel's signature and the bubble writing common on Jimi Hendrix's album covers, creating a distinctive look for the organisation. A new website launched at re-opening, together with a new ticketing platform.

New members of staff have also been recruited, generally to replace lost headcount in areas such as marketing and visitor experience. We are delighted that, following this recruitment, the staff team is more reflective of the population of the diverse capital city in which we operate.

Our volunteers are also very pleased to be back at the museum. They are the linchpin of our operation, providing a distinctive visitor experience. Recruitment of new volunteers is an ongoing process.

The Hallelujah Project created a new, larger museum shop and provides new opportunities for function hire and banqueting. The shop has performed well in its first season, with both conversion and average transaction values exceeding budget. We held our first events in the ground floor parlour during the year and we are delighted to be working with RBMH Event Design on an exclusive basis to provide our functions offer.

In July we held an event as part of the Mayfair Times Literary Festival to launch our new guidebook, *Handel Hendrix House: A Souvenir Guide*. Written by historian Dr David Souden and published by Scala, this is the first guidebook we have produced that presents the Handel and Hendrix stories in one place, weaving together aspects of the London scene that they both, in their different ways, encountered. The book also features interludes from guest contributors ranging from harpsichordist Laurence Cummings to photographer Barry Wentzell, offering fresh perspectives on Handel and Hendrix's lives.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

With the completion of the Hallelujah Project, we have a beautiful and inspiring platform in which we can help people encounter Handel and Hendrix and help them to learn from their music and their lives. Re-starting our learning programme, suspended first by COVID and then by the Hallelujah Project, was a priority for the Trust. We were delighted to learn in October that The Linbury Trust had awarded us a grant of £102,000 to provide three-years' support to refresh and restart our learning programme and to extend our impact further through community engagement.

Away from the museum, there were three significant events for our audiences to enjoy. In November 2022, we marked what would have been Jimi Hendrix's 80th birthday with 'An Electric Church', an evening of live music and spoken word exploring Hendrix's concept of collaborative and informal

music making. The event, held at St Pancras Old Church, featured reflections on the Electric Church by Dr Christian Lloyd of Queen's University, and performances by guitarist Laurent Judson and Swedish singer songwriter Loria Boban.

In March 2023, we organised a four-night stay in Venice, enabling donors and supporters of the museum to follow 'in Handel's footsteps', with Handel biographer Jonathan Keates as our guide. In September we organised the second Handeliade festival of Handel and the 18th century, which included a performance of Amadigi by The English Concert and a visit to Handel house animated by a talk on Handel's art collection and a recital by Julian Perkins. The Handeliade continued at Boughton house in Northamptonshire, by kind permission of the Duke of Buccleuch. Activities at Boughton included talks by Handel scholar Prof. Ellen Harris and architectural historian Dan Cruickshank. The audience also enjoyed performances by The Brook Street Band, Ensemble Molière, The English Concert and a solo recital by Steven Devine. The Trust is hugely grateful to the Duke of Buccleuch and the staff at Boughton for making the Handeliade possible and welcoming us so warmly.

The idea of restoring Handel's house and re-opening it to the public was revived in the 1950s. The opening of the restored house on 18 May was the culmination of more than 60 years' campaigning and fundraising and is the culmination of the efforts of many people. As the current custodians of 25 and 23 Brook Street, it is our immense privilege to have had the responsibility and opportunity to complete the restoration. The Board of Trustees would like to thank all those whose support has made this milestone possible.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit in section 17 of the Charities Act 2011. They believe that the Handel House Trust is achieving and continually improving its public benefit remit through its presentation of the house to visitors, its education programmes, public concerts and other public events. More details are covered in our achievements and performance above.

PLANS FOR THE COMING YEAR

The Board is working with the Director and staff to develop a new vision and strategy for the organisation, now that the Hallelujah Project is complete. This will launch during 2024 and will focus on how we increase our impact in society and build visitor, fundraising and commercial revenues to sustain our long-term future. We look forward to continuing our programmes of live music, to restarting our popular series of concerts and to launching new opportunities for learning. We will also continue to seek to build our function hire business and further improve performance of the museum shop.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

FINANCIAL REVIEW

The museum was open to the public for five and half months of the year, which is reflected in increased income from admissions of £100,068 (2022: £2,773). Trading income increased to £36,995 (2022: £1,866) for the same reason. Whilst the Hallelujah Project was the principal focus for fundraising, we also secured funding to re-start our learning programme. A total of £771,385 was raised from all philanthropic sources (2022: £817,057).

We planned for an operating deficit in the year, to be funded by reserves. The outturn was an operating deficit of £209,409 (2022 surplus: £302,203). We have planned for an operating deficit in 2023/24 before breaking even and returning to surplus in future years.

The capitalisation of the Hallelujah Project resulted in a transfer between funds of £1,291,762 from the unrestricted funds to the designated funds, and a transfer from restricted funds to general funds of £1,158,590 upon completion of the project. This produces a carried forward a negative balance of £177,751 in the general unrestricted funds, with £10,086,995 of designated unrestricted funds representing the value of tangible assets held. The Trust retains endowment funds of £2,733,167 and the balance sheet at 31 October 2023 shows a net current asset position of £174,305 (2022: £444,479), both of which demonstrate the sound financial health of the Trust.

During the year, the Trustees resolved to establish a trading subsidiary in anticipation of increased non-primary purpose trading. Handel Hendrix Enterprises Ltd, a company be incorporated as a wholly owned subsidiary of the Trust in the name of Handel Hendrix Enterprises Ltd under the provisions of the Companies Act 2006, was incorporated on 31 March 2023, with an initial investment of £1 in the share capital. Handel Hendrix Enterprises Ltd has not yet commenced trading and its accounts will be filed separately with Companies House. It is envisaged that consolidated accounts will be filed in future years.

RESERVES AND INVESTMENT POLICY

The Trust has a designated fund of £10,086,995 (2022: £8,795,233) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £1,340,175 (2022: £1,110,235) of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of eight months' operating expenditure in free reserves, which is between £450,000 and £550,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total a negative balance of £177,751 due to the amount tied up in physical assets (2022: £534,258). Until which time free reserves can be rebuilt from operating surpluses now that the museum is operational, the Trust may draw from endowment funds if needed.

Having produced detailed forecasts and scenario planning the board considers that the strong reserves position and availability of funds is a sufficient buffer against loss of income caused by the Hallelujah Project and the impact of global events. With this in mind, the Board agrees that no material uncertainties that cast significant doubt about the ability for the museum to continue as a going concern have been identified.

It has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

CONNECTED CHARITIES

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd. Further details of transactions and balances with these connected entities are given in the notes to the financial statements.

FUNDRAISING REGULATOR AND COMPLIANCE

Fundraising at the Trust is led by the Director with the close involvement of the Trustees. Fundraising performance and methods of engagement of donors and prospective donors are regularly discussed at Board meetings. The Trust does not use professional fundraisers and has not worked with a commercial participator during the year. The Director is aware of his responsibilities under the Code of Fundraising Practice. Proactive fundraising is done through applications to charitable foundations or companies and through tailored approaches to individuals who have generally expressed an interest in our work. We protect more vulnerable members in our community of supporters by not issuing appeals using direct marketing methods or telephone fundraising, and we limit our communications in general to an amount a supporter would reasonably expect to receive to keep informed about the charity's activities.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2022 - none).

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Handel House Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102 (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2023 (Continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Price Bailey have expressed their willingness to continue as auditors in the next financial period.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the specific provisions for small companies under Part 15 of the Companies Act 2006.

Simon Weil

Simon Weil (May 16, 2024, 2:26pm)
Signed on behalf of the trustees on..... 16 May 2024

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of Handel House Trust Limited (the 'charitable company') for the year ended 31 October 2023 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including 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 charitable company's affairs as at 31 October 2023, and of its 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 Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, Charities Act 2011 and SORP 2019. The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and making enquiries of management and officers of the Charitable Company. We reviewed procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission and a review of legal fees during the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustment for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

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



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)
for and on behalf of

Price Bailey LLP
Chartered Accountants
Statutory Auditors

24 Old Bond Street
London, W1S 4AP

Date: 17 May 2024

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 OCTOBER 2023

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME							
Donations and Legacies	2	262,594	-	508,791	-	771,385	817,057
Charitable Activities	5	100,068	-	-	-	100,068	2,773
Other trading activities	3	36,995	-	-	-	36,995	1,866
Investments & Other income	4	73,363	-	-	-	73,363	137,988
TOTAL INCOME		473,020	-	508,791	-	981,811	959,684
EXPENDITURE							
Raising funds	6	183,249	-	48,000	-	231,249	89,752
Charitable activities	7	843,307	-	116,663	-	959,970	567,729
TOTAL EXPENDITURE		1,026,556	-	164,663	-	1,191,219	657,481
NET INCOME/ (EXPENDITURE) BEFORE GAINS AND LOSSES	9	(553,537)	-	344,128	-	(209,409)	302,203
Net losses on investments	13	(25,301)	-	-	(49,113)	(74,414)	(329,876)
NET INCOME/ (EXPENDITURE)	9	(578,837)	-	344,128	(49,113)	(283,822)	(27,673)
Transfers between funds	21	(133,172)	1,291,762	(1,158,590)	-	-	-
NET MOVEMENT IN FUNDS		(712,009)	1,291,762	(814,462)	(49,113)	(283,822)	(27,673)
Total funds brought forward		534,258	8,795,233	816,910	2,782,280	12,928,681	12,956,354
TOTAL FUNDS CARRIED FORWARD		(177,751)	10,086,995	2,448	2,733,167	12,644,859	12,928,681

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The notes on pages 17 to 27 form part of these financial statements

THE HANDEL HOUSE TRUST LIMITED

Company Registration Number 02653428

BALANCE SHEET AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	8,746,819	7,684,998
Heritage assets	13	1,340,175	1,110,235
Investments	14	2,383,560	3,688,969
		<u>12,470,554</u>	<u>12,484,202</u>
CURRENT ASSETS			
Stocks		12,417	11,600
Debtors	15	172,237	126,528
Cash at bank and in hand		<u>147,326</u>	<u>888,578</u>
		331,980	1,026,706
CREDITORS: Amounts falling due within one year	16	<u>(157,675)</u>	<u>(582,227)</u>
NET CURRENT ASSETS		<u>174,305</u>	<u>444,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,644,859</u>	<u>12,928,681</u>
NET ASSETS		<u>12,644,859</u>	<u>12,928,681</u>
FUNDS			
Endowment funds	17	2,733,167	2,782,280
Restricted income funds	18	2,448	816,910
Designated funds	19	10,086,995	8,795,233
Unrestricted income funds	19	(177,751)	534,258
TOTAL FUNDS		<u>12,644,859</u>	<u>12,928,681</u>

These financial statements have been prepared in accordance with specific provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on **16 May 2024** and signed on their behalf by:

Simon Weil
 SIMON WEIL (CHAIRMAN)
 SIMON WEIL (May 16, 2024, 2:26pm)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS YEAR TO 31 OCTOBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities		<u>(680,622)</u>	<u>1,668,018</u>
Cash flows from investing activities:			
Investments, dividends and interest income		73,363	137,988
Purchase of fixed assets		(1,364,987)	(1,444,845)
Purchase of investments		(251,719)	(131,400)
Proceeds from the sale of investments		<u>1,426,443</u>	<u>578,430</u>
Net cash provided by investing activities		<u>(116,900)</u>	<u>(859,827)</u>
Change in cash and cash equivalents in the reporting period		<u>(797,522)</u>	<u>808,191</u>
Cash and cash equivalents at the beginning of the reporting period		<u>971,718</u>	<u>163,527</u>
Cash and cash equivalents at the end of the reporting period		<u>174,196</u>	<u>971,718</u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year £	Prior Year £
Net income/(expenditure) for the reporting period (as per the statement of financing activities)	(283,822)	(27,673)
Adjustments for:		
Depreciation	73,225	47,342
loss on sale of fixed assets	-	4,803
(Gains)/losses on investments	74,414	329,876
Investments, dividends and interest income	(73,363)	(137,988)
Decrease/ (Increase) in debtors	(45,709)	969,101
Increase/ (Decrease) in creditors	(424,550)	482,558
Decrease/ (Increase) in stock	(817)	-
Net cash provided by/(used in) operating activities	<u>(680,622)</u>	<u>1,668,019</u>

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	147,326	888,578
Cash deposits held within investments	<u>26,870</u>	<u>83,140</u>
Total cash and cash equivalents	<u>174,196</u>	<u>971,718</u>

Analysis of Changes in Net Debt

	At 1 November 2022 £	Cash Flows £	Other non- cash changes £	At 31 October 2023 £
Cash and cash equivalents				
Cash	971,718	(797,522)	-	174,196

THE HANDEL HOUSE TRUST LIMITED

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

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional currency is £ sterling. The charity's registered office is at 25 Brook Street London W1K 4HB.

The Charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary income including grants, donations, shop income, and investment income are accounted for when receivable. Admission fees are accounted for on receipt.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic conditions & the attitude of investors to investment risk.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES (*continued*)

Funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognised in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

Musical instruments are currently included in the accounts at cost. It is the intention of the trustees to ensure that these artefacts are maintained to the highest standard and it is expected that the value of them will increase over time. It is proposed to obtain periodic valuations to confirm the value of these items and they will be subject to annual impairment reviews. Since the residual value is so high, any depreciation charge would be negligible.

Capital expenditure on buildings including exhibitions and education includes the cost of materials and externally contracted services.

Depreciation is charged on a straight line basis to write off the cost of the other assets to their estimated residual value over the expected useful economic lives of the assets. Useful economic lives are not deemed to be longer than the following in each category:

Long Leasehold Property	- over 50 years to an estimated residual value of £4m
Museum fittings	- over 4 to 20 years reducing balance

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES (*continued*)

Computers	- over 3 years reducing balance
Office equipment	- over 4 years reducing balance

Investments

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

Heritage Assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

Stock

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming resources.

Financial instruments

Handel House Trust only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Investments measured at their fair value using quoted closing market value as at the balance sheet date; Fixed assets are measured at amortised cost; and all other assets and liabilities are held at cost.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2023

1. ACCOUNTING POLICIES (*continued*)

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

Critical accounting estimates and areas of judgement

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

a) Estimate of fair values of the heritage assets

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations. The Trustees this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment funds	Total Funds 2023 £	Total Funds 2022 £
Handel House Foundation of America	69,192	-	-	69,192	23,139
Donations from individuals	45,805	404,791	-	450,596	721,573
Legacies	143,597	-	-	143,597	15,000
Grants	4,000	104,000	-	108,000	57,345
	<u>262,594</u>	<u>508,791</u>	<u>-</u>	<u>771,385</u>	<u>817,057</u>

Last year's restricted funds £697,339.

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Commercial hires	15,610	-	15,610	-
Shop income	21,385	-	21,385	1,866
	<u>36,995</u>	<u>-</u>	<u>36,995</u>	<u>1,866</u>

All income from other trading activities in 2022 was in respect of unrestricted funds.

4 INCOME FROM INVESTMENTS & OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from listed investments	73,330	-	73,330	131,921
Other income	33	-	33	6,067
	<u>73,363</u>	<u>-</u>	<u>73,363</u>	<u>137,988</u>

All of income from investment income received in 2022 was in respect of unrestricted funds.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Admission fees	98,768	-	98,768	10
Education	-	-	-	-
Exhibitions and events	1,300	-	1,300	2,763
	<u>100,068</u>	<u>-</u>	<u>100,068</u>	<u>2,773</u>

£Nil of income from charitable activities received during the year in respect of restricted funds (2022: £Nil).

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds	Total Funds 2023 £	Total Funds 2022 £
Fundraising	57,331	48,000	105,331	67,289
Shop costs	94,688	-	94,688	3,546
Investment management fees	19,327	-	19,327	18,917
Commercial hires	11,903	-	11,903	-
	<u>183,249</u>	<u>48,000</u>	<u>231,249</u>	<u>89,752</u>

All expenditure on raising funds spent in 2022 was in respect of unrestricted funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Support costs £	Total 2023 £
Museum running expenses	251,209	364,748	615,957
Education	6,407	-	6,407
Exhibitions and events	62,110	-	62,110
Capital project costs	239,540	9,935	249,475
Governance costs	6,266	19,755	26,021
	<u>565,532</u>	<u>394,438</u>	<u>959,970</u>

£179,975 (2022: £86,289) of expenditure on charitable activities was in respect of restricted funds.

