

REGISTERED COMPANY NUMBER: 03099322 (England and Wales)
REGISTERED CHARITY NUMBER: 1061693

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021
FOR
HOLLYCOMBE WORKING STEAM MUSEUM**

Traviss & Co Ltd
Chartered Accountants
Newtown House
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HOLLYCOMBE WORKING STEAM MUSEUM
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FOR THE YEAR ENDED 28 FEBRUARY 2021

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HOLLYCOMBE WORKING STEAM MUSEUM (REGISTERED NUMBER: 03099322)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 28 February 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main objectives of the Hollycombe Working Steam Museum, as set out in their governing document and memorandum of association are to preserve a collection of steam driven engines and associated equipment, relating to life in rural areas in particular, and to provide education and enjoyment to visitors of the museum and to the volunteers and others who play an ongoing part in the life of the collection.

The motto of the Museum is "It is our hope that enjoyment of past engineering triumphs will inspire in a new generation the will to excel again."

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

OBJECTIVES AND ACTIVITIES

Significant Activities

The operation of the Museum involves a year round programme of maintenance and restoration and the opening of the collection to visitors for a season usually beginning shortly before Easter and continuing into mid October. The collection is normally open primarily at weekends and during the school holidays with a programme of early evening openings on Saturdays in the closing weeks of the season.

School visits are arranged from time to time during the week.

However, the year beginning 1st March 2020 was exceptional in every way because of the impact of the COVID pandemic, as a consequence of which it was not possible to open the collection to the public at all and the usual programme of work by volunteers was severely disrupted as well. Opening to the public on a limited scale began again only in August 2021.

From the beginning of the lockdown the site was closed and a strict roster introduced to ensure that only a small number of volunteers were on site at agreed times for essential work only, following the government guidelines on the management of museums and comparable sites, with arrangements for safeguarding those of our volunteers who were present.

The main activities for the remainder of the year reflected the special circumstances and need to plan for a COVID safe future and were made possible by generous grant aid from Heritage Lottery Fund, DCMS and others. Trustees met regularly and planned a series of changes that fitted the most pressing need to make the site safe for visitors once opening was possible again whilst also looking ahead to the longer term future and conservation of the collection, for example by getting more equipment under cover, especially in the Winter.

The main priorities were:

- fundraising to secure the future of the collection and compensate for the sudden loss of our primary source of income, which is from the public, including payments for entering the site, other donation from visitors and contributions from the café and shop,
- investing in facilities to make sure that the site was safe for volunteers, including the purchase of PPE, installation of multiple toilets in different parts of the site, installation of multiple wash basins, including plumbing and drainage, alterations to the buildings and layout of the site, alternative arrangements for refreshments, new security arrangements and control over numbers in any particular zone or building and alterations to the entrance, which generally was locked,
- planning and starting to execute a new way of managing the entrance and circulation of visitors once in the site so that it would be safe under any social distancing requirements that might be in place once we reopened again. This included moving to an online booking system for visitors, upgrading the IT equipment involved, changing the entrance and moving the pay huts to allow this to work, altering the circulation system within the main visitor building, altering the café and providing for more seating outside in future, altering the way in which visitors could be received and circulated within the site.
- planning and starting to execute alterations to the railways on site so that visitor experience would be improved for the future, outside queuing for rides made safer and regularized, with a significant upgrade on the miniature railway, including a new covered station to replace the previous outdoor arrangements and bring queues into the dry. A new spur was built on the quarry railway and improvements made to the sheds for the rolling stock and the surrounding yard,
- planning and starting to execute related improvements to the infrastructure on the site and the equipment available in order to cater for the developments outlined above and conduct the work more efficiently and safely. This included an overdue upgrade to the main power supply to the site which was close to its capacity limit and associated improvements to the wiring throughout the site which has been improved considerably, with work starting this year and continuing in the following twelve month period,
- planning and starting to execute improved presentation and structures for certain of our main exhibits, including the steam farm, where the plans included restoration of some of the smaller rear spaces in the barn, the installation of toilets, extensive work on the roof, bringing a stationary engine into the building and opening up better viewing points for visitors as well as planning a new sheltered walkway along the front for visitors to protect them and the machinery from the weather,

