THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales · Charity number 1062400

Details

Other names	THE DORSET NATURAL HISTORY AND ARCHEOLOGICAL SOCIETY, THE DORSET COUNTY MUSEUM
Status	Registered
Legal form	Charitable company
Company number	03362107
Registered	1997-05-14
Register	View on the Charity Commission register

Contact

Address	Dorset Museum 66 High West Street Dorchester DT1 1XA
Phone	01305262735
Email	enquiries@dorsetmuseum.org
Website	www.dorsetcountymuseum.org

Activities

Objects: (I) THE ADVANCEMENT OF EDUCATION FOR THE GENERAL BENEFIT OF THE PUBLIC IN THEAREAS OF ARCHAEOLOGY, THE NATURAL SCIENCES, NATURAL HISTORY, LITERATURE,MUSIC, THE FINE AND DECORATIVE ARTS, ANTIQUITIES AND LOCAL HISTORY RELATINGMORE ESPECIALLY TO THE COUNTY OF DORSET(II) THE ACQUISITION, PRESERVATION, CONSERVATION, EXHIBITION AND DEVELOPMENT(AS FAR AS POSSIBLE) OF COLLECTIONS RELATING TO ARCHAEOLOGY, THE NATURALSCIENCES, NATURAL HISTORY, LITERATURE, MUSIC, THE FINE AND DECORATIVE ARTS,ANTIQUITIES AND LOCAL HISTORY RELATING MORE ESPECIALLY TO THE COUNTY OFDORSET

Activities: The advancement of education for the benefit of the public in the areas of archaeology, natural sciences, literature, the fine and decorative arts, antiquities and local history relating to the County of Dorset.The acquisition, preservation, conservation, exhibition and development of collections relating to the areas outlined above.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** DORSET
- Dorset

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,011,150	£1,604,570	£11,129,711	34
2024-03-31	£1,055,745	£2,789,954	£11,429,638	28
2023-03-31	£1,221,734	£2,280,420	£12,967,156	24
2022-03-31	£1,442,790	£2,829,605	£13,331,580	29
2021-03-31	£6,341,322	£1,067,241	£14,506,686	22

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Trustees

Name	Role	Appointed
Claire Dixon		2024-01-03
David French		2021-05-01
Dr ANN ABRAHAM		2026-01-27
Hazel Ormrod		2025-01-15
Jonathan Charles Cotton		2026-01-27
Laura Danielle Martin		2025-05-06
Laura Southall		2023-05-10
Morag Wood		2022-03-01
Professor Paul James Gough		2026-01-27
Tracey Marie Parsons		2021-05-01
Tracy Chevalier		2021-05-01

Linked charities

- TRUST PROPERTY KNOWN AS WILLIAMS HOUSE (1062400-1)
- TRUST PROPERTY KNOWN AS DORSET COUNTY MUSEUM (1062400-2)

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THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales - Charity number 1062400

Accounts

Company Registration No. 3362107 (England and Wales)

Charity Registration No. 1062400

The Dorset Natural History and Archaeological Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

The Dorset Natural History and Archaeological Society

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The Dorset Natural History and Archaeological Society

Reference and Administrative Details

Charity Name	The Dorset Natural History and Archaeological Society
Other Names	Dorset Museum
Trustees	Tracy Chevalier Claire Dixon David French Jean Lang (Chair) Sian Merriott (stood down January 2025) Hazel Ormond Tracey Parsons Peter Sharman Laura Southall Jim Smylie (stood down September 2024) David Tucker Morag Wood **Dorset Council Representative** Cllr D Northam (stood down December 2024)
Registered Office	Dorset Museum 66 High West Street Dorchester, DT1 1XA
Company Registration Number	3362107
Charity Registration Number	1062400
President	Susan, Lady Bradbury
Vice-Presidents	G Pitt Rivers OBE DL P Seaton Sir P Williams Bt. G Yarker BEM FSA
Executive Director	C Dixon
Auditors	Scott Vevers Ltd Chartered Accountants and Registered Auditors 65 East Street Bridport, DT6 3LB
Bankers	Lloyds Bank plc 1-2 High West Street Dorchester, DT1 1UG
Solicitors	Humphries Kirk 40 High West Street Dorchester, DT1 1UR
Investment Advisors	Charles Stanley & Co Ltd Mey House Bridport Road Dorchester, DT1 3QY

The Dorset Natural History and Archaeological Society

Annual Report of the Trustees (Including Directors' Report)
Year Ended 31 March 2025

Introduction

The Trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the Charity for the year ended 31 March 2025, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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 Charites Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Reference and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Dorset Natural History and Archaeological Society ("the Society", DNHAS") is an educational charity which is an incorporated charitable trust and a company limited by guarantee (Charity number: 1062400 Company number: 3362107). The Society and its Museum, Dorset Museum, is owned by its members. The members elect a Board of Trustees who are responsible for the overall strategy and governance of the Society and its Museum. The charity is variously referred to throughout this report as either "the Charity", "the Society" or "the Company".