COMPARATIVE	Direct costs £	Support costs £	Total 2022 £
Museum running expenses	47,299	187,176	234,475
Education	8,935	-	8,935
Exhibitions and events	10,177	-	10,177
Capital project costs	202,265	72,095	274,360
Governance costs	1,994	37,788	39,782
	<u>270,670</u>	<u>297,059</u>	<u>567,729</u>

8 Support costs

	2023 £	2022 £
Staff	15,097	(1,824)
Premises	242,232	190,483
IT Costs	34,596	50,752
Maintenance	47,290	3,313
Finance	19,717	2,780
Other costs	15,752	13,767
Governance costs:		
Legal and professional fees	4,218	15,773
Audit and accountancy fees	15,537	22,015
Other costs	-	-
	<u>394,439</u>	<u>297,059</u>

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2023 £	2022 £
Depreciation & impairment	73,225	47,342
Auditor's remuneration:		
- audit of the financial statements (exclusive of VAT)	12,850	12,000
- prior year audit additional fees	2,687	5,400
	<u></u>	<u></u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2023

10 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	251,045	176,252
Social security costs	20,816	18,099
Other staff costs	8,369	4,654
	<u>280,230</u>	<u>199,005</u>

There was one employee (2022- one employee) whose emoluments amount to over £60,000.

The key management personnel comprise the trustees and the Director. The total benefits received by key management personnel in the year amounted £154,484 (2022: £79,644).

11 EMPLOYEE NUMBERS

The average number of employees during the year was 8 (2022: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2023	2022
	No	No
Capital project	3.6	3.2
Museum running	0.6	0.5
Education	0.2	0.2
Fundraising	1.2	1.1
Events	0.2	0.2
Support	<u>0.1</u>	<u>0.1</u>
	5.9	5.3

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

12 TANGIBLE FIXED ASSETS

	Long leasehold property £	Buildings incl. Learning & exhibitions £	Asset under construction £	Museum fittings £	Musical instruments & antiques £	Computers & office equipment £	Total £
At cost 1 November 2022	4,378,173	1,870,894	1,578,606		205,260		8,032,933
Additions		1,129,536				5,510	1,135,046
Transfers		1,320,803	(1,578,606)	257,803			-
At 31 October 2023	4,378,173	4,321,233	-	257,803	205,260	5,510	9,167,979
At 1 November 2022	97,628	250,307	-		-	-	347,935
Charge for the year	7,565	57,827	-	7,373	-	459	73,225
At 31 October 2023	105,193	308,134	-	7,373	-	459	421,160
At 31 October 2023	4,272,980	4,013,099	-	250,430	205,260	5,051	8,746,819
At 31 October 2022	4,280,545	1,620,587	1,578,606	-	205,260	-	7,684,998

13 HERITAGE ASSETS

	At valuation 2023 £				
Balance at 1 November 2022					1,110,235
Additions					229,940
Balance at 31 October 2023					1,340,175
An analysis of the last five years is as follows:					
	2023 £	2022 £	2021 £	2020 £	2019 £
Value of acquisitions by donations	-	-	-	-	956,210
Value of acquisitions by purchase	229,940	140,133	13,892	-	-
Total capitalised	229,940	140,133	-	-	956,210

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

14 INVESTMENTS

Movement in market value	2023 £	2022 £
Market value at 1 November 2022	3,688,969	4,398,803
Additions	251,719	131,400
Disposals proceeds	(1,426,443)	(578,430)
Net gains/(losses) on revaluations in the year	(74,414)	(329,875)
Movement in cash	(56,271)	67,071
Market value at 31 October 2023	2,383,560	3,688,969
Historical cost at 31 October 2023	1,616,492	2,549,073
At 31 October 2023 the analysis of investments is as follows:		
	2023 £	2022 £
Cash	26,870	83,140
UK Equities	2,356,690	3,605,829
Overseas Equities	-	-
UK Unit Trusts	-	-
	2,383,560	3,688,969

15 DEBTORS

	2023 £	2022 £
Trade debtors	-	60
Prepayments and accrued income	137,759	26,225
VAT	34,478	100,243
	172,237	126,528

16 CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	49,204	10,775
Taxation and social security	7,882	-
Other creditors	1,752	1,203
Accruals	98,837	570,249
VAT	-	-
	157,675	582,227

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

17	ENDOWMENT FUNDS	Balance at 1 Nov 2022	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2023
		£	£	£	£
	Expendable endowment	2,782,280	-	(49,113)	2,733,167
		<u>2,782,280</u>	<u>-</u>	<u>(49,113)</u>	<u>2,733,167</u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(b) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

COMPARATIVE	Balance at 1 Nov 2021	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2022
	£	£	£	£
	-	-	-	-
Expendable endowment	2,999,998	-	(217,718)	2,782,280
	<u>2,999,998</u>	<u>-</u>	<u>(217,718)</u>	<u>2,782,280</u>

18 RESTRICTED INCOME FUNDS

	Balance at 1 Nov 2022 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2023 £
Capital project development phase	814,462	508,791	(164,663)	(1,158,590)	-	-
Art fund	2,448	-	-	-	-	2,448
	<u>816,910</u>	<u>508,791</u>	<u>(164,663)</u>	<u>(1,158,590)</u>	<u>-</u>	<u>2,448</u>

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix in London* which completed and reopened in May 2023 at which point the remaining funds were transferred to the general fund at the point of asset capitalisation.

Music in Making: This fund was set up to support a new project to schedule regular open rehearsals of baroque music in the house during opening hours.

COMPARATIVE	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Capital project development phase	225,986	697,339	(108,863)	-	-	814,462
Art fund	3,704	-	(1,256)	-	-	2,448
	<u>229,690</u>	<u>697,339</u>	<u>(110,119)</u>	<u>-</u>	<u>-</u>	<u>816,910</u>

19 UNRESTRICTED FUNDS

	Balance at 1 Nov 2022 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2023 £
Designated Fixed Assets Fund	7,684,998	-	-	1,061,821	-	8,746,819
Heritage Assets Fund	1,110,235	-	-	229,940	-	1,340,175
Total Designated Funds	<u>8,795,233</u>	<u>-</u>	<u>-</u>	<u>1,291,762</u>	<u>-</u>	<u>10,086,995</u>
General Funds	534,258	473,020	(1,026,556)	(133,172)	(25,301)	(177,751)
	<u>9,329,491</u>	<u>473,020</u>	<u>(1,026,556)</u>	<u>1,158,590</u>	<u>(25,301)</u>	<u>9,909,244</u>

The Designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property. The transfer represents the movement in their value.

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserves policy.

The Heritage assets fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

COMPARATIVE

	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Designated Fixed Assets Fund	6,432,431	-	-	1,252,567	-	7,684,998
Heritage Assets Fund	970,102	-	-	140,133	-	1,110,235
General Funds	2,324,133	262,345	(547,362)	(1,392,700)	(112,158)	534,258
	<u>9,726,666.00</u>	<u>262,345</u>	<u>(547,362)</u>	<u>-</u>	<u>(112,158)</u>	<u>9,329,491</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2022

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
Restricted Income Funds:					
Capital project development phase	-	-	-	2,448	2,448
	-	-	-	2,448	2,448
Endowment Funds:					
Expendable endowment	-	-	2,733,167	-	2,733,167
	-	-	2,733,167	-	2,733,167
Unrestricted Income Funds:					
Designated Fixed Assets Fund	8,746,819	-	-	-	8,746,819
Heritage Assets Fund	-	1,340,175	-	-	1,340,175
General Funds	-	-	(349,607)	171,857	(177,751)
	8,746,819	1,340,175	(349,607)	171,857	9,909,244
Total Funds	8,746,819	1,340,175	2,383,560	174,305	12,644,859
COMPARATIVE	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
Restricted Income Funds:					
Capital project development phase	-	-	-	816,910	816,910
	-	-	-	816,910	816,910
Endowment Funds:					
Expendable endowment	-	-	2,782,280	-	2,782,280
	-	-	2,782,280	-	2,782,280
Unrestricted Income Funds:					
Designated Fixed Assets Fund	7,684,998	-	-	-	7,684,998
Heritage Assets Fund	-	1,110,235	-	-	1,110,235
General Funds	-	-	906,689	(372,431)	534,258
	7,684,998	1,110,235	906,689	(372,431)	9,329,491
Total Funds	7,684,998	1,110,235	3,688,969	444,479	12,928,681

21 CONNECTED CHARITIES

The Trust has the following two connected charities:

Handel House Collections Trust which used to hold collection items relating to Handel, however this charity wound up 2019 and all the assets were transferred to The Handel House Trust Limited in the form of heritage assets - they are included in the heritage asset fund.

Handel House Foundation of America which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £23,139 (2022: £23,139) from the Foundation.

22 RELATED PARTY TRANSACTIONS

Personal donations were made by Trustees of £152,027 (2022 - £52,085) and Trustees expenses totalled £Nil (2022 - £683).

Simon Daniels was Director of the Charity from 11 January 2022 and is also a Trustee. Simon received a total remuneration of £82,500 (2022 - £69,291) for his role as Director. This role is also in accordance with the articles as stated above.

There were no other related party transactions or Trustee expenses (2022 - none).

23 COMPANY LIMITED BY GUARANTEE

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members at 31 October 2023 (2022: 10 members).

24 ULTIMATE CONTROLLING PARTY

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.

THE HANDEL HOUSE TRUST LIMITED

England & Wales - Charity number 1006009

Accounts

Company Registration Number 02653428

Charity Number 1006009

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 OCTOBER 2022

THE HANDEL HOUSE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2022

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THE HANDEL HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name	The Handel House Trust Limited																								
Charity number	1006009																								
Company registration number	02653428																								
Principal and registered office	25 Brook Street London W1K 4HB																								
President	Christopher Purvis CBE																								
Trustees	<table><tr><td>The Earl of Balfour</td><td>2</td></tr><tr><td>Harry Bicket OBE</td><td></td></tr><tr><td>Victoria Broackes</td><td>1, 3</td></tr><tr><td>William J Conner</td><td></td></tr><tr><td>Simon Daniels (appointed 11 January 2022)</td><td></td></tr><tr><td>Claire Davies (resigned 11 January 2022)</td><td></td></tr><tr><td>Peter Kerber</td><td>2</td></tr><tr><td>Lucy Le Fanu</td><td></td></tr><tr><td>Jane Ridley</td><td></td></tr><tr><td>Michael Ridley</td><td>2, 3</td></tr><tr><td>Simon Weil (Chairman)</td><td>1, 2, 3</td></tr></table>			The Earl of Balfour	2	Harry Bicket OBE		Victoria Broackes	1, 3	William J Conner		Simon Daniels (appointed 11 January 2022)		Claire Davies (resigned 11 January 2022)		Peter Kerber	2	Lucy Le Fanu		Jane Ridley		Michael Ridley	2, 3	Simon Weil (Chairman)	1, 2, 3
The Earl of Balfour	2																								
Harry Bicket OBE																									
Victoria Broackes	1, 3																								
William J Conner																									
Simon Daniels (appointed 11 January 2022)																									
Claire Davies (resigned 11 January 2022)																									
Peter Kerber	2																								
Lucy Le Fanu																									
Jane Ridley																									
Michael Ridley	2, 3																								
Simon Weil (Chairman)	1, 2, 3																								

1 = member of the Nominations Committee

2 = member of the Finance Committee

3 = member of the Building Committee

Auditor	Price Bailey LLP Chartered Accountants & Statutory Auditor 3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP
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Investment advisers	Ruffer 80 Victoria Street London SW1E 5JL Lombard Odier Queensbury House 3 Old Burlington Street London W1S 3AB
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Bankers	Lloyds TSB plc 185 Baker Street London NW1 6XB
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THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2022

After several years in the planning, 2021-22 finally saw the commencement of the delivery phase of the Hallelujah Project. This project is our strategic priority and will see the complete restoration of Handel's house, new exhibitions, and significant improvements to the infrastructure of Handel & Hendrix in London generally.

In January, we handed over the museum building to our main contractor, Messenger, and the Hallelujah Project construction works began. Inevitably, the historic building had a few surprises in store for us, but our staff, the professional team and contractor have collaborated with imagination and a positive attitude to work around every challenge.

The Handel & Hendrix in London team has researched new content for exhibitions and acquired new historic objects and replicas to enhance the presentation of Handel's house. Of especial interest is the initiative to build, through acquisition and loan, a collection of art representative of Handel's own. We are very excited at the prospect of filling the rooms of 25 Brook Street with art, just as Handel did, and for our visitors to enjoy seeing this fine art in the sort of setting for which it was originally intended.

Alongside the building works, we have maintained an active presence on social media and worked with partners to reach existing and new audiences. In the summer, we were delighted to partner with the Royal School for Blind Children, the composer Ben See, NMC Recordings and members of The Sixteen to compose, record and produce a hopeful piece of choral music: 'Show Yourself'.

At the start of 2022, I was pleased to welcome Simon Daniels as Director of Handel & Hendrix in London and as a member of the Board of Trustees. Claire Davies, Deputy Director, acted as interim director for the interregnum in the final months of 2021, for which the whole Board of Trustees is most grateful. Finally, I would like to thank all our friends, circle members and donors, without whose generous and unstinting support none of our achievements this year would have been possible.

simon weil

.....
S Weil (Jul 27, 2023, 9:14pm)

Signed by **SIMON WEIL** (CHAIRMAN)

Date: 27 Jul 2023

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ended 31 October 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the financial statements.

The Trustees

The Trustees who served during the year were as follows:

The Earl of Balfour
Harry Bicket OBE
Victoria Broackes
William Conner
Claire Davies (resigned 11 January 2022)
Peter Kerber
Lucy Le Fanu
Simon Daniels (appointed 11 January 2022)
Jane Ridley
Michael Ridley (Deputy Chairman)
Simon Weil (Chairman)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The Handel House Trust Limited, also known as the Handel House Museum or Handel House ("the Trust" "the House") and as Handel & Hendrix in London is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met six times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the charity and their role. There is a Nominations Committee that reviews the tenure of board members, the skills that are required on the board and the succession policy. It makes recommendations to the board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each board meeting.

A Buildings Committee meets approximately quarterly and oversees plans for the Hallelujah Project, to complete Handel's house at 25 Brook Street. This committee includes members who are not on the main board, including representatives of the Georgian Group.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022 (Continued)

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the board.

Risk management

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Interruption to rental stream if tenant does not pay or through loss of tenant
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

The Board met regularly to discuss and monitor the risks above. The commencement of the Hallelujah Project in January 2022 presented new risks to manage. The Trustees established a Project Board comprising the Chairman, Deputy Chairman, Director and the Chairman of the Building Committee, to provide close oversight of the project on behalf of the Board. A separate risk register is maintained by the Design Team which is reviewed on a monthly basis. The Project Board receives monthly reports on progress and budget and an assessment on key project risks/mitigations, as follows:

Risk	Mitigation
Unforeseen works increase costs.	Thorough site surveys completed prior to contract. Allocating realistic provisional sums for elements for which uncertainty remains. Close working between contractor and design team to workshop solutions to issues as they emerge.
Objections to stopping up order delay completion of front façade.	Appointed contractor that can programme works flexibly in order to work around delay. Ongoing engagement with Westminster City Council.
International supply chain pressures delay delivery of essential materials.	Appointed a contractor with a wide supplier network and able to programme flexibly when issues emerge. Regular reviewing of programme and discussions with contractor to flag supply chain concerns.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022 (Continued)

Mission

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Having closed to the public in September, investigations and surveys began at the museum in preparation for the construction phase of the Hallelujah Project. Following competitive tender Messenger were appointed main contractor and work began on site in January with a target completion date of November.

During the stripping out of the ground floor and basement areas, we discovered significant additional steel work dating from before our stewardship of the building. This required a modest redesign of structural elements, though without any compromise on the presentation of the historic rooms, resulting in some delay to works starting in earnest. This, coupled with other unforeseen works that arose later during the year, pushed our re-opening date back from March to May 2023. The costs associated with these works was absorbed by existing contingencies.

These delays aside, however, delivery of the Hallelujah Project has been a story of good teamwork producing work of excellent quality. The Design Team, led by Project Director Alex Homfray, has worked constructively with our contractor. Messenger has demonstrated a great understanding of the heritage value of the museum and, as a result, has been committed to achieving the highest standards. It has been exciting to see the original façade and interior layout of the lower floors of Handel's house gradually take shape over the year.

Away from the construction site Deputy Director Claire Davies has led the work to furnish the ground floor, kitchen and the other historic rooms. This has included commissioning new sconces and mirrors, pewter and ceramic items for the kitchen and acquiring new George II furniture. Of particular note is a project, generously supported by Simon Weil and Maecenas, to create a collection of art representative of the impressive collection of 100 works Handel himself amassed at Brook Street. This collection, which will continue to evolve in future years, comprises both loans from other collections and new acquisitions by the Trust. The latter include works by Huysmans, Ruisdael, Servandoni, Tempesta and Wootton. This project benefited from the additional expertise of our Art Panel Omnia Art and Sarah Talbot Capes.

The building works required us to take our public programme offsite for the year. December saw the delayed 'Showcase Concert' at St George's Hanover Square for the 2020 intake of the Handel's House Talent programme. In May, we were delighted to collaborate with our sister charity the Handel House Foundation of America, ensemble House of Time and Gotham Early Music Scene to stage a wonderful concert of Handel and Hendrix's music at St Paul's Chapel, Broadway, one of Manhattan's finest 18th-century buildings.