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

OBJECTIVES AND ACTIVITIES

Significant Activities cont'd

- long planned conservation work was affected by the limits on the time that volunteers could be on the site and also by the need to take forward the pandemic related changes outlined above, occupying considerable volunteer time. However, several of the projects driven by the pandemic response also were designed so as to contribute to conservation goals as well, for example to bring equipment into more sheltered and protected structures, as with the steam farm. Some dedicated conservation and routine maintenance projects also were given priority, as noted below, under "Achievements".

Despite the travails and challenges of the year Hollycombe proved its resilience during the pandemic and we maintained our overall strategy of aiming to enhance the collection and visitor access and rely mainly on the invaluable help of volunteers. We continue to plan longer term improvements alongside rotational conservation work and more temporary but essential measures such as better protection for equipment that has to be stored outside. We are aiming to configure the site better so that we will be able to open more frequently in future once conditions allow.

While the COVID pandemic had a major impact on Hollycombe during 2020 we were fortunate to have received generous support from HLF and DCMS and other grant making bodies and the conservation effort has continued.

Public benefit

The Trustees of Hollycombe Working Steam Museum review the aims, objectives and activities of the charity every year. The review process looks at what has been achieved and the outcomes of their work over the previous 12 months. The review considers the success of each key activity and the benefits they have brought to those groups of people which the charity was formed to help. The review also helps the Trustees to ensure that the aims, objectives and activities of the charity remain focused on the stated purposes. The Trustees have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives, and in planning future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

OBJECTIVES AND ACTIVITIES

Volunteers

The collection is managed and operated almost exclusively by volunteers with a wide range of ages, interests, skills and backgrounds. Their work extends to maintenance and restoration projects, site maintenance, interpretation, outreach and publicity, the operation of the collection, catering, retailing, cleaning, gardening, management, fundraising and many other aspects of the museum's operation. The trustees are grateful for their tremendous work and dedication on behalf of the collection for another year.

During the year the paid management staff were on furlough for most of the time that the government scheme was running in order to conserve our strained financial resources. We are grateful to them for sticking with us during the period and providing help when they were able to. An engineer and carpenter were employed for part of the period in order to help with the funded conservation and infrastructure projects.

This meant that volunteers, including Trustees, were even more crucial to the running of Hollycombe than in normal circumstances. This included help with maintaining and watching over the site and all our equipment, cutting grass, trimming trees, digging ditches as well as cleaning, storing, painting, carpentry and mechanical work. In addition, volunteers were the leading internal source of person power to work alongside external contractors in the infrastructure, site improvement, conservation and building works undertaken with grant aid. Completing our ambitious programme of work in 2020 and 2021 would not have been possible without them. Furthermore, volunteers played a leading role in fundraising with the support of the Treasurer.

The recruitment of new volunteers to assist our present team, some of whom are less mobile than they were, continued but with obvious limitations given the need to restrict access to the site to much more limited periods than usual. The tenure of the Volunteer Development Officer was suspended for a period because of furlough but will be extended by a corresponding period into 2021/2022 to compensate for this with the consent of the funders, the Heritage Lottery Fund.

Our goal continues to be to increase the number and diversity of volunteers and to find new ways of developing and passing on key skills and invaluable knowledge in all areas from engineering work to decorative sign writing and the specialist care of mechanical fairground organs. We are pleased with initial progress under the project funded by the Heritage Lottery Fund and look forward to its continuation in 2021/2022. The programme of training for volunteers, passing on skills from long serving volunteers as well as bringing in those with professional skills was set back but continued on a limited basis.

Safety continues to be a primary concern and procedures are in place to avert accidents and to respond to them should they occur, as well as the special covid regime introduced during lockdown and maintained, with appropriate modifications, for the whole of the rest of the year. This contributed to a good record of avoiding covid for those volunteers who did come to Hollycombe during the year. Training of volunteers in safety procedures receives particular attention both in conservation and maintenance activities and in the operational roles on the fairground and railways in particular. Some upgrading of equipment, particularly a new telehandler, was possible as a result of the grant aid for project work and this has contributed to improved safety as well as greater efficiency.