The governance of the Society and its Museum is set out in Articles of Association approved by Companies House and the Charity Commissioners and registered on 7 December 2012. In addition, there is a set of 'Regulations' which were adopted by the Board of Trustees of the Society at a meeting held in July 2014 and further updated in February 2020 and January 2021. They are a revised version of the 'Rules of the DNHAS' adopted in March 1998. They reflect the Board's current understanding of the governing Articles of Association and provide supplementary details relevant to their practical application in the operation of the Society.

Directors and Trustees

The Directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:
Tracy Chevalier (elected December 2023, second term)
Claire Dixon (by virtue of her position as Director from 17th July 2023)
David French (elected December 2023, second term)
Jean Lang (Chair) (elected December 2023, second term)
Sian Merriott (elected December 2021, second term – stood down 15th January 2025)
Hazel Ormond (elected December 2024)
Tracey Parsons (elected December 2023, second term)
Peter Sharman (elected December 2022)
Jim Smylie (elected December 2021 – stood down 27th September 2024)
Laura Southall (elected December 2022)
David Tucker (elected December 2023)
Morag Wood (elected December 2021, second term)

Dorset Council Representative

Cllr D Northam (stood down December 2024 to reflect a constitutional change)

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.

Eleven of the Trustees are elected by members of the Society at the Society's Annual General Meeting following a call for nomination to members and external advertisement. These eleven Trustees serve a three-year term with the option of offering themselves for a second three-year term. (Trustees who have served for six years are not eligible to stand for re-election without a period of at least one year out of office). The remaining Trustee is the Executive Director. Prior to December 2024 when a constitutional change was made, the twelfth Trustees was appointed by Dorset Council.

New Trustees are introduced to the governance, objectives and activities of the Society by the Executive Director and Board Chair and provided with Charity Commission advisory documents.

The Board of Trustees has ultimate responsibility for the Society. The Board sets overall strategy and makes decisions on all major policy and constitutional issues. It is responsible for the final approval of the annual budget and accounts, monitoring the solvency of the Society and safety of its assets. All Trustees sign a declaration of their eligibility to stand and record relevant details in a Conflict of Interest Register which is updated annually. The Board meets quarterly but keeps the frequency and effectiveness of its meetings under review. The Regular subcommittee of the Board is:

- The Finance Committee of the Board, which monitors and helps set both revenue and capital budgets for the Society. It also oversees and scrutinises matters relating to the Society's investments, reserves including monitoring movement in pension liabilities, financial policies and oversight of health and safety and compliance.

The Board sets up sub groups as necessary. During the year the Health and Safety group has met regularly, ceasing in October 2024 with the positive outcome of the Health and Safety Audit. This will be kept under review.

The Society is managed and developed by the Executive Director and the staff in accordance with the strategy, and within the budget, set by the Board. The Executive Director and staff are supported in delivering these activities by a large number of volunteers.

The Board and staff use the Museum Accreditation rules of the Arts Council of England (ACE) and the policies of the Museums' Association and Association of Independent Museums as guidelines in operating and developing the Museum & Art Gallery, which has full Accreditation status with ACE.

The Museum & Art Gallery is a member of the Wessex Museums Trust, which has been recognised as an ACE National Portfolio Organisation for the period 2022-2027. The Society is represented on the Wessex Museums Trust's board by the Executive Director.

OBJECTIVES AND ACTIVITES

The objectives of the Society are:

- The advancement of education for the general benefit of the public in the areas of archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset;

- The acquisition, preservation, conservation, exhibition and development (as far as possible) of collections relating to archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset.

Success is assessed in terms of numbers of visitors to Dorset Museum & Art Gallery and of the users of the collections, and the qualitative feedback they give. The numbers of educational and other groups, the individuals involved and the feedback they provide, gives further quantitative and qualitative data, as does evaluation of the number attending events and using publications. Where achievable, economic and other impacts on the community are assessed through targeted studies. The income generated compared with the expenditure needed to undertake them provides critical measures of financial short-term viability and long-term sustainability.