Over the summer we collaborated with the Royal School for Blind Children to create an opportunity for a group of students to create a new piece of music inspired by the Hallelujah Project. Working with composer Ben See, the students wrote the lyrics and music for a 4-part choral work 'Show Yourself', a piece which exudes the confidence and optimism new beginnings can bring. The students also enjoyed a visit to the studio of NMC Recordings to experience the recording of the piece by members of The Sixteen. All this work was complemented by social media. We were pleased to see growth in our fans and followers across all our social channels.

Fundraising for the Hallelujah Project has also been a significant focus for the Trust this year. Our lead gift from the estate of the late Mark Ransom provided a firm foundation on which to build support. Members of the Handel Hundred continued with their generous subscriptions, and we were delighted to receive substantial grants from the Garfield Weston Foundation, the Foyle Foundation and other generous donors during the year.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022 (Continued)

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit in section 17 of the Charities Act 2011. They believe that the Handel House Trust is achieving and continually improving its public benefit remit through its presentation of the house to visitors, its education programmes, public concerts and other public events. More details are covered in our achievements and performance above.

PLANS FOR THE COMING YEAR

Work continued on the Hallelujah Project into the first quarter of 2023, and we re-opened to the public in May. We look forward to welcoming visitors back into the museum and we will begin to implement marketing and public engagement strategies to reach a target of 30,000 visitors per year. We hope to re-start our learning programme in autumn 2023, providing funding can be found, following consultation with teachers and realigning the programme to meet the requirements of the National Curriculum. A new series of concerts will begin in the autumn and a second 'Handeliade' festival of Handel and the 18th century will take place in September.

Commercial activity will receive increased attention, in part to make up for lost rental income. This will include an improved museum shop and an enhanced function hires offer.

FINANCIAL REVIEW

The museum has been closed to the public for the entire year, which is reflected in reduced income from admissions and concerts of £2,773 (2021: £31,099). Trading income of £1,866 was also lower than last year (2021: £10,840) for the same reason. The principal fundraising effort has been for the Hallelujah Project and we made encouraging progress towards our target. A total of £817,057 was raised from all philanthropic sources (2021: £1,294,177), the reduction on last year reflecting the receipt of £1m in legacy funds from the estate of the late Mark Ransom in 2020/21.

The operating costs of the Trust have been largely met by drawing on investments. The outturn was a deficit of £27,672 (2021 surplus: £1,492,061). We have planned for an operating deficit in 2022/23, before returning to operating surplus in later years. The Trustees are satisfied that reserves are more than adequate to cover the planned losses.

RESERVES AND INVESTMENT POLICY

The Trust has a designated fund of £8,795,233 (2021: £7,402,533) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £1,110,235 (2021: £970,102) of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of eight months' operating expenditure in free reserves, which is between £450,000 and £550,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total £534,259 (2021: £2,324,133). These funds are being utilised on the Hallelujah Project, and are expected to be back in line with the policy once the project is complete.

Having produced detailed forecasts and scenario planning the board considers that the strong reserves position and availability of funds is a sufficient buffer against loss of income caused by the Hallelujah Project and the impact of global events, particularly the uncertainty caused by the war in Ukraine. With this in mind, the Board agrees that no material uncertainties that cast significant doubt about the ability for the museum to continue as a going concern have been identified.

It has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022 (Continued)

CONNECTED CHARITIES

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd. Further details of transactions and balances with these connected entities are given in the notes to the financial statements.

FUNDRAISING REGULATOR AND COMPLIANCE

Fundraising at the Trust is led by the Director with the close involvement of the Trustees. Fundraising performance and methods of engagement of donors and prospective donors is regularly discussed at board meetings. The Trust does not use professional fundraisers and has not worked with a commercial participator during the year. The Director is aware of her responsibilities under the Code of Fundraising Practice. Proactive fundraising is done through applications to charitable foundations or companies and through tailored approaches to individuals who have generally expressed an interest in our work. We protect more vulnerable members in our community of supporters by not issuing appeals using direct marketing methods or telephone fundraising, and we limit our communications in general to an amount a supporter would reasonably expect to receive to keep informed about the charity's activities.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2021 - none).

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Handel House Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102 (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022 (Continued)

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Price Bailey have expressed their willingness to continue as auditors in the next financial period.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the specific provisions for small companies under Part 15 of the Companies Act 2006.

27 Jul 2023

Signed on behalf of the trustees on.....

simon weil

.....
SIMON WEIL (CHAIRMAN)

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of Handel House Trust Limited (the 'charitable company') for the year ended 31 October 2022 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including 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 charitable company's affairs as at 31 October 2022, and of its 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 Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, Charities Act 2011 and SORP 2019.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and making enquiries of management and officers of the Charitable Company. We reviewed procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission and a review of legal fees during the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustment for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

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



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors

24 Old Bond Street
London
W1S 4AP

Date: 28 July 2023

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME							
Donations and Legacies	2	119,718	-	697,339	-	817,057	1,294,177
Charitable Activities	5	2,773	-	-	-	2,773	31,099
Other trading activities	3	1,866	-	-	-	1,866	10,840
Investments & Other income	4	137,988	-	-	-	137,988	73,233
TOTAL INCOME		262,345	-	697,339	-	959,684	1,409,349
EXPENDITURE							
Raising funds	6	62,322	-	27,430	-	89,752	77,265
Charitable activities	7	485,040	-	82,689	-	567,729	493,013
TOTAL EXPENDITURE		547,362	-	110,119	-	657,481	570,278
Net gains/ (losses) on investments	13	(112,158)	-	-	(217,718)	(329,876)	652,990
transfers	21	-	-	-	-	-	-
NET INCOME/ (EXPENDITURE)	9	(397,175)	-	587,220	(217,718)	(27,673)	1,492,061
Transfers between funds		(1,392,700)	1,392,700	-	-	-	-
NET MOVEMENT IN FUNDS		(1,789,875)	1,392,700	587,220	(217,718)	(27,673)	1,492,061
Total funds brought forward		2,324,133	7,402,533	229,690	2,999,998	12,956,354	11,464,293
TOTAL FUNDS CARRIED FORWARD		534,258	8,795,233	816,910	2,782,280	12,928,681	12,956,354

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The notes on pages 15 to 27 form part of these financial statements

THE HANDEL HOUSE TRUST LIMITED

Company Registration Number 02653428

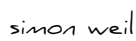
BALANCE SHEET AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	7,684,998	6,432,431
Heritage assets	13	1,110,235	970,102
Investments	14	3,688,969	4,398,803
		<u>12,484,202</u>	<u>11,801,336</u>
CURRENT ASSETS			
Stocks		11,600	11,600
Debtors	15	126,528	1,095,629
Cash at bank and in hand		<u>888,578</u>	<u>147,458</u>
		1,026,706	1,254,687
CREDITORS: Amounts falling due within one year	16	<u>(582,227)</u>	<u>(99,669)</u>
NET CURRENT ASSETS		<u>444,479</u>	<u>1,155,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,928,681	12,956,354
NET ASSETS		<u>12,928,681</u>	<u>12,956,354</u>
FUNDS			
Endowment funds	17	2,782,280	2,999,998
Restricted income funds	18	816,910	229,690
Designated funds	19	8,795,233	7,402,533
Unrestricted income funds	19	534,258	2,324,133
TOTAL FUNDS		<u>12,928,681</u>	<u>12,956,354</u>

These financial statements have been prepared in accordance with specific provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 27 Jul 2023

and signed on their behalf by:



 SIMON WEIL (CHAIRMAN)
 S Weil (Jul 27, 2023; 9:14pm)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS YEAR TO 31 OCTOBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities		<u>1,668,018</u>	<u>101,484</u>
Cash flows from investing activities:			
Investments, dividends and interest income		137,988	73,233
Purchase of fixed assets		(1,444,845)	(197,548)
Purchase of investments		(131,400)	(171,814)
Proceeds from the sale of investments		<u>578,430</u>	<u>167,610</u>
Net cash provided by investing activities		<u>(859,827)</u>	<u>(128,519)</u>
Change in cash and cash equivalents in the reporting period		<u>808,191</u>	<u>(27,035)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>163,527</u>	<u>190,562</u>
Cash and cash equivalents at the end of the reporting period		<u>971,718</u>	<u>163,527</u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year £	Prior Year £
Net income/(expenditure) for the reporting period (as per the statement of financing activities)	(27,673)	1,492,061
Adjustments for:		
Depreciation	47,342	82,612
loss on sale of fixed assets	4,803	-
(Gains)/losses on investments	329,876	(652,990)
Investments, dividends and interest income	(137,988)	(73,233)
Decrease/ (Increase) in debtors	969,101	(798,551)
Increase/ (Decrease) in creditors	482,558	49,230
Decrease/ (Increase) in stock	-	2,355
Net cash provided by/(used in) operating activities	<u>1,668,018</u>	<u>101,484</u>

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	888,578	147,458
Cash deposits held within investments	<u>16 83,140</u>	<u>16,069</u>
Total cash and cash equivalents	<u>971,718</u>	<u>163,527</u>

Analysis of Changes in Net Debt

	At 1 November 2021 £	Cash Flows £	Other non- cash changes £	At 31 October 2022 £
Cash and cash equivalents				
Cash	163,527	808,191	-	971,718

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional currency is £ sterling. The charities registered office is at 25 Brook Street London W1K 4HB.

The Charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary income including grants, donations, shop income, and investment income are accounted for when receivable. Admission fees are accounted for on receipt.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic condition &, the attitude of investors to investment risk.

Funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognised in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1. ACCOUNTING POLICIES *(continued)*

Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

Musical instruments are currently included in the accounts at cost. It is the intention of the trustees to ensure that these artefacts are maintained to the highest standard and it is expected that the value of them will increase over time. It is proposed to obtain periodic valuations to confirm the value of these items and they will be subject to annual impairment reviews. Since the residual value is so high, any depreciation charge would be negligible.

Capital expenditure on buildings including exhibitions and education includes the cost of materials and externally contracted services.

Depreciation is charged on a straight line basis to write off the cost of the other assets to their estimated residual value over the expected useful economic lives of the assets. Useful economic lives are not deemed to be longer than the following in each category:

Long Leasehold Property	- over 50 years to an estimated residual value of £4m
Museum fittings	- over 4 to 20 years reducing balance
Computers	- over 3 years reducing balance
Office equipment	- over 4 years reducing balance

Investments

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Heritage Assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

Stock

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming resources.

Financial instruments

Handel House Trust only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Investments measured at their fair value using quoted closing market value as at the balance sheet date; Fixed assets are measured at amortised cost; and all other assets and liabilities are held at cost.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Critical accounting estimates and areas of judgement

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

a) Estimate of fair values of the heritage assets

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations. The Trustees this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment funds	Total Funds 2022 £	Total Funds 2021 £
Handel House Foundation of America	23,139	-	-	23,139	15,620
Donations from individuals	24,234	697,339	-	721,573	122,602
Legacies	15,000	-	-	15,000	1,130,833
Grants	57,345	-	-	57,345	25,122
	<u>119,718</u>	<u>697,339</u>	<u>-</u>	<u>817,057</u>	<u>1,294,177</u>

£697,339 of donations and legacies reviewed during the year in respect of restricted funds (2021: £47,906).

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Rental income	-	-	-	-
Shop income	1,866	-	1,866	10,840
	<u>1,866</u>	<u>-</u>	<u>1,866</u>	<u>10,840</u>

All income from other trading activities in 2021 was in respect of unrestricted funds.

4 INCOME FROM INVESTMENTS & OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from listed investments	131,921	-	131,921	29,677
Other income	6,067	-	6,067	43,556
	<u>137,988</u>	<u>-</u>	<u>137,988</u>	<u>73,233</u>

All of income from investment income received in 2021 was in respect of unrestricted funds.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Admission fees	10	-	10	23,347
Education	-	-	-	125
Exhibitions and events	2,763	-	2,763	7,627
	<u>2,773</u>	<u>-</u>	<u>2,773</u>	<u>31,099</u>

£Nil of income from charitable activities received during the year in respect of restricted funds (2021: £7,461).

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds	Total Funds 2022 £	Total Funds 2021 £
Fundraising	39,859	27,430	67,289	40,730
Shop costs	3,546	-	3,546	12,338
Investment management fees	18,917	-	18,917	10,714
Other support costs	-	-	-	13,483
	<u>62,322</u>	<u>27,430</u>	<u>89,752</u>	<u>77,265</u>

All expenditure on raising funds spent in 2021 was in respect of unrestricted funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Support costs £	Total 2022 £
Museum running expenses	47,299	187,176	234,475
Education	8,935	-	8,935
Exhibitions and events	10,177	-	10,177
Capital project costs	202,265	72,095	274,360
Governance costs	1,994	37,788	39,782
	<u>270,670</u>	<u>297,059</u>	<u>567,729</u>

£86,289 (2021: £74,938) of expenditure on charitable activities was in respect of restricted funds.

COMPARATIVE	Direct costs £	Support costs £	Total 2021 £
Museum running expenses	119,779	209,919	329,698
Education	39,927	1,693	41,620
Exhibitions and events	21,960	3,163	25,123
Capital project costs	67,279	730	68,009
Governance costs	1,996	26,567	28,563
	<u>250,941</u>	<u>242,072</u>	<u>493,013</u>

8 Support costs

	2022 £	2021 £
Staff	(1,824)	2,350
Premises	190,483	116,200
IT Costs	50,752	33,778
Maintenance	3,313	24,507
Marketing	-	18,247
Events and exhibition support	-	3,860
Finance	2,780	16,151
Other costs	13,767	13,895
Governance costs:		
Legal and professional fees	15,773	4,717
Audit and accountancy fees	22,015	13,660
Other costs	-	8,190
	<u>297,059</u>	<u>255,555</u>
Charitable activities	297,059	242,072
Raising funds	-	13,483
	<u>297,059</u>	<u>255,555</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2022	2021
	£	£
Depreciation & impairment	47,342	82,612
Auditor's remuneration:		
- audit of the financial statements (exclusive of VAT)	12,000	9,350
- other fees - accountancy and payroll	5,400	1,925
	<u>54,742</u>	<u>93,887</u>

10 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	176,252	179,530
Social security costs	18,099	15,603
Other staff costs	4,654	4,502
	<u>199,005</u>	<u>199,635</u>

There was one employee (2021- none) whose emoluments amount to over £60,000.

The key management personnel comprise the trustees and the Director. The total benefits received by key management personnel in the year amounted £79,644 (2021: £27,308).

11 EMPLOYEE NUMBERS

The average number of employees during the year was 8 (2020: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2022	2021
	No	No
Capital project	3.2	-
Museum running	0.5	3.7
Education	0.2	0.5
Fundraising	1.1	0.2
Events	0.2	0.6
Support	0.1	1.9
	<u>5.3</u>	<u>6.9</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

12 TANGIBLE FIXED ASSETS

	Long leasehold property £	Buildings incl. Learning & exhibitions £	Asset under construction £	Museum fittings £	Musical instruments & antiques £	Computers & office equipment £	Total £
At cost 1 November 2021	4,378,173	1,870,894	273,894	343,869	205,260	109,348	7,181,438
Additions			1,304,712				1,304,712
Disposals				(320,141)		(109,348)	(429,489)
At 31 October 2022	4,378,173	1,870,894	1,578,606	23,728	205,260	-	8,056,661
At 1 November 2021	90,105	212,889	-	343,869	-	102,144	749,007
Charge for the year	7,523	37,418	-		-	2,401	47,342
Depreciation on Disposals				(320,141)		(104,545)	(424,686)
At 31 October 2022	97,628	250,307	-	23,728	-	-	371,663
At 31 October 2022	4,280,545	1,620,587	1,578,606	-	205,260	-	7,684,998
At 31 October 2021	4,288,068	1,658,005	273,894	-	205,260	7,204	6,432,431

13 HERITAGE ASSETS

	At valuation 2022 £
Balance at 1 November 2021	970,102
Additions	140,133
Balance at 31 October 2022	1,110,235

An analysis of the last five years is as follows:

	2022 £	2021 £	2020 £	2019 £	2018 £
Value of acquisitions by donations			-	956,210	-
Value of acquisitions by purchase	140,133	13,892			
Total capitalised	140,133	13,892	-	956,210	-

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

14 INVESTMENTS

Movement in market value	2022 £	2021 £
Market value at 1 November 2021	4,398,803	3,740,334
Additions	131,400	171,814
Disposals proceeds	(578,430)	(167,610)
Net gains/(losses) on revaluations in the year	(329,875)	652,990
Movement in cash	67,071	1,275
Market value at 31 October 2022	<u>3,688,969</u>	<u>4,398,803</u>
Historical cost at 31 October 2022	<u>2,549,073</u>	<u>2,996,103</u>

At 31 October 2021 the analysis of investments is as follows:

	2022 £	2021 £
Cash	83,140	16,069
UK Equities	3,605,829	4,382,734
	<u>3,688,969</u>	<u>4,398,803</u>

15 DEBTORS

	2022 £	2021 £
Trade debtors	60	12,962
Other debtors	-	32,667
Prepayments and accrued income	26,225	1,050,000
VAT	100,243	-
	<u>126,528</u>	<u>1,095,629</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

16 CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	10,775	5,059
Taxation and social security	-	11,963
Other creditors	1,203	33,228
Accruals	570,249	49,419
VAT	-	-
	<u>582,227</u>	<u>99,669</u>

17 ENDOWMENT FUNDS

	Balance at 1 Nov 2021 £	Income and transfers £	Unrealised investment gains £	Balance at 31 Oct 2022 £
Expendable endowment	2,999,998	-	(217,718)	2,782,280
	<u>2,999,998</u>	<u>-</u>	<u>(217,718)</u>	<u>2,782,280</u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(B) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

COMPARATIVE	Balance at 1 Nov 2020 £	Income and transfers £	Unrealised investment gains £	Balance at 31 Oct 2021 £
Expendable endowment	2,607,060	-	392,938	2,999,998
	<u>2,607,060</u>	<u>-</u>	<u>392,938</u>	<u>2,999,998</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

18 RESTRICTED INCOME FUNDS

	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Capital project development phase	225,986	697,339	(108,863)	-	-	814,462
Art fund	3,704		(1,256)	-	-	2,448
	229,690	697,339	(110,119)	-	-	816,910

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix in London*.