We remember with affection more than one retired volunteer who passed away during the year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRATEGIC REPORT

Achievement and performance

Charitable activities

There were many strands of maintenance and restoration work as well as the programme of improvements and readiness for future opening accomplished during the year. Unfortunately it was not possible to welcome visitors. The "window" between lockdowns was too short to permit the preparation of equipment for opening, the assembly and testing of fairground rides in particular and the organisation of volunteers in sufficient numbers. This is a long process which then needs to be reversed in the autumn to pack working equipment away and it is not viable unless the open season is of sufficient length.

Conservation and maintenance projects advanced on several fronts alongside the infrastructure and improvement projects that were taken forward with grant aid. Some jobs were undertaken off site entirely, such as the major restoration of the Gavioli fairground organ by a skilled volunteer working at home and the meticulous painting of the recently restored Razzle dazzle rounding boards, which has been a major project spread over a number of years, involving substantive joinery work.

In some cases there were opportunities to undertake extensive work outside during the summer months on projects that normally would have been difficult because of the site being open to the public. One example of this was the re-laying, re-grading and improvement of the miniature railway and associated new station, yard and shed works and extensive landscaping. This, together with the restoration of one of the seven and a quarter gauge railway locomotives, began in 2020 and continued into 2021.

Several long term restoration projects moved forward. These included:

The restoration of our two foot gauge Barclay locomotive, "Caledonia". Boiler work being undertaken at the Severn Valley Railway works recommenced after a pause and work on the motion on site at Hollycombe also began, both with the aid of HLF funding.

The restoration of the antique "Dobbie Set", our oldest fairground ride. There was extensive work on the centre truck and wheels and a new working space where this could be done under cover in parallel to work inside.

The restoration of the fifth of our two foot gauge quarry railway coaches (ex Ramsgate Tunnel railway). Over the 2020/2021 period these are being fitted with doors, safety glass and small modifications to make them suitable for social distancing conditions and wheels are being refurbished as well.

Road engine restoration also moved forward with extensive restoration of our 1921 10 ton Aveling and Porter steam roller in the painting shop and the 1917 Mann steam tractor which we hope to complete by 2021.

Extensive work on several antique fairground rides continued as far as possible. This included further restoration and repair of the Gallopers including work on the floors, new steps and mechanical parts. Particularly exciting was a major project to repaint the full set of rounding boards and the horses and chariots themselves, undertaken by a professional fairground painter, working in a long established family tradition, which got underway during the year. Improvements are being made to the Big Wheel, including a new clutch, but in depth investigation revealed further renewal would be beneficial and the ride will not be in service for some time. Long term restoration of the large Marengi organ and other elements of the bioscope continued and plans are being made to replace the current bioscope building, which has reached the end of its working life.

Major improvements were made to the working "steam farm" and several pieces of equipment within it and work to restore the main bearing of the water wheel got underway. Electricity will be brought to the steam farm which will allow much improved illumination and better working conditions for volunteers.

Some repair work on the LSWR signalbox, originally sited at Liphook station, was taken forward including construction of a replacement set of external wooden steps which will greatly enhance the structure.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRATEGIC REPORT

Achievement and performance

Fundraising activities and Grants received

We were much aided during the year by grant aid.

This included support from the Heritage Lottery Fund Resilient Heritage Fund. This totalled around £99,000 for an eighteen month period, starting in the summer of 2019 and continuing through this financial year with a lower than anticipated level of expenditure because of the pandemic and furloughing of the Volunteer Development Officer and less requirement for a Project Marketing Officer. The portion falling into this financial year was £39,760.

During the year we were fortunate to be awarded significant support from The Culture Recovery Fund for Heritage' as administered by DCMS, (the Department for Digital, Culture, Media and Sport) which was granted in phases, starting in this financial year and continuing to 2021/2022. The amount included in the accounts for this period to 28 February 2021 is the first phase which was £447,500 and received in November 2020.