ACHIEVEMENTS AND PERFORMANCE

Overview

Claire Dixon, Executive Director and Jean Lang, Chair of the Board of Trustees

Dorset Museum & Art Gallery began this financial year with an ongoing, long-term financial challenge and need for continued significant visitor growth. It has been critical to secure sufficient income to cover increased running costs caused by the relatively new building and economic climate. We continued to invest the £250,000 of resilience funding from the National Lottery Heritage Fund (NLHF) for specific work, including new digital marketing strategies, a national PR plan and a high-quality exhibition programme alongside some other smaller workstreams. We have continued to significantly exceed the visitor numbers achieved in the first few years since re-opening but fell slightly behind the previous year. Exhibitions continued to be critical to footfall, notably the Wildlife Photographer of the Year that was displayed during the Summer months. The periods when there was no exhibition were longer than ideal and the impact on footfall was evident. We require continued growth to achieve a position of sustainability, but we have been very successful in reducing our expenditure and securing income through grants and legacies, to deliver a surplus budget. Whilst this is an incredible achievement, it does not indicate long-term sustainability due to the inability to predict income through legacies, grants and donations. A clear focus on marketing/PR and high-quality exhibitions continues to be crucial to our long-term survival and success.

Externally, we continue to face the challenges caused by the war in Ukraine, the impact of Brexit on tourism, the cost-of-living crisis and economic uncertainty. In addition, the uncertainty caused by the recent budget announcements makes it difficult to rely on or anticipate any long-term support from government funding. This is further echoed by the Arts Council review and extension to NPO funding until 2028, due to insufficient cultural strategy being available to inform the funding round that had been expected in 2025. We cannot understand the long-term future of cultural funding and investment until the review outcomes are known and the impact of devolution is fully understood, as central funding could be reallocated to local and mayoral authorities. Our efforts to build a positive relationship with Dorset Council and target the Dorset tourist market during the summer period have proven critical. Our working relationship with the Council indicates positive support, as demonstrated by their investment in our energy solutions, collection storage, partnership working and cultural investment. Now that we have a full year of data to indicate our potential reach and understand how to best market our offer, committing core budgets to ongoing development of marketing and PR is critical to our long-term success, as we come to the end of the NLHF Resilience Grant.

This year, learning participation has continued to grow, with record numbers of schools booking sessions, workshops and visits as part of the 'Gladiators of Britain' exhibition. This will create a legacy of new workshop options for future years, aligning with the National Curriculum beyond the life of the exhibition. Our work with local community groups continues to increase participation amongst those traditionally underserved by heritage, with new groups engaging including Age UK. Attendance at events continues to be mixed but a new pricing structure and approach from January 2025 has delivered more consistency and ensured events are profit making at point of delivery. Free to enter events continue to be hugely popular, enabling those to visit who would otherwise be prevented by the financial barrier

of an admission fee. Wedding bookings continue to diminish, with many more Museums and heritage institutions ceasing to offer them, due to their high cost and impact on capacity with limited financial benefit. We renewed our wedding license and welcomed a small number of bookings, keeping this under review to ensure all commercial activity is profit driven and not compromising our core offer or visitor experience. Other private room hire has increased and the Christmas season remains the most significant for generating income. We continue to receive excellent feedback about the Museum & Art Gallery, our exhibitions and the friendliness of our staff and volunteers. We won awards from Dorset Tourism, Arts Council England and Visit England, demonstrating our high quality offer.

The Society's financial crisis remains present, but the success of this financial year means we have protected our reserves, generating a small surplus. We received final payments of grants and donations previously committed as part of the transformation project. We secured a Headley Trust grant commitment of £36,000 per year for three years to support our work in archaeology. We were granted £5,000 by the Alice Ellen Cooper Dean Trust and received more than £52,000 in legacies. A new approach to admissions has encouraged an increase in general donations and we again secured Museum and Galleries tax relief to offset related expenditure from the core budget. Most significantly, visitor footfall growth has continued to exceed that of the first few years of re-opening, despite us programming fewer exhibitions. We saw a slight fall in gift aid, a priority income area for future years. Retail performed well with the new shop products increasing our profit margins. Overall, our annual income dropped by almost £44,000 before investments, largely due to the reduction in commercial events. However, our expenditure was reduced by more than £42,000 before depreciation, largely accounted for by rationalising contracts and costs, a small restructuring of staff and grant funding to offset core costs, notably marketing and exhibitions. Much of this funding cannot be relied on long term and it is not currently anticipated that a surplus budget will be achieved in future years, although work will continue to secure grants and donations to support our core work.