Music in Making: This fund was set up to support a new project to schedule regular open rehearsals of baroque music in the house during opening hours.

COMPARATIVE	Balance at 1 Nov 2020 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2021 £
Capital project development phase	253,018	47,906	(74,938)	-	-	225,986
Art fund	-	7,461	(3,757)	-	-	3,704
	253,018	55,367	(78,695)	-	-	229,690

19 UNRESTRICTED FUNDS

	Balance at 1 Nov 2021 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2022 £
Designated Fixed Assets Fund	6,432,431	-	-	1,252,567	-	7,684,998
Heritage Assets Fund	970,102	-	-	140,133	-	1,110,235
General Funds	2,324,133	262,345	(547,362)	(1,392,700)	(112,158)	534,258
	9,726,666	262,345	(547,362)	-	(112,158)	9,329,491

The Designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property. The transfer represents the movement in their value.

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserves policy.

The Heritage assets fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

COMPARATIVE

	Balance at 1 Nov 2020 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2021 £
Designated Fixed Assets Fund	6,331,387	-	-	101,044	-	6,432,431
Heritage Assets Fund	956,210	-	-	13,892	-	970,102
General Funds	1,316,618	1,353,982	(491,583)	(114,936)	260,052	2,324,133
	8,604,215.00	1,353,982	(491,583)	-	260,052	9,726,666

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
<u>Restricted Income Funds:</u>					
Capital project development phase	-	-	-	816,910	816,910
	-	-	-	816,910	816,910
<u>Endowment Funds:</u>					
Expendable endowment	-	-	2,782,280		2,782,280
	-	-	2,782,280	-	2,782,280
<u>Unrestricted Income Funds:</u>					
Designated Fixed Assets Fund	7,684,998	-	-	-	7,684,998
Heritage Assets Fund	-	1,110,235	-	-	1,110,235
General Funds			906,689	(372,431)	534,258
	7,684,998	1,110,235	906,689	(372,431)	9,329,491
Total Funds	7,684,998	1,110,235	3,688,969	444,479	12,928,681

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
COMPARATIVE					
<u>Restricted Income Funds:</u>					
Capital project development phase	-	-	-	229,690	229,690
	-	-	-	229,690	229,690
<u>Endowment Funds:</u>					
Expendable endowment	-	-	2,999,998	-	2,999,998
	-	-	2,999,998	-	2,999,998
<u>Unrestricted Income Funds:</u>					
Designated Fixed Assets Fund	6,432,431	-	-	-	6,432,431
Heritage Assets Fund	-	970,102	-	-	970,102
General Funds			1,398,805	925,328	2,324,133
	6,432,431	970,102	1,398,805	925,328	9,726,666
Total Funds	6,432,431	970,102	4,398,803	1,155,018	12,956,354

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2022

21 CONNECTED CHARITIES

The Trust has the following two connected charities:

Handel House Collections Trust which used to hold collection items relating to Handel, however this charity wound up 2019 and all the assets were transferred to The Handel House Trust Limited in the form of heritage assets - they are included in the heritage asset fund.

Handel House Foundation of America which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £23,139 (2021: £15,620) from the Foundation.

22 RELATED PARTY TRANSACTIONS

Personal donations were made by Trustees of £52,085 (2021 - £23,946) and Trustees expenses totalled £683 (2021 - £Nil).

Simon Weil is a former partner of Bircham Dyson Bell, who were paid £Nil for legal services (2021 - £2,610) as an arms length transaction during the year. There were no outstanding balances as at 31 October 2022 (2021 - none)

Claire Davies was Acting Director of the Charity from 1 October 2021 to 10 January 2022 and is also a Trustee. Claire received a total remuneration of £10,353 for her role as Deputy Director during this period. The role of both director and trustee is allowed by the charities Memorandum and Articles of Association section 5 as updated in 2007.

Simon Daniels was Director of the Charity from 11 January 2022 and is also a Trustee. Simon received a total remuneration of £69,291 for his role as Director. This role is also in accordance with the articles as stated above.

There were no other related party transactions or Trustee expenses (2021 - none).

23 OPERATING LEASE COMMITMENTS

As at 31 October 2021 the Trust was committed under non-cancellable operating leases to make the following annual minimum payments (at present value):

	2022 £	2021 £
<i>Printing equipment</i>		
Less than 1 year		1,098
2 to 5 years	-	-
Greater than 5 years	-	-

The operating lease is in respect of printing equipment, with total lease payments expensed during the year £7,001 (2021: £7,202)

24 COMPANY LIMITED BY GUARANTEE

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members at 31 October 2021 (2021: 10 members).

25 ULTIMATE CONTROLLING PARTY

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.

THE HANDEL HOUSE TRUST LIMITED

England & Wales - Charity number 1006009

Accounts

Company Registration Number 02653428

Charity Number 1006009

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 OCTOBER 2021

THE HANDEL HOUSE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2021

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THE HANDEL HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name	The Handel House Trust Limited																				
Charity number	1006009																				
Company registration number	02653428																				
Principal and registered office	25 Brook Street London W1K 4HB																				
President	Christopher Purvis CBE																				
Trustees	<table><tr><td>The Earl of Balfour</td><td>2</td></tr><tr><td>Harry Bicket</td><td></td></tr><tr><td>Victoria Broackes</td><td>1, 3</td></tr><tr><td>Lucy Le Fanu</td><td></td></tr><tr><td>Elizabeth Nicholson (until 22 June 2021)</td><td></td></tr><tr><td>Jane Ridley</td><td></td></tr><tr><td>Michael Ridley</td><td>2, 3</td></tr><tr><td>Simon Weil (Chairman)</td><td>1, 2, 3</td></tr><tr><td>Peter Kerber</td><td>2</td></tr></table> Claire Davies (appointed 1 October 2021) William J Conner Robert Dickins (until 5 July 2021)			The Earl of Balfour	2	Harry Bicket		Victoria Broackes	1, 3	Lucy Le Fanu		Elizabeth Nicholson (until 22 June 2021)		Jane Ridley		Michael Ridley	2, 3	Simon Weil (Chairman)	1, 2, 3	Peter Kerber	2
The Earl of Balfour	2																				
Harry Bicket																					
Victoria Broackes	1, 3																				
Lucy Le Fanu																					
Elizabeth Nicholson (until 22 June 2021)																					
Jane Ridley																					
Michael Ridley	2, 3																				
Simon Weil (Chairman)	1, 2, 3																				
Peter Kerber	2																				
	 1 = member of the Nominations Committee 2 = member of the Finance Committee 3 = member of the Building Committee																				
Auditor	Price Bailey LLP Chartered Accountants & Statutory Auditor 3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP																				
Investment advisers	<table><tr><td>Ruffer</td></tr><tr><td>80 Victoria Street</td></tr><tr><td>London</td></tr><tr><td>SW1E 5JL</td></tr><tr><td>Lombard Odier</td></tr><tr><td>Queensbury House</td></tr><tr><td>3 Old Burlington Street</td></tr><tr><td>London W1S 3AB</td></tr></table>			Ruffer	80 Victoria Street	London	SW1E 5JL	Lombard Odier	Queensbury House	3 Old Burlington Street	London W1S 3AB										
Ruffer																					
80 Victoria Street																					
London																					
SW1E 5JL																					
Lombard Odier																					
Queensbury House																					
3 Old Burlington Street																					
London W1S 3AB																					
Bankers	Lloyds TSB plc 185 Baker Street London NW1 6XB																				

THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2021

The year 2020-21 began in the bleak context of renewed lockdowns caused by the rapid spread of the 'Alpha' variant of coronavirus. The contrast with the summer, in which we had re-opened the museum and welcomed visitors once again was stark. However, through careful management of our resources and use of COVID-19 support through the Job Retention Scheme the Trust has continued to thrive and develop important plans for the future. The Trustees join me in commending the Trust's staff and volunteers for their resilience and hard work during this time.

The Hallelujah Project is the strategic priority for the Trust. This £2.9m capital project will complete the restoration of Handel's home and open it to the public. The ground floor and basement will at last be enjoyed as the great composer's parlours and kitchen; the upper floors will be refurbished; and additional spaces in Number 23 will be open to visitors for the first time. During this year, we achieved the key milestone of securing planning permission. This was a significant step forward for the project, a boost for staff morale and added momentum to our fundraising campaign.

We began a planned closure of the museum, likely to be for 18 months, in September 2021 in order to start work on the Hallelujah Project. Our fundraising continues and we look forward to re-opening the expanded and refurbished museum to visitors in spring 2023.

We were thrilled to finally stage our much anticipated 'Handeliade', a festival of music and Handeliana held at a Georgian country house in the Cotswolds. It was an enlightening and hugely enjoyable festival, and one which we hope to repeat in future years.

Soon after the conclusion of the Handeliade, we said farewell to Elizabeth Nicholson who retired as Director of the Trust. In her five years as Director, Elizabeth has shown outstanding commitment to the Trust. Among her many achievements, successfully navigating the Trust through the pandemic and completing the planning for the Hallelujah Project stand out as particularly important. The Trustees would like to record their gratitude to Elizabeth for her many contributions to the Handel House Trust. We wish her well for the future.

Finally, on behalf of the Board of Trustees I would like to thank our volunteers, donors and supporters for all their assistance, goodwill and support during the year.

simon weil

Simon Weil (Jul 14, 2022, 1:06pm)

.....

Signed by SIMON WEIL (CHAIRMAN)

Date: 14 Jul 2022

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2021

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ended 31 October 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the financial statements.

The Trustees

The Trustees who served during the year were as follows:

The Earl of Balfour
Harry Bicket
Victoria Broackes
William Conner
Claire Davies (appointed 1 October 2021)
Robert Dickins CBE (term completed 5 July 2020)
Peter Kerber
Lucy Le Fanu
Elizabeth Nicholson (term completed 22 June 2021)
Jane Ridley
Michael Ridley (Deputy Chairman)
Simon Weil (Chairman)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The Handel House Trust Limited, also known as the Handel House Museum or Handel House ("the Trust" "the House") and as Handel & Hendrix in London is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met seven times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, Elizabeth Nicholson, and (from October) acting Director Claire Davies, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the charity and their role. There is a Nominations Committee that reviews the tenure of board members, the skills that are required on the board and the succession policy. It makes recommendations to the board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each board meeting.

A Buildings Committee meets approximately quarterly and oversees plans for the Hallelujah Project, to complete Handel's house at 25 Brook Street. This committee includes members who are not on the main board, including representatives of the Georgian Group.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the board.

Risk management

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Interruption to rental stream if tenant does not pay or through loss of tenant
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

Note: The board continued to monitor closely the impacts of COVID-19 on our business and operations during the year. The Coronavirus Job Retention Scheme mitigated the financial impacts of enforced closure and expectations for income from visitors, retail and events were kept under constant review. The levels of reserves held gave the board confidence in the Trust's ability not only to survive but also to invest in the Hallelujah Project and, therefore, proceeded with a planned closure of the museum at the end of September. .

The Board meet regularly to discuss and monitor the risks above. Risk mitigation strategies are implemented as and when necessary including regular updates from management and changes to planned activities if deemed appropriate.

The Trustees highlight the following as the most significant risks to the organisation

Risk	Mitigation
Targets for income are not achieved.	The museum generates income from a variety of earned and raised sources, balancing risk of under performance in any particular revenue stream.
Damage to buildings and collections.	The museum provides training to relevant staff and volunteers responsible for collections and buildings safety, retains outside expertise on fire safety and other risks, and maintains adequate insurance policies.
Damage to the museum's reputation.	The museum maintains a consistent tone of voice across our communications channels and proactively manages relationships with partners and stakeholders.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

Mission

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The effects of the pandemic continued to be felt during 2021, with government restrictions causing the museum to be closed for much of the year under review. Throughout, we continued to offer our online concerts featuring many wonderful musicians and provided 'lockdown learning' materials to support home schooling.

Having gained possession of the ground floor and basement of No. 25 Brook Street, we saw an opportunity to create something new to offer a fresh welcome to visitors. Artist Iona Rowland created a Jimi Hendrix mural on in the ground floor shop window inspired by Hendrix's home and the life he led from there. It combined references to Hendrix's fashion, record collection, iconic photography and a psychedelic colour palette to create an eye-catching work of art for visitors and passers-by to enjoy. It also led to some brilliant digital content, which can be found on our website.

A further addition to our Hendrix presentation was a recreation of the audio set up he had in the bedroom of the flat he shared with Kathy Etchingham. Our research revealed that Hendrix invested in top quality expensive and powerful audio equipment for his flat. Through the generous support of Bang & Olufsen, Lowther and LEAK we were able to recreate Jimi's set up and experience how he would have listened to his extensive record collection.

We re-opened when government restrictions allowed. Visitors during the summer season were given a new way to experience the museum's stories, by using digital audio room guides recorded by the staff and volunteers during the lock down.

Meanwhile, planning continued at pace for the Hallelujah Project. This £2.9m capital project will complete the restoration of Handel's home by recreating his kitchen and ground floor parlours. Visitors will enter through Handel's front door and enjoy historically informed Georgian interiors and new displays. The Hendrix offer for visitors will be expanded with a new room dedicated to his music on the second floor. The bequest from the Mark Ransom estate, noted in last year's annual report, enabled us to expedite our plans and proceed with confidence.

We were delighted to receive planning permission from Westminster City Council and completed a planned closure of the museum in September. The collection was decanted and put in secure storage and investigations began on the ground floor and basement. As the financial year closed we began our tender process to appoint a main contractor to complete the project.

The finale of the year was undoubtedly the 'Handeliade', a four-day country house festival of all things Handel. Guests were treated to performances by the likes of the Brook Street Band, Emma Kirkby, the English Concert, and Ensemble Molliere and fascinating talks by speakers including Handel's biographer Jonathan Keates, author of 'Handel in London' Jane Glover and the novelist and noted Handel enthusiast Louis de Bernieres. Originally scheduled for 2020, it was a great joy to finally bring together so many devotees of Handel's music in a splendid Cotswold setting.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit in section 17 of the Charities Act 2011. They believe that the Handel House Trust is achieving and continually improving its public benefit remit through its presentation of the house to visitors, its education programmes, public concerts and other public events. More details are covered in our achievements and performance above.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

PLANS FOR THE COMING YEAR

The museum will remain closed for all of next year, whilst the Hallelujah Project construction takes place. We expect the contractor to be on site from January 2022 and for the museum to re-open in March 2023. Our programme will, therefore, move off site, and we look forward to staging events including our Christmas Showcase for the Handel House Talent Scheme. In addition, we will consult with our audiences and stakeholders to develop new programming ideas and opportunities for learning and to increase our charitable impact.

FINANCIAL REVIEW

The impact of the pandemic continued to disrupt museum opening arrangements and presented a challenging operating environment. Income from visitor admissions and charitable activities was, therefore, lower than last year at £42,679 (2020: £71,377). Trading income of £10,840 was far lower than last year (2020: £119,178). This reduction is a result of both pandemic-linked business interruption and the loss of rental income following the departure of the retail tenant of the lower floors of 25 Brook Street. From December 2020 we made use of the Coronavirus Job Retention Scheme.