As at the end of February 2021 the cash balance remaining unspent on this grant was £86,987 and the second amount was received post February 2021. This grant was the primary source of our funds for the management of the collection and the meeting of both essential core costs and investments for improvement and future safe opening as set out above. This included some important COVID capacity investments (such as the restoration of Caledonia and purchase of a standby diesel locomotive on the quarry railway) allowing the charity to adapt to the new circumstances and invest for longer term financial viability during this period.

We are also most grateful to the Q Charitable Trust for their timely donation of £5000 which allowed us to invest in a new and more weatherproof standing bay for the portable engines. This was later improved with a period barn roof to protect the engines and the volunteers steaming them very much better from the weather.

We acknowledge invaluable support from Chichester District Council during the year.

During the open season the charity raised £1,938 in gift aid (previous year £46,315), the major drop being accounted for by the lack of visitors during the year.

The grant from the Heritage Lottery Fund is acknowledged with gratitude.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRATEGIC REPORT

Financial review

Principal funding sources

Generally, the charity needs to raise sufficient funds from gate admission to the public, school visits and other events to meet most of the costs of operating and maintaining the collection. However, it is also essential to raise further funds for larger restoration and improvement projects, better buildings and infrastructure and occasional acquisitions. During this exceptional year it was not possible to open to the public or to host special events. Our normal sources of income fell away and the charity was heavily dependent on grants to an unprecedented degree, also receiving aid from the local authority and donations from supporters. Total donations and grants amounted to £620,775 and allowed us to undertake a considerable improvement programme and make the provisions needed to permit opening to the public again when permitted and feasible (which was in August 2021 in our case). For all of these contributions we are particularly grateful. Without them we would have been in a perilous position.

Additional income was raised by selling some surplus equipment and redundant materials, including scrap metal. This helped us directly with conservation work, including the restoration of the Mann steam tractor.

Costs were controlled particularly closely during the period and our small staff complement were on furlough for most of the period. However, essentials continued and we were able to make some improvements that will lead to lower costs in future, for example the upgrading of the cesspit.

We are grateful to Rob Gambrell and his team, to Lorraine Howell, our Treasurer and to other volunteers for leading the fundraising and associated project management effort.

Reserves policy

The Trustees have considered the charity's requirements for reserves in light of the main risks to the organisation.

It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at around 5% of the original value of the collection or £50,000. These reserves are needed to meet unforeseen damage or repairs required to the collection. As a result of the Museum not being able to open, funds have not been set aside in the current year and the Museum have been reliant upon the generosity of the grants they have received. The balance on unrestricted funds at 28 February 2021 was £157,697 (2020: £131,601) and after excluding tangible fixed assets the present level of reserves available to the charity falls short of this target level.

Although the strategy is to continue to build reserves through planned operating surpluses, the Trustees and Management Committee are aware that it is unlikely that the target range can be reached for at least five years. In the short term Trustees have discussed which activities could be curtailed should such circumstances arise.

Plans for Future Periods

The charity plans to continue the activities outlined above in the forthcoming years subject to continuing funding arrangements and the continued support of volunteers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 7 September 1995 and registered as a charity on 7 April 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The existing trustees are receptive to the recruitment of new trustees who have experience in the operation of other charitable organisations or have specific skills in areas such as those related to the charitable objectives.

Organisational structure

The charity is organised so that the trustees meet regularly to manage its affairs. The frequency of meetings was increased substantially during the year given the urgency of the situation and need to plan and oversee a considerable body of work and the associated grants. A management committee meets between trustees' meetings to address operational issues.