We continue to demonstrate that, with appropriate levels of investment in our public programme and marketing, we can achieve the required levels of footfall and income to achieve a position of viability although the Board recognises it remains a challenge.

Visitor Numbers

This year we welcomed 39,868 visitors to the museum, which was 60% ahead of 2021-22 and 2022-23, but 14% down on 2023-24. This is largely due to the huge success of Elisabeth Frink that drove up visitor numbers during 2023-24, as well as longer periods between exhibitions. These gaps in our programme will be reduced in future years

Collections Management

All Saints
We have continued to move collections from this building and funding enabled the recruitment of a Curator of Archaeology, which will accelerate this work over the next three years. The Curator of Archaeology has written an All Saints Church Project Strategy that outlines work objectives, logistics, safety recommendations and priority steps. Discussions are taking place with Dorset Council, to explore other buildings we might relocate our collections to.

Collections
- Seven photo slide cabinets were moved to the Dorset History Centre
- The Geology collection moved to the CDC and has been organised in stratigraphic order
- The Photography collection moved to the CDC except for five parish boxes whose photographs are being digitised in the CDC before being moved, the nitrate collection remains under review
- Some of the social history collection has been frozen where necessary and moved from Old School into the CDC

- We secured Treasure from Charlton Marshall, Stalbridge, Melcombe Horsey, Hilton, Sixpenny Handley, Wootton Fitzpaine and Halstock
- Acquisitions included a painting called Askerswell Hoard by Brian Rice, a Tomasina Rackett 18th century toy collection, a small number of artworks by contemporary Dorset-based artist Martyn Brewster, two drawings from the Powys Society, a silver salver presented to Reverend and Mrs Henry Moule in recognition of their work against cholera, two book volumes from Thomas Hardy's library and four framed photographic artworks, *The Dorset Stour*, by Roger Polley and John Woodman
- Loans in included collections to support the Frink, Wildlife Photographer of the Year and Gladiators of Britain exhibitions
- Loans out included human remains and entomology collections for research purposes, a polyptych of four paintings, *August Evening, Lyme Regis*, by Jeremy Gardiner for an exhibition of his work, *Turning the Tide*, at Sherborne House, four artworks lent to Russell Cotes Art Gallery & Museum for its *Artists in Purbeck* exhibition, which received over 16,000 visitors, several Frink works for the *A View From Within* exhibition tour to Museum & Art Swindon and social history folk culture objects for the Wessex Museums touring exhibition, *Un/Common People*
- We have progressed to the second stage application, to secure Designation status for the Thomas Hardy collection
- Funding from AIM enabled us to progress the documentation of the metalwork collection
- Section 106 grant funded a new de-humidifier and packing materials for All Saints
- Researchers have worked on the museum's archaeology, natural history, social history and art collections

Special exhibitions programme
Temporary Gallery:

- April 2024 - *Elisabeth Frink: A View from Within*
- July – November 2024 – *Wildlife Photographer of the Year*
- January – May 2025 – *Gladiators of Britain*

Community Gallery:

- April 2024: *Awakened by Frink*
- July – October 2024 – *Sensing the Past*
- October –November 2024 Youth Voice "We All Bloom Differently"
- November 2024 - 21st April 2025 – *Community Quilt*
- April – 9th June Weymouth College Take over project "The Hidden Side of the Museum"
- June – 23rd June 2025 Refugee exhibition Youth Voice

Temporary Displays:

- February – July 2024 - *John Brown: Revealing the story of a former slave in Dorset*
- February – July 2025 – *Brynley and Notley*

Learning and Engagement
Schools Programme

The formal schools programme has seen significant growth this year. The team reached 2,537 pupils, delivering 82 school sessions and engaging 120 pupils through the loan boxes. In addition, the Learning Team completed the final year of the Urban Nature Project with Natural History Museum, creating workshops that incorporate Dorset & Art Gallery's Natural history collection. The project requires students to become local experts, help observe and collect new data and take action through science to make a real difference. Pupils explore our hidden collection, discover how early scientists worked and develop their own scientific thinking.