The charity achieved a surplus for the year of £1,530,883 (2020: -£6,785,255) despite the challenging operating environment. We are very grateful to have received £1,294,177 in donations and legacies (2020: £595,535). This included significant funds from the bequest generously left to the Trust by the late Mark Ransom. It was this legacy that gave Trustees the confidence to commence the Hallelujah Project during the year, which was earlier than originally planned. Income will remain depressed whilst the museum is closed for the next 18 months. The surplus we have built up this year will help to fund the operating costs of the museum during this period, as well as the building works.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

RESERVES AND INVESTMENT POLICY

The Trust has a designated fund of £7,402,533 (2020: £7,287,597) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £970,102 of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of eight months' operating expenditure in free reserves, which is between £450,000 and £550,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total £2,324,133 (2020:£1,316,618) These funds clearly currently exceed the target level, in prudent anticipation of the forthcoming financial demands of the Hallelujah Project, and potential after-effects of Covid 19 in continuing to suppress visitor income.

The Board reviewed the risks and threats around going concern following the Covid 19 Pandemic as noted in the risk management section above. Having produced detailed forecasts and scenario planning the board considers that the strong reserves position and availability of funds is a sufficient buffer against the impact of the pandemic. With this in mind, the Board agrees that no material uncertainties that cast significant doubt about the ability for the museum to continue as a going concern have been identified.

It has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

CONNECTED CHARITIES

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd. Further details of transactions and balances with these connected entities are given in the notes to the financial statements.

FUNDRAISING REGULATOR AND COMPLIANCE

Fundraising at the Trust is led by the Director with the close involvement of the Trustees. Fundraising performance and methods of engagement of donors and prospective donors is regularly discussed at board meetings. The Trust does not use professional fundraisers and has not worked with a commercial participator during the year. The Director is aware of her responsibilities under the Code of Fundraising Practice. Proactive fundraising is done through applications to charitable foundations or companies and through tailored approaches to individuals who have generally expressed an interest in our work. We protect more vulnerable members in our community of supporters by not issuing appeals using direct marketing methods or telephone fundraising, and we limit our communications in general to an amount a supporter would reasonably expect to receive to keep informed about the charity's activities.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2020- none).

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Handel House Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102 (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Price Bailey have expressed their willingness to continue as auditors in the next financial period.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the specific provisions for small companies under Part 15 of the Companies Act 2006.

14 Jul 2022

Signed on behalf of the trustees on.....

simon weil

Simon Weil (Jul 14, 2022, 1:06pm)

.....
SIMON WEIL (CHAIRMAN)

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

Opinion

We have audited the financial statements of Handel House Trust Limited (the 'charitable company') for the year ended 31 October 2021 which comprise the Statement of Financial Activities incorporating the Income and Expenditure account, the Charitable Company Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including 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 charitable company's affairs as at 31 October 2021, and of its 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 Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED (CONTINUED)

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006, Charities Act 2011 and SORP 2019, GDPR, employment law, fundraising regulator, safeguarding and health and safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Fundraising Regulator, Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management and officers of the Charitable Company. We reviewed any procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission and a review of legal fees during the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustment for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED (CONTINUED)

Use of our report

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



Helena Wilkinson FCA
Senior Statutory Auditor

Price Bailey LLP
Chartered Accountants
Statutory Auditors
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Dated: 15 July 2022

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 OCTOBER 2021

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME							
Donations and Legacies	2	1,246,271	-	47,906	-	1,294,177	595,535
Charitable Activities	5	23,638	-	7,461	-	31,099	71,377
Other trading activities	3	10,840	-	-	-	10,840	119,178
Investments & Other income	4	73,233	-	-	-	73,233	2,712
TOTAL INCOME		1,353,982	-	55,367	-	1,409,349	788,802
EXPENDITURE							
Raising funds	6	77,265	-	-	-	77,265	45,382
Charitable activities	7	414,318	-	78,695	-	493,013	507,002
TOTAL EXPENDITURE		491,583	-	78,695	-	570,278	552,384
Net gains/ (losses) on investments transfers	13 21	260,052 -	- -	- -	392,938 -	652,990 -	(7,021,673) -
NET INCOME/ (EXPENDITURE)	9	1,122,451	-	(23,328)	392,938	1,492,061	(6,785,255)
Transfers between funds	10	(114,936)	114,936	-	-	-	-
NET MOVEMENT IN FUNDS		1,007,515	114,936	(23,328)	392,938	1,492,061	(6,785,255)
Total funds brought forward		1,316,618	7,287,597	253,018	2,607,060	11,464,293	18,249,548
TOTAL FUNDS CARRIED FORWARD		2,324,133	7,402,533	229,690	2,999,998	12,956,354	11,464,293

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The notes on pages 16 to 28 form part of these financial statements

THE HANDEL HOUSE TRUST LIMITED

Company Registration Number 02653428

BALANCE SHEET AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	6,432,431	6,331,387
Heritage assets	14	970,102	956,210
Investments	16	4,398,803	3,740,334
		<u>11,801,336</u>	<u>11,027,931</u>
CURRENT ASSETS			
Stocks		11,600	13,955
Debtors	17	1,095,629	297,078
Cash at bank and in hand		<u>147,458</u>	<u>175,768</u>
		1,254,687	486,801
CREDITORS: Amounts falling due within one year	18	<u>(99,669)</u>	<u>(50,439)</u>
NET CURRENT ASSETS		<u>1,155,018</u>	<u>436,362</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,956,354	11,464,293
NET ASSETS		<u>12,956,354</u>	<u>11,464,293</u>
FUNDS			
Endowment funds	19	2,999,998	2,607,060
Restricted income funds	20	229,690	253,018
Designated funds	21	7,402,533	7,287,597
Unrestricted income funds	21	2,324,133	1,316,618
TOTAL FUNDS		<u>12,956,354</u>	<u>11,464,293</u>

These financial statements have been prepared in accordance with specific provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 14 Jul 2022

and signed on their behalf by:

simon weil

Simon Weil (Jul 14 2022 1:06pm)
SIMON WEIL (CHAIRMAN)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS YEAR TO 31 OCTOBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities		101,484	(65,268)
Cash flows from investing activities:			
Investments, dividends and interest income		73,233	2,712
Purchase of fixed assets		(197,548)	-
Purchase of investments		(171,814)	(1,081,134)
Proceeds from the sale of investments		167,610	1,089,071
Net cash provided by investing activities		(128,519)	10,649
Change in cash and cash equivalents in the reporting period		(27,035)	(54,619)
Cash and cash equivalents at the beginning of the reporting period		190,562	245,181
Cash and cash equivalents at the end of the reporting period		163,527	190,562

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year £	Prior Year £
Net income/(expenditure) for the reporting period (as per the statement of financing activities)	1,492,061	(6,785,255)
Adjustments for:		
Depreciation	82,612	84,719
(Gains)/losses on investments	(652,990)	7,021,673
Investments, dividends and interest income	(73,233)	(2,712)
Decrease/ (Increase) in debtors	(798,551)	(264,806)
Increase/ (Decrease) in creditors	49,230	(118,250)
Decrease/ (Increase) in stock	2,355	(637)
Net cash provided by/(used in) operating activities	101,484	(65,268)

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	147,458	175,768
Cash deposits held within investments	16,069	14,794
Total cash and cash equivalents	163,527	190,562

Analysis of Changes in Net Debt

	At 1 November 2020 £	Cash Flows £	Other non- cash changes £	At 31 October 2021 £
Cash and cash equivalents				
Cash	190,562	(27,035)	-	163,527

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional currency is £ sterling. The charities registered office is at 25 Brook Street London W1K 4HB.

The Charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary income including grants, donations, shop income, and investment income are accounted for when receivable. Admission fees are accounted for on receipt.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic condition &, the attitude of investors to investment risk.

Funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognised in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

Musical instruments are currently included in the accounts at cost. It is the intention of the trustees to ensure that these artefacts are maintained to the highest standard and it is expected that the value of them will increase over time. It is proposed to obtain periodic valuations to confirm the value of these items and they will be subject to annual impairment reviews. Since the residual value is so high, any depreciation charge would be negligible.

Capital expenditure on buildings including exhibitions and education includes the cost of materials and externally contracted services.

Depreciation is charged on a straight line basis to write off the cost of the other assets to their estimated residual value over the expected useful economic lives of the assets. Useful economic lives are not deemed to be longer than the following in each category:

Long Leasehold Property	- over 50 years to an estimated residual value of £4m
Museum fittings	- over 4 to 20 years reducing balance
Computers	- over 3 years reducing balance
Office equipment	- over 4 years reducing balance

Investments

Investment property, which is property held to earn rentals, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in the SOFA for the period in which they arise.

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Heritage Assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

Stock

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming resources.

Financial instruments

Handel House Trust only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Investments measured at their fair value using quoted closing market value as at the balance sheet date; Fixed assets are measured at amortised cost; and all other assets and liabilities are held at cost.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Critical accounting estimates and areas of judgement

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

a) Estimate of fair value of investment property

In accordance with FRS 102 section 16 the best evidence of fair value is current prices in an active market for an identical or similar asset. In the absence of such information, the charitable company determines the amount within a range of reasonable fair value estimates. In making its judgment, the charitable company considers information from a variety of sources, including:

i) current prices in an active market for properties of a different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

iv) analysis of rental yields against those of published figures.

v) The most recent valuations – which were carried out in October 2017.

b) Principal assumptions for management's estimation of fair value

The charitable company uses assumptions that are mainly based on market conditions existing at each balance date.

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals, void periods; maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the company and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

c) Estimate of fair values of the heritage assets

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations, which took place in 2019. The Trustees consider this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2021

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment funds	Total Funds 2021 £	Total Funds 2020 £
Handel House Foundation of America	15,620	-	-	15,620	44,490
Donations from individuals	74,696	47,906	-	122,602	233,198
Legacies	1,130,833	-	-	1,130,833	317,847
Grants	25,122	-	-	25,122	
	<u>1,246,271</u>	<u>47,906</u>	<u>-</u>	<u>1,294,177</u>	<u>595,535</u>

£47,906 of donations and legacies reviewed during the year in respect of restricted funds (2020: £137,475).

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Rental income	-	-	-	100,910
Shop income	10,840	-	10,840	18,268
	<u>10,840</u>	<u>-</u>	<u>10,840</u>	<u>119,178</u>

All income from other trading activities in 2020 was in respect of unrestricted funds.

4 INCOME FROM INVESTMENTS & OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from listed investments	29,677	-	29,677	2,712
Government Grants	43,556	-		
	<u>73,233</u>	<u>-</u>	<u>29,677</u>	<u>2,712</u>

All of income from investment income received in 2020 was in respect of unrestricted funds.
Government grants consist of the coronavirus job retention scheme and contain no unfulfilled conditions.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Admission fees	23,347	-	23,347	50,589
Education	125	-	125	3,790
Exhibitions and events	166	7,461	7,627	16,998
	<u>23,638</u>	<u>7,461</u>	<u>31,099</u>	<u>71,377</u>

All income from charitable activities received in 2020 was in respect of unrestricted funds.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2021

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£		£	£
Fundraising	40,730	-	40,730	7,252
Shop costs	12,338	-	12,338	12,086
Investment management fees	10,714	-	10,714	13,761
Other support costs	13,483	-	13,483	12,283
	<u>77,265</u>	<u>-</u>	<u>77,265</u>	<u>45,382</u>

All expenditure on raising funds spent in 2020 was in respect of unrestricted funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total 2021
	£	£	£
Museum running expenses	119,779	209,919	329,698
Education	39,927	1,693	41,620
Exhibitions and events	21,960	3,163	25,123
Capital project costs	67,279	730	68,009
Governance costs	1,996	26,567	28,563
	<u>250,941</u>	<u>242,072</u>	<u>493,013</u>

£74,938 (2020: £128,279) of expenditure on charitable activities was in respect of restricted funds.

COMPARATIVE	Direct costs	Support costs	Total 2020
	£	£	£
Museum running expenses	145,032	195,516	340,548
Education	48,344	20,257	68,601
Exhibitions and events	27,044	11,804	38,848
Capital project costs	-	36,244	36,244
Governance costs	2,417	20,344	22,761
	<u>222,837</u>	<u>284,165</u>	<u>507,002</u>

8 Support costs

	2021	2020
	£	£
Staff	2,350	7,607
Premises	116,200	120,008
IT Costs	33,778	37,905
Maintenance	24,507	27,130
Marketing	18,247	25,567
Events and exhibition support	3,860	36,750
Finance	16,151	16,114
Other costs	13,895	5,023
Governance costs:		
Legal and professional fees	4,717	1,503
Audit and accountancy fees	13,660	10,150
Other costs	8,190	8,691
	<u>255,555</u>	<u>296,448</u>
Allocation:		
Charitable activities	242,072	284,165
Raising funds	13,483	12,283
	<u>255,555</u>	<u>296,448</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2021

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
Depreciation & impairment	82,612	84,719
Auditor's remuneration:		
- audit of the financial statements (exclusive of VAT)	9,350	8,400
- other fees - accountancy and payroll	1,925	1,750
	<u>93,887</u>	<u>94,869</u>

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2021 £	2020 £
Wages and salaries	179,530	206,167
Social security costs	15,603	24,294
Other staff costs	4,502	11,714
	<u>199,635</u>	<u>242,175</u>

There were no (2020 - none) employees whose emoluments amount to over £60,000.

The key management personnel comprise the trustees and the Director. The total benefits received by key management personnel in the year amounted £27,308 (2020: £34,603).

12 EMPLOYEE NUMBERS

The average number of employees during the year was 8 (2020: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2021 No	2020 No
Museum running	3.7	3.7
Education	0.5	0.5
Fundraising	0.2	0.2
Events	0.6	0.6
Support	1.9	1.9
	<u>6.9</u>	<u>6.9</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

14 TANGIBLE FIXED ASSETS

	Long leasehold property £	Buildings incl. Learning & exhibitions £	Asset under construction £	Museum fittings £	Musical instruments & antiques £	Computers & office equipment £	Total £
At cost 1 November 2020	4,378,173	1,870,304	90,828	343,869	205,260	109,348	6,997,782
Transfer from investment property	-	-	-	-	-	-	-
Additions	-	590	183,066	-	-	-	183,656
At 31 October 2021	4,378,173	1,870,894	273,894	343,869	205,260	109,348	7,181,438
At 1 November 2020	82,583	175,471	-	309,799	-	98,542	666,395
Charge for the year	7,522	37,418	-	34,070	-	3,602	82,612
At 31 October 2021	90,105	212,889	-	343,869	-	102,144	749,007
At 31 October 2021	4,288,068	1,658,005	273,894	-	205,260	7,204	6,432,431
At 31 October 2020	4,295,590	1,694,833	90,828	34,070	205,260	10,806	6,331,387

15 HERITAGE ASSETS

	At valuation 2021 £
Balance at 1 November 2020	956,210
Additions	13,892
Balance at 31 October 2021	970,102

An analysis of the last five years is as follows:

	2021 £	2020 £	2019 £	2018 £	2017 £
Value of acquisitions by donations	-	-	956,210	-	-
Value of acquisitions by purchase	13,892	-	-	-	-
Total capitalised	13,892	-	956,210	-	-

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

15 INVESTMENTS

Movement in market value	2021 £	2020 £
Market value at 1 November 2020	3,740,334	3,543,276
Additions	171,814	1,081,134
Disposals proceeds	(167,610)	(1,089,071)
Net gains/(losses) on revaluations in the year	652,990	228,327
Movement in cash	1,275	(23,332)
Market value at 31 October 2021	<u>4,398,803</u>	<u>3,740,334</u>
Historical cost at 31 October 2021	<u>2,996,103</u>	<u>2,991,899</u>

At 31 October 2021 the analysis of investments is as follows:

	2021 £	2020 £
Cash	16,069	14,794
UK Equities	4,382,734	766,637
Overseas Equities	-	831,737
Uk Unit Trusts	-	2,127,166
	<u>4,398,803</u>	<u>3,740,334</u>

16 DEBTORS

	2021 £	2020 £
Trade debtors	12,962	8,688
Other debtors	32,667	20,543
Prepayments and accrued income	1,050,000	267,847
	<u>1,095,629</u>	<u>297,078</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

17 CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,059	3,253
Taxation and social security	11,963	3,149
Deferred income	-	-
Other creditors	33,228	32,547
Accruals	49,419	11,490
VAT	-	-
	<u>99,669</u>	<u>50,439</u>

Deferred income reconciliation

	2021 £	2020 £
Balance brought forward	-	5,062
Released in the year	-	(5,062)
Received in advance	-	-
Balance carried forward	<u>-</u>	<u>-</u>

18 ENDOWMENT FUNDS

	Balance at 1 Nov 2020	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2021
	£	£	£	£
Expendable endowment	2,607,060	-	392,938	2,999,998
	<u>2,607,060</u>	<u>-</u>	<u>392,938</u>	<u>2,999,998</u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(b) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

COMPARATIVE

	Balance at 1 Nov 2019	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2020
	£	£	£	£
Expendable endowment	-	-	-	-
	2,456,364	-	150,696	2,607,060
	<u>2,456,364</u>	<u>-</u>	<u>150,696</u>	<u>2,607,060</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

19 RESTRICTED INCOME FUNDS

	Balance at 1 Nov 2020 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2021 £
Music in making	-	-	-	-	-	-
Capital project development phase	253,018	47,906	(74,938)	-	-	225,986
Art fund	-	7,461	(3,757)	-	-	3,704
	253,018	55,367	(78,695)	-	-	229,690

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix in London*.