Induction and training of new trustees

New trustees are provided with information on the charity covering the governing document and explanations of the charitable objectives.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03099322 (England and Wales)

Registered Charity number

1061693

Registered office

Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX

Trustees

P W Corbett Solicitor
Sir James Scott Farmer
D M Baldock Environmental manager
J D Leigh-Pemberton Estate manager
B M Gooding Editor
R J S Gambrill Trust manager


Independent Examiner

M J Traviss FCA
ICAEW
Traviss & Co Ltd
Chartered Accountants
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HOLLYCOMBE WORKING STEAM MUSEUM (REGISTERED NUMBER: 03099322)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 December 2021 and signed on the board's behalf by:



B M Gooding - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HOLLYCOMBE WORKING STEAM MUSEUM**

Independent examiner's report to the trustees of Hollycombe Working Steam Museum ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28 February 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



M J Traviss FCA
ICAEW
Traviss & Co Ltd
Chartered Accountants
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15 December 2021

HOLLYCOMBE WORKING STEAM MUSEUM

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2021**

		Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes				
Donations and legacies	2	119,306	501,469	620,775	365,238
Charitable activities	5				
Maintenance of collection		500	-	500	18,197
Other trading activities	3	-	-	-	11,506
Investment income	4	43	-	43	137
Other income		66,399	-	66,399	-
Total		186,248	501,469	687,717	395,078
EXPENDITURE ON					
Charitable activities	6				
Maintenance of collection		199,323	182,100	381,423	387,680
Other		1,571	3,255	4,826	2,113
Total		200,894	185,355	386,249	389,793
NET INCOME/(EXPENDITURE)		(14,646)	316,114	301,468	5,285
Transfers between funds	17	40,742	(40,742)	-	-
Net movement in funds		26,096	275,372	301,468	5,285
RECONCILIATION OF FUNDS					
Total funds brought forward		131,601	2,268,416	2,400,017	2,394,732
TOTAL FUNDS CARRIED FORWARD		157,697	2,543,788	2,701,485	2,400,017

The notes form part of these financial statements

HOLLYCOMBE WORKING STEAM MUSEUM (REGISTERED NUMBER: 03099322)

**BALANCE SHEET
28 FEBRUARY 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	201,111	2,264,902	2,466,013	2,253,379
Investments	13	1	-	1	1
		<u>201,112</u>	<u>2,264,902</u>	<u>2,466,014</u>	<u>2,253,380</u>
CURRENT ASSETS					
Debtors	14	63,149	46,013	109,162	123,206
Cash at bank and in hand		21,491	243,872	265,363	152,940
		<u>84,640</u>	<u>289,885</u>	<u>374,525</u>	<u>276,146</u>
CREDITORS					
Amounts falling due within one year	15	(128,055)	(10,999)	(139,054)	(129,509)
NET CURRENT ASSETS		<u>(43,415)</u>	<u>278,886</u>	<u>235,471</u>	<u>146,637</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>157,697</u>	<u>2,543,788</u>	<u>2,701,485</u>	<u>2,400,017</u>
NET ASSETS		<u>157,697</u>	<u>2,543,788</u>	<u>2,701,485</u>	<u>2,400,017</u>
FUNDS	17				
Unrestricted funds				157,697	131,601
Restricted funds				<u>2,543,788</u>	<u>2,268,416</u>
TOTAL FUNDS				<u>2,701,485</u>	<u>2,400,017</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

HOLLYCOMBE WORKING STEAM MUSEUM (REGISTERED NUMBER: 03099322)

BALANCE SHEET - continued
28 FEBRUARY 2021

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'B M Gooding', written over a horizontal line.

B M Gooding - Trustee

The notes form part of these financial statements

HOLLYCOMBE WORKING STEAM MUSEUM

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>314,406</u>	<u>(23,402)</u>
Net cash provided by/(used in) operating activities		<u>314,406</u>	<u>(23,402)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(217,460)</u>	<u>(8,500)</u>
Interest received		<u>43</u>	<u>137</u>
Net cash used in investing activities		<u>(217,417)</u>	<u>(8,363)</u>
Cash flows from financing activities			
Due from Hollycombe Retailing		<u>22,701</u>	<u>(16,922)</u>
Net cash provided by/(used in) financing activities		<u>22,701</u>	<u>(16,922)</u>
Change in cash and cash equivalents in the reporting period		<u>119,690</u>	<u>(48,687)</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>145,673</u>	<u>194,360</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>265,363</u></u>	<u><u>145,673</u></u>