Community Engagement Projects

During the year of reporting, 1,219 people were reached through our community engagement work and 30 community sessions were delivered. Highlights include:

Meeting Elisabeth Frink

A group of people from underserved audiences engaged with the work of Frink through eight creative workshops that culminated in a display in the community Gallery and the inclusion of their work in the main exhibition.

Wessex in 100 objects

Staff, volunteers, community groups and young people came together to select highlights from our collection to feature in this digital exhibition.

Sensing the Past

Staff, volunteers and community groups came together to create a touch and audio display of the art based project with Dorset Blind Association and Charmouth Heritage Centre.

Community Quilt

This was a collaborative project that invited community groups, visitors, volunteers and staff at Dorset Museum & Art Gallery to craft small squares inspired by artefacts from the museum's collection and the history of Dorset. These individual squares were then joined together to create a large, vibrant quilt.

Public Engagement activities

- **Heritage Open Days:** The Museum ran free behind the scenes tours for ticket holders, all were fully booked.
- **Monthly lecture series:** Our monthly lecture series continued to see mixed results, with some lectures selling out but others having to be cancelled or held in smaller spaces. A new approach in 2025 that focusses on our exhibition themes or works in collaboration with partner organisations has seen an increase in participation and ensured a viable way forward, with new free daytime talks on offer as and when speakers offer to contribute to the programme.
- **Gallery tours:** A regular programme covers a mix of subjects and spotlight talks.
- **Festival of Archaeology:** A programme of events included finds days, talks and family workshops.
- **Teachers evening**: A teachers' event demonstrated to schools what the Museum has to offer and encourage future bookings.
- **'Relaxed and Quiet openings'** have moved to a regular monthly slot and engagement and participation is slowly increasing
- **Exhibitions:** An events programme is created to support our exhibitions, including lectures, trails and family activities during school holidays.
- **Storytelling:** Regular sessions have taken place monthly since June, welcoming 45 participants
- **Family activities:** 15 activities delivered during school holidays engaging with 323 children and their families.
- **Christmas** was impacted by the sad loss of a volunteer who had led this the previous year, so new workshops were organized at short notice with little marketing and had to be cancelled. The programme will be reviewed for 2025

Fundraising

Grants

Section 106	£ 21,549.50
DC SLA	£ 50,000
All Saints	£ 10,994
Robinson	£ 500
Alice Ellen Cooper Dean Trust	£ 5,000
Dorchester Town Council	£ 300
Pilgrim Trust	£ 4,420
Shigeru Fujita	£ 1,000
Weld	£ 20,000
Moule and Du Boulay	£ 95,185
Wessex (Frink)	£ 11,669
Wessex (Budget relief)	£ 32,138
NHM Urban Nature Project	£ 23,071

Legacies **£52,244**

FINANCIAL REVIEW

Financial Report

The accounts which are highlighted within this report show a trading period of the financial year running 1 April 2024 – 31 March 2025.

Total income received for the year ending 31 March 2025 was £1,011,150 compared with £1,055,745 in 2024.

Total unrestricted income including corporation tax recoverable, investment and pension gains for the year ending March 2025 was £1,068,484 (2024: £1,058,146) with expenditure of £1,111,733 (2024: £1,186,562). This included a depreciation amount of £10,301 (2024: £14,122), thus showing a surplus of £51,936 (2024: deficit of £128,416) after funds transfer.

Restricted fund income for the year ending 31 March 2025 was £236,159 (2024: £183,701) with expenditure of £492,837 (2024: £1,603,392) this included a depreciation amount of £322,128 (2024: £1,461,225) which is related to the capital project.

During the year, the charity reviewed the pattern of consumption of economic benefits associated with its land and building improvements. As a result, the Trustees changed the depreciation method applied to these assets from the 10 years straight line method to the 50 years straight line method. The Trustees consider that depreciating the assets over 50 years reflects the expected usage pattern and future economic benefits of the land and building improvements. The impact of the change in the current financial year was a decrease in depreciation expense of £1,139,097 with a corresponding increase in the net income of the charity. Prior period figures have not been restated.

Total funds carried forward as at the end of this fiscal year were £11,129,711 (2024: £11,429,638), including restricted funds of £10,586,104 (2024: £10,937,967).

As noted elsewhere in the report and in the accounting policies the charity has agreed with Dorset Council, that this will be postponed until 2027/28 with an agreeable interest rate in place.