Music in Making: This fund was set up to support a new project to schedule regular open rehearsals of baroque music in the house during opening hours.

COMPARATIVE	Balance at 1 Nov 2019 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2020 £
Music in making	1,207	-	(1,207)	-	-	-
Capital project development phase	264,009	116,081	(127,072)	-	-	253,018
	265,216	116,081	(128,279)	-	-	253,018

20 UNRESTRICTED FUNDS

	Balance at 1 Nov 2020 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2021 £
Designated Fixed Assets Fund	6,331,387	-	-	101,044	-	6,432,431
Heritage Assets Fund	956,210	-	-	13,892	-	970,102
General Funds	1,316,618	1,353,982	(491,583)	(114,936)	260,052	2,324,133
	8,604,215	1,353,982	(491,583)	-	260,052	9,726,666

The Designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property. The transfer represents the movement in their value.

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserves policy.

The Heritage assets fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

COMPARATIVE

	Balance at 1 Nov 2019 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2020 £
Designated Fixed Assets Fund	13,575,278	-	-	6,109	(7,250,000)	6,331,387
Heritage Assets Fund	956,210	-	-	-	-	956,210
General Funds	996,480	672,721	(424,105)	(6,109)	77,631	1,316,618
	15,527,968.00	672,721	(424,105)	-	(7,172,369)	8,604,215

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
<u>Restricted Income Funds:</u>					
Capital project development phase	-	-	-	229,690	229,690
	-	-	-	229,690	229,690
<u>Endowment Funds:</u>					
Expendable endowment	-	-	2,999,998	-	2,999,998
	-	-	2,999,998	-	2,999,998
<u>Unrestricted Income Funds:</u>					
Designated Fixed Assets Fund	6,432,431	-	-	-	6,432,431
Heritage Assets Fund	-	970,102	-	-	970,102
General Funds			1,398,805	925,328	2,324,133
	6,432,431	970,102	1,398,805	925,328	9,726,666
Total Funds	6,432,431	970,102	4,398,803	1,155,018	12,956,354

COMPARATIVE	Tangible fixed assets £	Heritage assets £	Investments £	Net current assets £	Total £
<u>Restricted Income Funds:</u>					
Capital project development phase		-		253,018	253,018
	-	-	-	253,018	253,018
<u>Endowment Funds:</u>					
Expendable endowment	-	-	2,140,797	466,263	2,607,060
	-	-	2,140,797	466,263	2,607,060
<u>Unrestricted Income Funds:</u>					
Designated Fixed Assets Fund	6,331,387	-	-	-	6,331,387
Heritage Assets Fund	-	956,210	-	-	956,210
General Funds	-	-	1,599,537	(282,919)	1,316,618
	6,331,387	956,210	1,599,537	(282,919)	8,604,215
Total Funds	6,331,387	956,210	3,740,334	436,362	11,464,293

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2021

22 CONNECTED CHARITIES

The Trust has the following two connected charities:

Handel House Collections Trust which used to hold collection items relating to Handel, however this charity wound up 2019 and all the assets were transferred to The Handel House Trust Limited in the form of heritage assets - they are included in the heritage asset fund.

Handel House Foundation of America which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £15,620 (2020: £44,490) from the Foundation.

23 RELATED PARTY TRANSACTIONS

Personal donations were made by Trustees of £23,946 (2020 - £4,340) and Trustees expenses totalled £Nil (£2020 - Nil).

Simon Weil is a former partner of Bircham Dyson Bell, who were paid £2,610 for legal services (2020 - £3,218) as an arms length transaction during the year. There were no outstanding balances as at 31 October 2021 (2020 - none)

Elizabeth Nicholson is was a Director of the charity and also a Trustee until 22 June 2021. She received total remuneration of £27,308 during the year for her role as Director. The role of both director and trustee is allowed by the charities Memorandum and Articles of Association section 5 as updated in 2007.

Claire Davies was Acting Director of the Charity and also a Trustee from 1 October 2021 and she received a total remuneration of £29,113 for her role as Deputy Director. This role is also in accordance with the articles as stated above.

There were no other related party transactions or Trustee expenses (2020 - none).

24 OPERATING LEASE COMMITMENTS

As at 31 October 2021 the Trust was committed under non-cancellable operating leases to make the following annual minimum payments (at present value):

	2021 £	2020 £
<i>Printing equipment</i>		
Less than 1 year	1,098	4,394
2 to 5 years	-	1,098
Greater than 5 years	-	-

The operating lease is in respect of printing equipment, with total lease payments expensed during the year £7,202 (2020: £4,768)

25 COMPANY LIMITED BY GUARANTEE

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members at 31 October 2021 (2020: 10 members).

26 CONTINGENT ASSET

At 31 October 2021 the Charity had been notified of the residual estate of a legacy donor which was valued at £80,833 during the granting of probate and has not been recognised in these accounts.

27 ULTIMATE CONTROLLING PARTY

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.

THE HANDEL HOUSE TRUST LIMITED

England & Wales - Charity number 1006009

Accounts

Company Registration Number 02653428

Charity Number 1006009

THE HANDEL HOUSE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 OCTOBER 2020

THE HANDEL HOUSE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2020

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THE HANDEL HOUSE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name The Handel House Trust Limited

Charity number 1006009

Company registration number 02653428

Principal and registered office 25 Brook Street
London
W1K 4HB

President Christopher Purvis CBE

Trustees

The Earl of Balfour	2
Harry Bicket	
Victoria Broackes	1, 3
Robin Broadhurst (resigned 23/03/20)	1, 3
William Conner	
Robert Dickins CBE	1
Lucy Le Fanu (appointed 14/01/2019)	
Elizabeth Nicholson (appointed 12/11/19)	
Jane Ridley	
Michael Ridley	2, 3
Simon Weil (Chairman)	1, 2, 3
Peter Kerber (appointed 07/05/20)	2
Elizabeth Nicholson (appointed 12/11/19)	

1 = member of the Nominations Committee
2 = member of the Finance Committee
3 = member of the Building Committee

Auditor Price Bailey LLP
Chartered Accountants & Statutory Auditor
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Investment advisers Ruffer
80 Victoria Street
London
SW1E 5JL

Lombard Odier
Queensbury House
3 Old Burlington Street
London W1S 3AB

Bankers Lloyds TSB plc
185 Baker Street
London NW1 6XB

THE HANDEL HOUSE TRUST LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2020

The year 2019-20 was extraordinary, in that it was interrupted by the Covid 19 Pandemic, resulting in the mandatory closure of all museums and non-essential retail businesses. This not only prevented the Trust from carrying out all its usual operations but also lost us the income we had expected to receive from sub-letting the ground floor and basement of our premises to a retail tenant.

All of this was of course a major blow. But we were very fortunate to be in a better position than most to cope with such an unexpected turn of events. Despite the huge disappointment of having to cancel or postpone many lovely events, particularly our Handeliade Festival, and being unable to carry on welcoming visitors to the house (except for a brief respite in the late summer of 2020), we were sufficiently well-cushioned, financially, to be able to keep all of our small staff team on, and to concentrate everyone's attention on pursuing the preparations for our Hallelujah Project. The news that we could shortly expect a substantial legacy in 2021 provided us with further grounds for confidence and optimism in a very difficult year.

Our wonderful team of volunteers have remained loyal and kept in touch throughout. And the Director and staff have risen magnificently to the challenge of adjusting to working from home and carrying out the mission of the charity through virtual means. The trustees are proud of and grateful to the whole team for how they have weathered such a difficult year.

We all look forward to a much more positive and exciting year ahead when the builders move on site and the Hallelujah Project will start to become a reality.

Simon Weil

Simon Weil (May 11, 2021, 5:39pm)

.....

Signed by SIMON WEIL (CHAIRMAN)

Date: 11 May 2021

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT (INCORPORATING A DIRECTORS' REPORT) FOR THE YEAR ENDED 31 OCTOBER 2020

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the year ended 31 October 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the financial statements.

The Trustees

The Trustees who served during the year were as follows:

The Earl of Balfour
Harry Bicket
Victoria Broackes
Robin Broadhurst (term completed 13 July 2020)
William Conner
Robert Dickins CBE
Peter Kerber (appointed 7 May 2020)
Lucy Le Fanu
Elizabeth Nicholson (appointed 12 November 2019)
Jane Ridley
Michael Ridley (Deputy Chairman)
Simon Weil (Chairman)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The Handel House Trust Limited, also known as the Handel House Museum or Handel House ("the Trust" "the House") and as Handel & Hendrix in London is a company limited by guarantee and as such is governed by its Articles of Association as updated on 17 February 2014. It was incorporated on 11 October 1991. It is also a registered charity.

Organisational structure

The work of the Trust is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the Trust. During the year the board met seven times. Board meetings include members of staff as appropriate. The day-to-day running of the Trust was carried out by the permanent staff of the Trust under the leadership of the Director, Elizabeth Nicholson, who reported to the chairman and the board. Salaries of key managers on the staff are agreed by the Finance Committee with reference to comparable salaries paid in the sector. The Trust is also grateful for the support of volunteers who give considerable time and assistance in running the museum.

Trustees

Trustees are elected by the Members at meetings during the year and casual vacancies may be filled by the existing trustees. All newly appointed trustees are sent an induction pack that includes information about the charity and their role.

There is a Nominations Committee that reviews the tenure of board members, the skills that are required on the board and the succession policy. It makes recommendations to the board on possible future appointments. An information pack is sent to new trustees, which includes an outline of their duties and the organisation's expectations of its board members.

The Finance Committee meets periodically to review the investment strategy and performance. It also oversees the audit and reviews risk in advance of each board meeting.

A Buildings Committee meets approximately quarterly and oversees plans for the Hallelujah Project, to complete Handel's house at 25 Brook Street. This committee includes members who are not on the main board, including representatives of the Georgian Group.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

The Board reviews its own performance on an annual basis. The Board and the Director assess how the Board functions as a whole and, where appropriate, makes changes. The Chairman also reviews with each of the trustees their performance and contribution and the possible further development of their skills. The Chairman's performance is similarly reviewed by a colleague on the board.

Risk management

The Finance Committee is responsible for analysing the type and level of risk at Handel House. Every board meeting agenda includes a review of the major risks to which the Trust is exposed, summarised in an Over-arching Risk Register. The key risks identified by the Register include:

- Damage to property or Property Management (unexpected structural repair costs etc)
- Disruption or interruption of essential services
- Interruption to rental stream if tenant does not pay or through loss of tenant
- Inadequate fire and security alarms/pest control
- Injury to staff, visitors, volunteers
- Employee stress
- Theft
- Unforeseen economic situation
- Loss of key staff
- Third party claims
- Failure to achieve visitor targets
- Failure to achieve targets for planned income/funding from all sources
- Prosecution by Westminster Council

Note: The board viewed the threats from measures to combat the Covid-19 virus that started to become apparent in March 2020 as covered by the existing Risk Register, but with an increased level of financial risk from the possible interruption to the rental stream from the tenant, as well as the likely failure to achieve visitor targets and planned levels of income from some other sources as a result of enforced closure of the house and lockdown of shops in the local area. The Trust was fortunate, however, to be able to anticipate weathering these potential financial setbacks, at least for the time being, thanks to the level of reserves held.

The Board meet regularly to discuss and monitor the risks above. Risk mitigation strategies are implemented as and when necessary including regular updates from management and changes to planned activities if deemed appropriate.

Mission

The mission of the Trust is to promote knowledge, awareness and enjoyment of Handel and his music to as wide a public audience as possible. The Trust strives to inspire, educate and inform through the interpretation of the Georgian house in Brook Street, where Handel lived and composed for 36 years, through live music performances, educational and outreach activities and collecting exhibiting and interpreting objects related to Handel's life and works. In addition, the Trust has a mission to promote the musical and cultural heritage of 23 Brook Street through its association with Jimi Hendrix who lived there in the late 20th century.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

During 2020 the Trust, like everyone else, was dramatically affected by the outbreak of the Covid-19 pandemic, and the stringent national restrictions introduced to combat it from March 2020 onwards.

The first part of the financial year, from 1 November 2019 until the outbreak of the pandemic, had been proceeding steadily and positively for the Trust, with income and expenditure on budget, concerts, events and activities going well, and plans for the Hallelujah Project (to complete Handel's home at 25 Brook Street by 2023) continuing on track.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (continued)

How suddenly and unexpectedly that was all to change! In March we had to respond rapidly to the requirement to close the house to the public and enable all staff to work from home. All our planned events had to be cancelled, and anyone who had pre-booked tickets was refunded. Our learning projects had to be suspended, and were replaced by the provision of on-line materials for use by teachers and parents home-schooling their children.

The staff responded brilliantly to these new challenges, adapting quickly to making our musical and educational content available “virtually” instead of on-site, and redoubling our on-line marketing and social media presence to compensate for the enforced closure of our premises.

Inevitably the financial outlook for the Trust was drastically altered by this unforeseen turn of events. Income from admissions, shop sales and tickets suddenly ceased. Of even greater consequence was the drying up of income from our tenants who, in common with other high street retailers, were hit hard by the pandemic and ran into financial difficulties. In October 2020 they filed for a Company Variation Agreement which was approved. This meant that Handel House Trust regained possession of the unit previously rented out to the tenants, but meanwhile we received none of the anticipated rental income from March 2020 onwards.

Set against these negative financial developments we were however extraordinarily fortunate to be named as the sole residuary beneficiary of the estate of Mark Ransom, a great harpsichord expert, who kindly looked after the Trust's keyboard instrument collection for many years. His wonderful act of generosity in making us such a substantial gift could not have been more timely. It provided extra financial security for the Trust in a year of serious hardship and uncertainty for many arts charities.

The money due from this gift will not be received by the Trust until two properties owned by Mark Ransom have been sold, but the knowledge that this kind gift would be forthcoming, together with the substantial reserves already built up in anticipation of the Hallelujah Project, gave the board the confidence not only to proceed with plans for the project to go ahead, but to fast-forward it – particularly in view of the fact that no further income could be anticipated from the rental unit in the meantime, which made it uneconomic to delay any longer than necessary. The trustees agreed to aim to acquire planning permission by early 2021 with a view to the builders starting work in August/September 2021 and the project being completed and re-opened to the public in early March 2023.

Project costs were capped at £2.9m and the Trust was in the enviable position of having already raised enough funds to cover these costs and still anticipate having free reserves and endowments of approx. £2.5m on completion of the works - thus providing the charity with future financial sustainability and security.

A revised business plan anticipated that it would be possible for the Trust to return to covering its operating costs through annual income within two years of re-opening after completing the project. In the meantime it would be comfortably able to subsidise anticipated operating losses whilst Covid-related closures, followed by closure for the building works, continued. However, the trustees agreed to set a fundraising target for the next two years of £2 million to reinforce the charity's financial security for the longer term, and as added protection against a ‘worst case scenario’ of a very slow return to previous visitor levels following the Covid crisis.

Having taken the decision to press ahead with the project at speed, there was much work to be done to prepare an application for planning permission at the earliest opportunity. This application was submitted just before Christmas 2020, and planning consent was granted by Westminster Council in February 2021. The plans include re-instating the original façade of the house, recreating Handel's ground floor parlours, creating new exhibition spaces upstairs and restoring the original 18th-century kitchen in the basement. The basement will also house the cloakrooms, loos and an events kitchen. All visitors will be able to enter through Handel's original front door directly from Brook Street and experience the house as it would have been in his day. The house will also be better equipped to host events and to offer a range of very special venue hire opportunities.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (continued)

We were able to re-open to a limited extent whilst Covid restrictions were eased in summer 2020. With some adaptations and timed tickets to maintain the required 'social distancing' we opened on Saturdays only for a few weeks and were gratified that the tickets generally sold out and the public were extremely positive about being able to visit. But, alas, this opportunity to re-open was short-lived and by November we were forced to close again.

At this point we put our staff team on Flexible Furlough to keep our operating costs down whilst income from admissions and rentals both went back to zero. This model has been working efficiently and we will maintain it whilst we have to stay closed. However, we are very much hoping to be able to re-open the house for normal visits and even perhaps a few concerts during the summer 2021, if the promised easing of Covid restrictions materialises. It would be wonderful for staff and for our highly valued, loyal volunteers to have at least a few months of going back to the pleasure of presenting our precious house and our activities to the public before we close again for the building works.

We have been extremely grateful over the course of the year for the continuing support of our generous individual donors, both the Handel House Circle and the Handel Hundred, and for donations from donors in the USA through the Handel House Foundation of America. In addition, significant grants were made towards the Hallelujah Project by the American Friends of British Art, the Loveday Charitable Trust and the Murray family. The Maria Bjornson Memorial Fund and Maecenas gave major grants towards a special production of 'The Choice' to be performed by The English Concert, now postponed till after Covid.