The notes form part of these financial statements

HOLLYCOMBE WORKING STEAM MUSEUM

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	301,468	5,285
Adjustments for:		
Depreciation charges	4,826	2,113
Interest received	(43)	(137)
Increase in debtors	(8,657)	(59,189)
Increase in creditors	16,812	28,526
Net cash provided by/(used in) operations	<u>314,406</u>	<u>(23,402)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	2,473	2,495
Notice deposits (less than 3 months)	262,890	150,445
Overdrafts included in bank loans and overdrafts falling due within one year	-	(7,267)
Total cash and cash equivalents	<u>265,363</u>	<u>145,673</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.20 £	Cash flow £	At 28.2.21 £
Net cash			
Cash at bank and in hand	152,940	112,423	265,363
Bank overdraft	(7,267)	7,267	-
	<u>145,673</u>	<u>119,690</u>	<u>265,363</u>
Total	<u>145,673</u>	<u>119,690</u>	<u>265,363</u>

The notes form part of these financial statements

HOLLYCOMBE WORKING STEAM MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Preparation of consolidated financial statements

The financial statements contain information about Hollycombe Working Steam Museum as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

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

Any grants received in the year that relate to a period after the year end are treated as deferred income at the year end.

Expenditure

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

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings & improvements	- not provided
Steam collection	- not provided
Fixtures & Fittings	- 15% on reducing balance

No provision for depreciation has been made in regards to the steam collection or the buildings as in the trustees opinion the value has not depreciated in the period from acquisition. The value of the collection will be reviewed in each accounting period but the cost of repairs and maintenance to be charged against income is expected to cover any reduction in value.

Taxation

No provision for taxation has been made as the company is a registered charity and is therefore exempt from taxation.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

HOLLYCOMBE WORKING STEAM MUSEUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 28 FEBRUARY 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that The Hollycombe Working Steam Museum has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	21,577	11,665
Gift aid	1,938	46,315
Grants	597,260	56,430
Gate receipts	-	250,828
	<u>620,775</u>	<u>365,238</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Winch project	-	6,730
HLF Resilience Grant	39,760	49,700
Coutts Grant	5,000	-
COVID recovery		
	105,000	-
DCMS Grant	447,500	-
	<u>597,260</u>	<u>56,430</u>

HOLLYCOMBE WORKING STEAM MUSEUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Covenanted profits from trading subsidiary	<u><u>-</u></u>	<u><u>11,506</u></u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u><u>43</u></u>	<u><u>137</u></u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Other income	<u><u>500</u></u>	<u><u>18,197</u></u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Maintenance of collection	<u><u>372,736</u></u>	<u><u>8,687</u></u>	<u><u>381,423</u></u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Maintenance of collection	<u><u>2,460</u></u>	<u><u>6,227</u></u>	<u><u>8,687</u></u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	<u><u>4,826</u></u>	<u><u>2,113</u></u>
Rent of land	<u><u>18,742</u></u>	<u><u>18,937</u></u>

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2021 nor for the year ended 29 February 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 28 February 2021 nor for the year ended 29 February 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	50,579	60,811
Social security costs	298	-
Other pension costs	931	814
	<u>51,808</u>	<u>61,625</u>

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

	2021	2020
	4	4
Museum staff	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	308,808	56,430	365,238
Charitable activities			
Maintenance of collection	18,197	-	18,197
Other trading activities	11,506	-	11,506
Investment income	137	-	137
Total	<u>338,648</u>	<u>56,430</u>	<u>395,078</u>
EXPENDITURE ON			
Charitable activities			
Maintenance of collection	341,091	46,589	387,680
Other	2,113	-	2,113
Total	<u>343,204</u>	<u>46,589</u>	<u>389,793</u>

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	(4,556)	9,841	5,285
RECONCILIATION OF FUNDS			
Total funds brought forward	136,157	2,258,575	2,394,732
TOTAL FUNDS CARRIED FORWARD	<u>131,601</u>	<u>2,268,416</u>	<u>2,400,017</u>

12. TANGIBLE FIXED ASSETS

	Buildings & improvements £	Steam collection £	Fixtures & Fittings £
COST			
At 1 March 2020	1,132,879	1,115,585	50,304
Additions	-	30,600	186,860
At 28 February 2021	<u>1,132,879</u>	<u>1,146,185</u>	<u>237,164</u>
DEPRECIATION			
At 1 March 2020	6,287	26,934	41,643
Charge for year	-	410	4,416
At 28 February 2021	<u>6,287</u>	<u>27,344</u>	<u>46,059</u>
NET BOOK VALUE			
At 28 February 2021	<u>1,126,592</u>	<u>1,118,841</u>	<u>191,105</u>
At 29 February 2020	<u>1,126,592</u>	<u>1,088,651</u>	<u>8,661</u>

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

12. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Historical attractions £	Totals £
COST			
At 1 March 2020	4,050	31,250	2,334,068
Additions	-	-	217,460
At 28 February 2021	4,050	31,250	2,551,528
DEPRECIATION			
At 1 March 2020	4,050	1,775	80,689
Charge for year	-	-	4,826
At 28 February 2021	4,050	1,775	85,515
NET BOOK VALUE			
At 28 February 2021	-	29,475	2,466,013
At 29 February 2020	-	29,475	2,253,379

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 March 2020 and 28 February 2021	1
NET BOOK VALUE	
At 28 February 2021	1
At 29 February 2020	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Hollycombe Retailing Ltd

Registered office:

Nature of business: Sale of museum merchandise and café

Class of share: %
 Ordinary holding
 100

	28.2.21 £	28.2.20 £
Aggregate capital and reserves	(5,890)	1
Loss for the year	(5,891)	-

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	-	1,200
Amounts owed by group undertakings	19,063	41,764
Other debtors	70,968	77,718
VAT	293	872
Prepayments	18,838	1,652
	<u>109,162</u>	<u>123,206</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Included in Other Creditors is an amount of £2,378 (2020: £1,316) which relates to Museum entry tickets which were sold and had not been redeemed as at 28 February 2021 as a result of the COVID pandemic and the Museum being forced to close. Trustees have agreed that these amounts should be carried into the next year and will be honoured when the Museum is able to open again.

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	-	7,267
	<u>-</u>	<u>7,267</u>

17. MOVEMENT IN FUNDS

	At 1.3.20	Net movement in funds	Transfers between funds	At 28.2.21
	£	£	£	£
Unrestricted funds				
General fund	131,601	(14,646)	40,742	157,697
Restricted funds				
Restricted	2,099,840	(479)	(15,742)	2,083,619
Sawmill project	66,280	(1,700)	(5,000)	59,580
Emperor project	83,545	-	-	83,545
HLF Resilience	18,751	34,172	(20,000)	32,923
Mann Tractor Fund	-	965	-	965
DCMS Grant	-	279,841	-	279,841
Coutts Grant	-	3,315	-	3,315
	<u>2,268,416</u>	<u>316,114</u>	<u>(40,742)</u>	<u>2,543,788</u>
TOTAL FUNDS	<u>2,400,017</u>	<u>301,468</u>	<u>-</u>	<u>2,701,485</u>

HOLLYCOMBE WORKING STEAM MUSEUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	186,248	(200,894)	(14,646)
Restricted funds			
Restricted	-	(479)	(479)
Sawmill project	-	(1,700)	(1,700)
HLF Resilience	39,760	(5,588)	34,172
Mann Tractor Fund	9,210	(8,245)	965
DCMS Grant	447,499	(167,658)	279,841
Coutts Grant	5,000	(1,685)	3,315
	<u>501,469</u>	<u>(185,355)</u>	<u>316,114</u>
TOTAL FUNDS	<u><u>687,717</u></u>	<u><u>(386,249)</u></u>	<u><u>301,468</u></u>