During the closure for the construction works to take place we are planning a programme of off-site events and activities to maintain our profile and provide our friends and supporters with some enjoyable musical events. Chief among these will be our 'Handeliade' – a long weekend in an 18th-century house in the Cotswolds with a glittering line-up of Handel experts and performers to celebrate the great man and his music with our guests. It sadly had to be postponed by a year to September 2021 but we are keeping our fingers crossed that this year it will be possible to go ahead with what promises to be a memorable opportunity to return to the glories of live music.

During our closed period we will also be piloting a brand new range of learning and outreach projects designed to celebrate the next stage in the history of the Handel House Trust. These are currently in development and will be rolled out over the next two years. We are proud of what we have achieved in adapting to a digital *modus vivendi*, including our innovative and imaginative programme of live streaming, on-line events and podcasts, supported by a kind grant from the Art Fund. But after a year of too much Zoom and Teams and being seriously deprived of opportunities to enjoy live music with a proper audience, the appetite to return to 'real life' is now running high.

All in all, despite the enormous challenges of such a dystopian year, we at the Handel House Trust feel exceptionally lucky to have been in a strong position to weather the worst of it. And we know we are particularly fortunate to have been able to continue to plan ahead with confidence for an exciting new project and the fulfilment of our long-held mission to complete Handel's house for posterity.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit in section 17 of the Charities Act 2011. They believe that the Handel House Trust is achieving and continually improving its public benefit remit through its presentation of the house to visitors, its education programmes, public concerts and other public events. More details are covered in our achievements and performance above.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

PLANS FOR THE COMING YEAR

We hope to re-open to the public, if unfortunately only briefly, once Covid restrictions are eased during summer 2021. Meanwhile we will start the tendering process for a construction team for the Hallelujah Project with a view to handing over the building for the works to start in October. Our collection will be put into storage, with some items (particularly keyboard instruments) sent out on loan to other organisations.

We will look for premises locally where staff can meet and work together while the building is closed. As well as planning a series of off-site events and initiating some new outreach programmes, there will be plenty of work for staff to continue to do while the house is closed in terms of acquiring items for display in the finished house and planning the details of the re-opening. We will also continue our fundraising efforts to build up the Trust's financial position for the long term.

It will be a different and exciting year ahead preparing for the completion of Handel's home at 25 Brook Street and, with it, the fulfilment of the charity's mission.

FINANCIAL REVIEW

In March 2020 the Trust ceased to receive any further rental income from the commercial tenants who held a lease on the ground floor and basement of 25 Brook Street. In October the tenants vacated and returned possession to the Trust, but with lockdowns imposed there was no realistic prospect of finding an alternative tenant.

This, together with loss of income from admissions, shop sales and event tickets when we had to close for Covid, delivered a major financial blow to the Trust's regular income streams.

However we had already built up significant reserves in anticipation of the Hallelujah Project, and were further fortunate in being named as the sole residual beneficiary of a substantial legacy. This put us in a good position to survive despite the rigours of lockdown and to focus attention on pursuing the preparations for our capital project.

We are very grateful to have received £595,535 of voluntary income (2019: £234,732, excluding a donation of heritage assets from the Handel House Collections Trust). The charity has a net surplus/deficit of £6,785,255 (2019: surplus £1,080,442). However it should be noted that the fair value adjustment to the former investment portion of the property in readiness for its refurbishment and museum use accounts for a significant £7,250,000 loss and the charity has made a surplus on its regular operations through unrestricted funds of £320,138. Contributions included a grant from the American Friends of Handel House as well as donations from our Friends scheme, our Circle members and the Handel Hundred group for supporters of the Hallelujah Project.

From December 2020 we made use of the Government's Flexible Furlough scheme to offset some staff costs whilst the museum was closed. We also received grants from Westminster Council in the form of rate relief for heritage organisations as part of the Covid support packages on offer. And we successfully applied for a grant of £8000 from the Art Fund to help us rethink our project work in response to the Covid restrictions.

Other trusts that have generously supported us this year include the American Friends of British Art, the Arthur Loeb Foundation (via the HHFA), the Kathleen Hannay Memorial Charity, the Loveday Charitable Trust, the Murray family, Nicholas and Judith Goodison's Charitable Trust, the Maria Bjornson Memorial Fund and Maecenas.

Gifts from individuals included a major donation from Michael Barclay and other very generous gifts from James and Laura Duncan and David and Jacqueline Bailey.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

RESERVES AND INVESTMENT POLICY

The Trust has a designated fund of £7,287,597 (2019 £14,531,488) representing the museum's heritage assets and fixed assets. The heritage assets transferred to the Trust in 2019 from the Handel House Collections Trust represent some £956,210 of this. The other substantial part of this represents the value of a 999-year lease on the building and the investment portion of which has been adjusted to fair value as noted above. The board's policy is to maintain a minimum of eight months' operating expenditure in free reserves, which is between £450,000 and £550,000 at current estimates. The Trust considers free reserves to be unrestricted funds not including the designated funds above. These currently total £1,316,618 (2019 £996,480). These funds clearly currently exceed the target level, in prudent anticipation of the forthcoming financial demands of the Hallelujah Project, and potential after-effects of Covid 19 in continuing to suppress visitor income.

The Board reviewed the risks and threats around going concern following the Covid 19 Pandemic as noted in the risk management section above. Having produced detailed forecasts and scenario planning the board considers that the strong reserves position and availability of funds is a sufficient buffer against the impact of the pandemic. With this in mind, the Board agrees that no material uncertainties that cast significant doubt about the ability for the museum to continue as a going concern have been identified.

It has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

CONNECTED CHARITIES

The Handel House Trust continues to work closely with its other connected charity, the Handel House Foundation of America, USA. The Foundation provides fundraising and other support for Handel House Trust Limited. Handel House Foundation of America currently has Simon Weil as a common trustee with the Handel House Trust Ltd.

Further details of transactions and balances with this connected entity are given in the notes to the financial statements.

FUNDRAISING REGULATOR AND COMPLIANCE

All fundraising on behalf of the Trust has been carried out by the staff and trustees personally, without the use of outside fundraisers. The Trust is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. All fundraising is by personally tailored approaches to known individuals or charitable trusts who have agreed to be contacted. We never engage in telephone marketing or door-to-door or street collections. No fundraising is carried out in a way that could put vulnerable people or the public at any risk.

No complaints were received by the charity or a person acting on its behalf about fundraising activities carried out by the charity (2019- none).

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Handel House Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating a directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

THE HANDEL HOUSE TRUST LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102 (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Price Bailey have expressed their willingness to continue as auditors in the next financial period.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the specific provisions for small companies under Part 15 of the Companies Act 2006.

11 May 2021

Signed on behalf of the trustees on.....

Simon Weil

.....
SIMON WEIL (CHAIRMAN)

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED

We have audited the financial statements of The Handel House Trust Limited (the 'charitable company') for the year ended 31 October 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related 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 charitable company's affairs as at 31 October 2020 and of its 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 Companies Act 2006.

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 charitable company 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 charitable company'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.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on pages 8, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's (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.

THE HANDEL HOUSE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HANDEL HOUSE TRUST LIMITED (CONTINUED)

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



Helena Wilkinson FCA
Senior Statutory Auditor

Price Bailey LLP
Chartered Accountants
Statutory Auditors
3rd Floor,
24 Old Bond St,
Mayfair,
London
W1S 4AP

Dated: 13 May 2021

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME							
Donations and Legacies	2	479,454	-	116,081	-	595,535	1,190,942
Charitable Activities	5	71,377	-	-	-	71,377	171,592
Other trading activities	3	119,178	-	-	-	119,178	334,718
Investments	4	2,712	-	-	-	2,712	5,106
TOTAL INCOME		672,721	-	116,081	-	788,802	1,702,358
EXPENDITURE							
Raising funds	6	45,382	-	-	-	45,382	47,876
Charitable activities	7	378,723	-	128,279	-	507,002	726,772
TOTAL EXPENDITURE		424,105	-	128,279	-	552,384	774,648
Net gains/ (losses) on investments	13	77,631	(7,250,000)	-	150,696	(7,021,673)	152,732
transfers	21	(6,109)	6,109	-	-	-	-
NET INCOME/ (EXPENDITURE)	9	320,138	(7,243,891)	(12,198)	150,696	(6,785,255)	1,080,442
Total funds brought forward		996,480	14,531,488	265,216	2,456,364	18,249,548	17,169,106
TOTAL FUNDS CARRIED FORWARD		1,316,618	7,287,597	253,018	2,607,060	11,464,293	18,249,548

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The notes on pages 15 to 30 form part of these financial statements

THE HANDEL HOUSE TRUST LIMITED

Company Registration Number 02653428

BALANCE SHEET AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	6,331,387	5,375,278
Heritage assets	14	956,210	956,210
Investment property	15	-	8,200,000
Investments	16	3,740,334	3,543,276
		<u>11,027,931</u>	<u>18,074,764</u>
CURRENT ASSETS			
Stocks		13,955	13,318
Debtors	17	297,078	32,272
Cash at bank and in hand		<u>175,768</u>	<u>297,883</u>
		486,801	343,473
CREDITORS: Amounts falling due within one year	18	<u>(50,439)</u>	<u>(168,689)</u>
NET CURRENT ASSETS		<u>436,362</u>	<u>174,784</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		11,464,293	18,249,548
NET ASSETS		<u>11,464,293</u>	<u>18,249,548</u>
FUNDS			
Endowment funds	19	2,607,060	2,456,364
Restricted income funds	20	253,018	265,216
Designated funds	21	7,287,597	14,531,488
Unrestricted income funds	21	1,316,618	996,480
TOTAL FUNDS		<u>11,464,293</u>	<u>18,249,548</u>

These financial statements have been prepared in accordance with specific provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 11 May 2021

and signed on their behalf by:

Simon Weil

Simon Weil (May 11, 2021, 5:39pm)
SIMON WEIL (CHAIRMAN)

THE HANDEL HOUSE TRUST LIMITED

STATEMENT OF CASH FLOWS YEAR TO 31 OCTOBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities		(65,268)	122,970
Cash flows from investing activities:			
Investments, dividends and interest income		2,712	5,106
Purchase of fixed assets		-	-
Purchase of investments		(1,081,134)	(699,357)
Proceeds from the sale of investments		1,089,071	234,821
Net cash provided by investing activities		10,649	(459,430)
Change in cash and cash equivalents in the reporting period		(54,619)	(336,460)
Cash and cash equivalents at the beginning of the reporting period		336,008	672,468
Cash and cash equivalents at the end of the reporting period		281,390	336,008

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Current Year £	Prior Year £
Net income/(expenditure) for the reporting period (as per the statement of financing activities)	(6,785,255)	1,080,443
Adjustments for:		
Depreciation	84,719	88,020
(Gains)/losses on investments	7,021,673	(152,732)
Transfer of heritage assets	-	(956,210)
Investments, dividends and interest income	(2,712)	(5,106)
Decrease/ (Increase) in debtors	(264,806)	10,907
Increase/ (Decrease) in creditors	(118,250)	41,270
Decrease/ (Increase) in stock	(637)	16,378
Net cash provided by/(used in) operating activities	(65,268)	122,970

Analysis of cash and cash equivalents

	Current Year £	Prior Year £
Cash in hand	175,768	297,883
Cash deposits held within investments	16 14,794	38,125
Total cash and cash equivalents	190,562	336,008

Analysis of Changes in Net Debt

	At 1 November 2019 £	Cash Flows £	Other non- cash changes £	At 31 October 2020 £
Cash and cash equivalents				
Cash	336,008	(54,619)	-	281,390

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. They are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The functional currency is £ sterling. The charities registered office is at 25 Brook Street London W1K 4HB.

The Charity constitutes a public benefit entity as defined by FRS 102.

Income

Voluntary income including grants, donations, shop income, and investment income are accounted for when receivable. Admission fees are accounted for on receipt.

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either: -

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably.

In estimating the value of legacies at the year end, the trustees have exercised their judgement based on the available information and the appropriate application of the Charities SORP.

Income is deferred only when conditions for its receipt have not been met.

Tangible gifts are included in the financial statements, both as income and expenditure, or an addition to fixed assets, at the estimated value of the gift to the charity. The time given by volunteers is not valued in the financial statements.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Trust is that of volatility in the investment markets due to wider economic condition &, the attitude of investors to investment risk.

Funds

Unrestricted funds are the general funds of the charity, which may be used at the trustees' discretion in accordance with the charitable objects.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are grants and donations received that can only be used for the particular purpose stipulated by the donor and are separately recognised in the financial statements according to their respective restrictions.

Grants and donations that are intended to form part of the capital funds of the charity are credited a fund called an expendable endowment. The donors have indicated that they wish the capital to be retained by the charity and the interest used for its charitable purposes.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Expenditure

All expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible expenditure is directly attributed to areas of activity. Costs attributable to a specific area of activity are identified as support costs and are allocated to the Statement of Financial Activities on the basis of staff time or usage of the building.

Expenditure on raising funds comprise fundraising and marketing expenditure.

Expenditure on charitable activities includes services supplied identifiable as wholly or mainly in support of the charity's objectives as shown in the notes to the financial statements.

Governance costs, which are included within expenditure on charitable activities, comprise the costs of compliance with constitutional and statutory requirements and include certain staff costs, auditor's remuneration, trustees indemnity insurance and legal and professional fees.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Assets with an initial cost of more than £1,000 are capitalised and included at cost or, if gifted, their value to the charity at the time of the gift.

Musical instruments are currently included in the accounts at cost. It is the intention of the trustees to ensure that these artefacts are maintained to the highest standard and it is expected that the value of them will increase over time. It is proposed to obtain periodic valuations to confirm the value of these items and they will be subject to annual impairment reviews. Since the residual value is so high, any depreciation charge would be negligible.

Capital expenditure on buildings including exhibitions and education includes the cost of materials and externally contracted services.

Depreciation is charged on a straight line basis to write off the cost of the other assets to their estimated residual value over the expected useful economic lives of the assets. Useful economic lives are not deemed to be longer than the following in each category:

Long Leasehold Property	- over 50 years to an estimated residual value of £4m
Museum fittings	- over 4 to 20 years reducing balance
Computers	- over 3 years reducing balance
Office equipment	- over 4 years reducing balance

Investments

Investment property, which is property held to earn rentals, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in the SOFA for the period in which they arise.

Quoted investments are held at fair values based on closing market price, with gains and losses included in the SOFA in the period in which they arise. Historic cost is disclosed in the investment note to the accounts.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Heritage Assets

The assets consist of a collection of musical instruments, works of art, books, music scores and other documents relating to Handel's life and works. Some items from the collection are on display to the public in the house. Others are in store and available to be viewed on request. The charity manages these assets by way of an internal register and regularly reviews them to ensure they are adequately safeguarded and preserved. Items of particular interest in the collection include:

- Autograph leaf from the conducting score of 'Esther'
- Letter written by Handel to Charles Jennens
- Portrait of Charles Jennens by Thomas Hudson
- Mozart autograph transcription of Handel's 'Fuga Prima'
- Portrait of Faustina Bordoni by Nazari
- Two-manual harpsichord by Jacob Kirckman
- 1754 Mainwaring's 'Life of Handel' with marginalia by Jennens
- Libretto of 'Messiah' with Jennens and Handel signatures
- Portrait of Wilem De Fesch by Andrea Soldi
- Bureau organ by John Snetzler, 1752

These items are held at their insured valuation in the accounts, which is the Trustees best estimate of fair value. The items are managed and inspected regularly by staff. New acquisitions take place only if the Trustees deem the item of significant value to the collection.

Stock

Stock is included in the financial statements at the lower of cost and net realisable value and represents the shop stock.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming resources.

Financial instruments

Handel House Trust only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Investments measured at their fair value using quoted closing market value as at the balance sheet date; Fixed assets are measured at amortised cost; and all other assets and liabilities are held at cost.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from corporation tax on its income applied for charitable activities.

THE HANDEL HOUSE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES *(continued)*

Critical accounting estimates and areas of judgement

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The key assumptions made by the Trustees in this respect are as follows:

a) Estimate of fair value of investment property

In accordance with FRS 102 section 16 the best evidence of fair value is current prices in an active market for an identical or similar asset. In the absence of such information, the charitable company determines the amount within a range of reasonable fair value estimates. In making its judgment, the charitable company considers information from a variety of sources, including:

i) current prices in an active market for properties of a different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

iv) analysis of rental yields against those of published figures.

v) The most recent valuations – which were carried out in October 2017.

b) Principal assumptions for management's estimation of fair value

The charitable company uses assumptions that are mainly based on market conditions existing at each balance date.