Comparatives for movement in funds

	At 1.3.19 £	Net movement in funds £	At 29.2.20 £
Unrestricted funds			
General fund	136,157	(4,556)	131,601
Restricted funds			
Restricted	2,099,840	-	2,099,840
Sawmill project	73,735	(7,455)	66,280
Emperor project	85,000	(1,455)	83,545
HLF Resilience	-	18,751	18,751
	<u>2,258,575</u>	<u>9,841</u>	<u>2,268,416</u>
TOTAL FUNDS	<u><u>2,394,732</u></u>	<u><u>5,285</u></u>	<u><u>2,400,017</u></u>

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	338,648	(343,204)	(4,556)
Restricted funds			
Sawmill project	-	(7,455)	(7,455)
Emperor project	-	(1,455)	(1,455)
Winch project	6,730	(6,730)	-
HLF Resilience	49,700	(30,949)	18,751
	<u>56,430</u>	<u>(46,589)</u>	<u>9,841</u>
TOTAL FUNDS	<u>395,078</u>	<u>(389,793)</u>	<u>5,285</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.3.19 £	Net movement in funds £	Transfers between funds £	At 28.2.21 £
Unrestricted funds				
General fund	136,157	(19,202)	40,742	157,697
Restricted funds				
Restricted	2,099,840	(479)	(15,742)	2,083,619
Sawmill project	73,735	(9,155)	(5,000)	59,580
Emperor project	85,000	(1,455)	-	83,545
HLF Resilience	-	52,923	(20,000)	32,923
Mann Tractor Fund	-	965	-	965
DCMS Grant	-	279,841	-	279,841
Coutts Grant	-	3,315	-	3,315
	<u>2,258,575</u>	<u>325,955</u>	<u>(40,742)</u>	<u>2,543,788</u>
TOTAL FUNDS	<u>2,394,732</u>	<u>306,753</u>	<u>-</u>	<u>2,701,485</u>

HOLLYCOMBE WORKING STEAM MUSEUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	524,896	(544,098)	(19,202)
Restricted funds			
Restricted	-	(479)	(479)
Sawmill project	-	(9,155)	(9,155)
Emperor project	-	(1,455)	(1,455)
Winch project	6,730	(6,730)	-
HLF Resilience	89,460	(36,537)	52,923
Mann Tractor Fund	9,210	(8,245)	965
DCMS Grant	447,499	(167,658)	279,841
Coutts Grant	5,000	(1,685)	3,315
	<u>557,899</u>	<u>(231,944)</u>	<u>325,955</u>
TOTAL FUNDS	<u>1,082,795</u>	<u>(776,042)</u>	<u>306,753</u>

Restricted funds - nature and purpose of the funds as shown above in the movements:

Restricted Funds

The restricted funds represent the buildings and steam collection all held at the Museum

Sawmill Project

The funds were received to finance the costs of an ongoing project to recreate a working First World War sawmill using the museum's Robey semi portable steam engine and associated machines.

Emperor Project

The funds are held for the repair and restoration of the Emperor engine

HLF Resilience

Funds are received from the Heritage Lottery Fund to contribute towards the employment of two full time employees.

Mann Tractor Fund

Donations were received to help fund the repair and restoration of the Mann tractor engine owned by the Museum

DCMS Grant

Grant received from the Department for Digital, Culture, Media and Sport to help fund the recovery of the museum post COVID and to help the museum continue in its ongoing efforts to fulfill their charitable objectives.

Coutts Grant

HOLLYCOMBE WORKING STEAM MUSEUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2021**

17. MOVEMENT IN FUNDS - continued

A grant was received from Coutts to fund the completion of the Dutch Barn renovations which was vital in helping us keep volunteers and staff working safely together.

Transfers between funds

During the year and as a result of the extraordinary circumstances created by COVID, the Trustees approached the National Lottery Funding Committee and requested that a proportion of the monies provided for the HLF Resilience Grant and the WWI Sawmill project be redeployed and be used for the ongoing running costs. The total amount transferred from the HLF Resilience Fund was £20,000 and from the Sawmill fund was £5,000.

18. RELATED PARTY DISCLOSURES

D M Baldock received part of the total rent as joint landlord in the year of £18,742 (2020 - £18,593). The woodland garden is jointly owned by Mr Baldock and his brother to which visitors have access at no cost to the charity.