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals, void periods; maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the company and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

c) Estimate of fair values of the heritage assets

As stated in the policies above, the fair values of the Heritage assets are based on the most recent insured valuations, which took place in 2019. The Trustees consider this is the most appropriate method considering that the nature of these assets, and their intrinsic value to the museum

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2020

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment funds	Total Funds 2020 £	Total Funds 2019 £
Handel House Foundation of America	44,490	-	-	44,490	17,811
Donations from individuals	117,117	116,081	-	233,198	216,921
Heritage assets donated (Note 14)	-	-	-	-	956,210
Legacies	317,847	-	-	317,847	-
	<u>479,454</u>	<u>116,081</u>	<u>-</u>	<u>595,535</u>	<u>1,190,942</u>

£137,475 of donations and legacies received in 2019 were in respect of restricted funds. All other amounts were unrestricted.

3 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Rental income	100,910	-	100,910	268,015
Shop income	18,268	-	18,268	66,703
	<u>119,178</u>	<u>-</u>	<u>119,178</u>	<u>334,718</u>

All income from other trading activities in 2019 was in respect of unrestricted funds.

4 INCOME FROM INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Income from listed investments	2,712	-	2,712	5,106
	<u>2,712</u>	<u>-</u>	<u>2,712</u>	<u>5,106</u>

All of income from investment income received in 2019 was in respect of unrestricted funds.

5 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Admission fees	50,589	-	50,589	125,579
Education	3,790	-	3,790	13,667
Exhibitions and events	16,998	-	16,998	32,346
	<u>71,377</u>	<u>-</u>	<u>71,377</u>	<u>171,592</u>

All income from charitable activities received in 2019 was in respect of unrestricted funds.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2020

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£		£	£
Fundraising	7,252	-	7,252	6,896
Shop costs	12,086	-	12,086	11,494
Investment management fees	13,761	-	13,761	12,238
Other support costs	12,283	-	12,283	17,248
	<u>45,382</u>	<u>-</u>	<u>45,382</u>	<u>47,876</u>

All expenditure on raising funds spent in 2019 was in respect of unrestricted funds.

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total 2020
	£	£	£
Museum running expenses	145,032	195,516	340,548
Education	48,344	20,257	68,601
Exhibitions and events	27,044	11,804	38,848
Capital project costs	-	36,244	36,244
Governance costs	2,417	20,344	22,761
	<u>222,837</u>	<u>284,165</u>	<u>507,002</u>

£128,279 (2019: £5,795) of expenditure on charitable activities was in respect of restricted funds.

COMPARATIVE	Direct costs	Support costs	Total 2019
	£	£	£
Museum running expenses	137,924	322,443	460,367
Education	45,975	58,534	104,509
Exhibitions and events	27,197	42,714	69,911
Capital project costs	-	65,091	65,091
Governance costs	2,299	24,595	26,894
	<u>213,395</u>	<u>513,377</u>	<u>726,772</u>

8 Support costs

	2020	2019
	£	£
Staff	7,607	32,311
Premises	120,008	176,130
IT Costs	37,905	52,880
Maintenance	27,130	42,360
Marketing	25,567	52,505
Events and exhibition support	36,750	109,013
Finance	16,114	29,313
Other costs	5,023	11,518
Governance costs:		
Legal and professional fees	1,503	9,283
Audit and accountancy fees	10,150	14,373
Other costs	8,691	939
	<u>296,448</u>	<u>530,625</u>
Allocation:		
Charitable activities	284,165	513,377
Raising funds	12,283	17,248
	<u>296,448</u>	<u>530,625</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 OCTOBER 2020

9 NET INCOME FOR THE YEAR

This is stated after charging:

	2020 £	2019 £
Depreciation & impairment	84,719	88,020
Auditor's remuneration:		
- audit of the financial statements (exclusive of VAT)	8,400	7,950
- other fees - accountancy and payroll	1,750	1,650
	<u> </u>	<u> </u>

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2020 £	2019 £
Wages and salaries	206,167	199,795
Social security costs	24,294	17,030
Other staff costs	11,714	14,960
	<u>242,175</u>	<u>231,785</u>

There were no (2019 - none) employees whose emoluments amount to over £60,000.

The key management personnel comprise the trustees and the Director. The total benefits received by key management personnel in the year amounted £34,603 (2019: £41,163).

12 EMPLOYEE NUMBERS

The average number of employees during the year was 8 (2019: 8). The number of employees on the basis of full-time equivalents, was as follows:

	2020 No	2019 No
Museum running	3.7	3.7
Education	0.5	0.5
Fundraising	0.2	0.2
Events	0.6	0.6
Support	<u>1.9</u>	<u>1.9</u>
	6.9	6.9

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

13 TANGIBLE FIXED ASSETS

	Long leasehold property £	Buildings incl. Learning & exhibitions £	Asset under construction £	Museum fittings £	Musical instruments & antiques £	Computers & office equipment £	Total £
At cost 1 November 2019	3,428,173	1,870,304	-	343,869	205,260	109,348	5,956,954
Transfer from investment property	950,000	-	-	-	-	-	950,000
Additions	-	-	90,828	-	-	-	90,828
At 31 October 2020	4,378,173	1,870,304	90,828	343,869	205,260	109,348	6,997,782
At 1 November 2019	75,060	138,065	-	275,412	-	93,139	581,676
Charge for the year	7,523	37,406	-	34,387	-	5,403	84,719
At 31 October 2020	82,583	175,471	-	309,799	-	98,542	666,395
At 31 October 2020	4,295,590	1,694,833	90,828	34,070	205,260	10,806	6,331,387
At 31 October 2019	3,353,113	1,732,239	-	68,457	205,260	16,209	5,375,278

14 HERITAGE ASSETS

	At valuation 2020 £
Balance at 1 November 2019	956,210
Balance at 31 October 2020	956,210

An analysis of the last five years is as follows:

	2020 £	2019 £	2018 £	2017 £	2016 £
Value of acquisitions by donations	-	956,210	-	-	-
Total capitalised	-	956,210	-	-	-

In 2019 the charity was donated a large collection by the Handel House Collection Trust of Handel memorabilia and artifacts, all of which are available for display and preservation at the museum. These items were valued for insurance purposes after donation and held at this valuation as the Trustees best estimate of fair value. More detail on the contents of these assets is in the accounting policies to the accounts.

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

15 Investment Property

	Investment Property
	<u>Property</u>
Value brought forward at 1 November 2019	8,200,000
Fair value movement	(7,250,000)
Transfer to fixed assets	(950,000)
	<u> </u>
Closing value at 31 October 2020	<u> </u> -

The most recent formal valuation was carried out by M Thomas (MRICS) of the Hanover Green Retail LLP, independent valuers not connected to the Charity at 31 December 2018. The valuation has been prepared in accordance with the RICS Valuation - Professional Standards January 2014 published by the Royal Institution of Chartered Surveyors on the basis of Fair Values as defined under by FRS 102 and was undertaken on a desktop basis.

The investment property represents the ground floor and basement retail unit of 25 Brook Street which is rented out to a third party and the value of this investment portion of the property was deemed to be £8,200,000 (2019: £8,200,000). The Charity holds the long leasehold title to 25 Brook Street and uses the rest of the floors for operational purposes and is included in tangible fixed assets.

The historical cost of the entire property at 25 Brook Street is £4,376,122 (2019: £4,376,122) and the cost of the investment portion was £950,000 (2019: £950,000).

With the planned refurbishment of the building as part of the hallelujah project, and the tenants having vacated the premises, the investment property was restated at its fair value deemed cost and transferred to fixed assets as a functional asset on 31 October 2020.

16 INVESTMENTS

Movement in market value	2020	2019
	£	£
Market value at 1 November 2019	3,543,276	2,897,835
Additions	1,081,134	689,405
Disposals proceeds	(1,089,071)	(234,821)
Net gains/(losses) on revaluations in the year	228,327	152,732
	<u> </u>	<u> </u>
Movement in cash	(23,332)	38,125
	<u> </u>	<u> </u>
Market value at 31 October 2020	<u>3,740,334</u>	<u>3,543,276</u>
	<u> </u>	<u> </u>
Historical cost at 31 October 2020	<u>2,991,899</u>	<u>2,999,836</u>
	<u> </u>	<u> </u>
At 31 October 2020 the analysis of investments is as follows:		
	2020	2019
	£	£
Cash	14,794	38,125
UK Equities	766,637	698,309
Overseas Equities	831,737	825,240
Uk Unit Trusts	2,127,166	1,981,602
	<u> </u>	<u> </u>
	<u>3,740,334</u>	<u>3,543,276</u>

17 DEBTORS

	2020	2019
	£	£
Trade debtors	8,688	-
Other debtors	20,543	1,575
Prepayments and accrued income	267,847	30,697
	<u> </u>	<u> </u>
	<u>297,078</u>	<u>32,272</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

18 CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,253	52,323
Taxation and social security	3,149	7,643
Deferred income	-	5,062
Other creditors	32,547	19,554
Accruals	11,490	52,146
VAT	-	31,961
	<u>50,439</u>	<u>168,689</u>

Deferred income reconciliation

	2020 £	2019 £
Balance brought forward	5,062	42,672
Released in the year	(5,062)	(42,672)
Received in advance	-	5,062
Balance carried forward	<u>-</u>	<u>5,062</u>

19 ENDOWMENT FUNDS

	Balance at 1 Nov 2019	Income and transfers	Unrealised investment gains	Balance at 31 Oct 20
	£	£	£	£
Expendable endowment	2,456,364	-	150,696	2,607,060
	<u>2,456,364</u>	<u>-</u>	<u>150,696</u>	<u>2,607,060</u>

(A) The Expendable Endowment arise from a Trust Deed dated 22 December 2000 upon creation of the company and is a separate unrestricted fund. The purpose of the fund is to provide a base from which income, including capital gains, may be generated to enable the trust to meet the future running costs of the museum. Investment income is allocated to unrestricted funds.

(b) A new endowment was created in 2017 from a combination of £250,000 received from the legacy of Alexander Mackenzie of Orde, matched by a grant from the Heritage Lottery Fund. This will be held to sustain the financial security of the Trust after the repossession of the lower floor of 25 Brook Street planned for December 2021, and the resulting loss of rental income. This fund is also a separate unrestricted fund.

COMPARATIVE

	Balance at 1 Nov 2018	Income and transfers	Unrealised investment gains	Balance at 31 Oct 2019
	£	£	£	£
	-	-	-	-
Expendable endowment	2,355,561	-	100,803	2,456,364
	<u>2,355,561</u>	<u>-</u>	<u>100,803</u>	<u>2,456,364</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

20 RESTRICTED INCOME FUNDS

	Balance at 1 Nov 2019 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2020 £
Music in making	1,207	-	(1,207)	-	-	-
Capital project development phase	264,009	116,081	(127,072)	-	-	253,018
	<u>265,216</u>	<u>116,081</u>	<u>(128,279)</u>	<u>-</u>	<u>-</u>	<u>253,018</u>

Capital project development phase: This fund was set up to support the development phase of the capital project *Handel & Hendrix in London*.

Music in Making: This fund was set up to support a new project to schedule regular open rehearsals of baroque music in the house during opening hours.

COMPARATIVE	Balance at 1 Nov 2018 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2019 £
HH CD production	49	-	-	(49)	-	-
Music in making	13,527	-	(5,795)	(6,525)	-	1,207
Baroque central	27,293	-	-	(27,293)	-	-
Capital project development phase	126,534	137,475	-	-	-	264,009
	<u>167,403</u>	<u>137,475</u>	<u>(5,795)</u>	<u>(33,867)</u>	<u>-</u>	<u>265,216</u>

21 UNRESTRICTED FUNDS

	Balance at 1 Nov 2019 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2020 £
Designated Fixed Assets Fund	13,575,278	-	-	6,109	(7,250,000)	6,331,387
Heritage Assets Fund	956,210	-	-	-	-	956,210
General Funds	996,480	672,721	(424,105)	(6,109)	77,631	1,316,618
	<u>15,527,968</u>	<u>672,721</u>	<u>(424,105)</u>	<u>-</u>	<u>(7,172,369)</u>	<u>8,604,215</u>

The Designated Fixed Assets Fund represents the net book value of the fixed assets of the charity and the property. The transfer represents the movement in their value.

General Funds are available for use in the furtherance of the objects of the charity in accordance with its reserves policy.

The Heritage assets fund represents the heritage assets gifted to the Charity from the closure of the Handel House Collections Trust in 2019. The object of this fund is to designate and ring fence the value of these assets within the charity.

COMPARATIVE

	Balance at 1 Nov 2018 £	Income £	Expenditure £	Transfers £	Gains/losses £	Balance at 31 Oct 2019 £
Designated Fixed Assets Fund	13,663,298	-	-	(88,020)	-	13,575,278
Heritage Assets Fund	-	-	-	956,210	-	956,210
General Funds	982,843	1,564,883	(768,853)	(834,323)	51,929	996,480
	<u>14,646,141.00</u>	<u>1,564,883</u>	<u>(768,853)</u>	<u>33,867</u>	<u>51,929</u>	<u>15,527,968</u>

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Heritage assets £	Investment property £	Investments £	Net current assets £	Total £
Restricted Income Funds:						
Capital project development phase	-	-	-	-	253,018	253,018
	-	-	-	-	253,018	253,018
Endowment Funds:						
Expendable endowment	-	-	-	2,140,797	466,263	2,607,060
	-	-	-	2,140,797	466,263	2,607,060
Unrestricted Income Funds:						
Designated Fixed Assets Fund	6,331,387	-	-	-	-	6,331,387
Heritage Assets Fund	-	956,210	-	-	-	956,210
General Funds	-	-	-	1,599,537	(282,919)	1,316,618
	6,331,387	956,210	-	1,599,537	(282,919)	8,604,215
Total Funds	6,331,387	956,210	-	3,740,334	436,362	11,464,293

COMPARATIVE	Tangible fixed assets £	Heritage assets £	Investment property £	Investments £	Net current assets £	Total £
Restricted Income Funds:						
Music in Making	-	-	-	-	1,207	1,207
Baroque central	-	-	-	-	-	-
Capital project development phase	-	-	-	-	264,009	264,009
	-	-	-	-	265,216	265,216
Endowment Funds:						
Expendable endowment	-	-	-	1,994,798	461,566	2,456,364
	-	-	-	1,994,798	461,566	2,456,364
Unrestricted Income Funds:						
Designated Fixed Assets Fund	5,375,278	-	8,200,000	-	-	13,575,278
Heritage Assets Fund	-	956,210	-	-	-	956,210
General Funds	-	-	-	1,548,478	(551,998)	996,480
	5,375,278	956,210	8,200,000	1,548,478	(551,998)	15,527,968
Total Funds	5,375,278	956,210	8,200,000	3,543,276	174,784	18,249,548

THE HANDEL HOUSE TRUST

NOTES TO THE ACCOUNTS FOR YEAR TO 31 OCTOBER 2020

23 CONNECTED CHARITIES

The Trust has the following two connected charities:

Handel House Collections Trust which used to hold collection items relating to Handel, however this charity wound up 2019 and all the assets were transferred to The Handel House Trust Limited in the form of heritage assets - they are included in the heritage asset fund.

Handel House Foundation of America which provides fundraising and other support for Handel House Trust Limited. As shown in Note 2, The Handel House Trust Limited received donations of £44,490 (2019: £17,811) from the Foundation.

24 RELATED PARTY TRANSACTIONS

Personal donations were made by Trustees of £4,340 (2019 - £27,840) and Trustees expenses totalled £Nil (2019 - Nil).

Simon Weil is a former partner of Bircham Dyson Bell, who were paid £3,218 for legal services (2019 - £2,340) as an arms length transaction during the year. There were no outstanding balances as at 31 October 2020 (2019 - none)

Elizabeth Nicholson is Director of the charity and also a Trustee as of 12 November 2019. She received total remuneration of £30,000 during the year for her role as Director. The role of both director and trustee is allowed by the charities Memorandum and Articles of Association section 5 as updated in 2007.

There were no other related party transactions or Trustee expenses (2019 - none).

25 OPERATING LEASE COMMITMENTS

As at 31 October 2020 the Trust was committed under non-cancellable operating leases to make the following annual minimum payments (at present value):

	2020 £	2019 £
<i>Printing equipment</i>		
Less than 1 year	4,394	4,394
2 to 5 years	1,098	53,457
Greater than 5 years	-	-

The operating lease is in respect of printing equipment, with total lease payments expensed during the year £4,768 (2019: £5,485)

26 CONTINGENT ASSET

At 31 October 2020 the Charity had been notified of the residual estate of a legacy donor which was valued at £1,472,505 during the granting of probate. The residual estate includes two central London properties which have not been accurately valued nor sold at year end, therefore the eventual funds due to the Charity was not reliably measurable at the year end date. Further to this, the charity has not received any funds or final estate accounts in order to fulfill the income recognition criteria.

27 COMPANY LIMITED BY GUARANTEE

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust. The Trust had 10 members at 31 October 2020 (2019: 10 members).

28 ULTIMATE CONTROLLING PARTY

The charity is under the control of the Trustees (Directors for the purpose of Company Law), with each Trustee holding equal status.