Regarding the ongoing operational financial stability of the charity, we have again moved closer to reaching the levels of income and expenditure required, to enable the Society to operate viability by 2026 but this is based on unpredictable income including grants and legacies. We continue to rely on income assumptions relating to donations, exhibition tax relief and core funding grants whilst footfall increases, but not sufficiently to offset core expenditure. Our investment portfolio which is managed by our agent Charles Stanley is continually monitored under strict guidelines therefore protecting our investments and reserves during this volatile time.

RESERVES

The reserves of the Society consist of all unrestricted funds that are not linked to fixed assets or required for specific purposes. These unrestricted funds are reduced by the pension fund deficit. The Trustees continue to monitor the pension liabilities and the reserves of the Society closely and are aware of the need to match variable income against fixed commitments, with day-to-day working needs being met by careful management of short-term liquid resources.

The main Museum building was gifted to The Dorset Natural History and Archaeological Society.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £35.2m.

RISKS

Risk logs for the Society are maintained and kept under regular review. The main risks for each that were managed during 2024-2025, along with their status at the final year end, were as follows:

No.	Risk Description	Mitigation
1	Visitor numbers remain consistently too low for the income from commercial activities and grants to compensate	Grants requested, debt management being negotiated, growth plan in place and increase to marketing budget pending approval, costs understood and managed
2	Fewer than expected visitors to Dorset due to Covid-19 / cost of living	2023 budget is based on visitor numbers experienced in 2022 with an uplift in entrance fees due to changes in charging. 2024 will be based on new marketing strategy to support growth. Dorset Museum becomes competitive in Dorchester, Dorset and the South West.
3	Staff departures / staff burnout	Handover notes in place Salary reviews have resulted in positive adjustments Employee Support Programme in place Mental Health First Aid being put in place Recruitment plan in place
4	Government action limits tourism economy without compensation	Safeguard any surplus from previous years Income diversification plan implemented

5	General changes in heritage landscape of Dorset challenge Dorset Museum and limit visitor numbers e.g. Jurassic Coast Museum and Weymouth Museum	Remain closely in touch with storyline development, nurturing positive partnerships. Ensure offer at Dorset Museum continues to evolve, offering new experiences. Review joint ticketing options and / or complementary activities. Renew digital engagement which has the edge over larger, more corporate sites.
6	Maintenance works requires museum to close	Buildings are well maintained and risks understood
7	Social media challenge or negative / unfriendly publicity arising from programming themes.	Communications management plan, to ensure individuals are protected and a corporate response is provided. Brera PR to provide support. Training to be provided to Trustees and SMT
8	Wessex Museums Partnership challenges the capacity of core staff within DNHAS	Processes are agreed from the outset to ensure risk register is fully addressed. Staff are supported to lead the process by SMT Board of Trustees provide additional mentoring and support Finance capacity is monitored
9	Price inflation provides pressure on all areas of non-salary spending, disproportionately increasing costs	Reserves will need to be used to manage any spike in inflation Mid-year reforecast improves understanding of risk
10	Museum doesn't generate surpluses 2024/5 onwards	Alternative funding sources to be considered Income diversification required Plan B and plans for closure to be worked up
11	Theft/vandalism to collections	Access to collections is recorded and tracked via digital keys and sign in books, regular staff presence across collection sites
12	Lack of Health and Safety compliance leads to major incident	H&S Action Plan is in place with all critical actions complete, support from specialist advisors is available and in use
13	Lack of appropriate safeguarding provision leads to major incident	Safeguarding policy has been reviewed, training is in progress, new processes ensure effective reporting and recording, safeguarding Trustee nominated to support DSO
14	Breach of cyber security	All requirements of cyber insurance have been met with regular scanning being done and responses to actions and notifications being recorded
15	Employment market very challenging, particularly for core skills	Competitive salaries improved but not meeting MA guidelines and remain under review, retention still positive.
16	Global instability disrupts activity, e.g. materials supply, consumer confidence, energy and services	Good forward planning is essential to manage supply chain issues, understanding contingency need

17	Decisions / position on local issues or programming themes draw public criticism, disenfranchises members	Good governance is upheld, a clear and unambiguous statement is issued about decision making, context and conclusions
18	IT transition fails and IT support and/or cyber security is compromised	Current provider is overseeing recruitment and transition and will be available to support as needed.
19	Change in key trustees or reduction in overall Board membership e.g. Chair, Finance Chair	Recruitment committee set up to identify process for new Trustees
20	Extreme weather event	Temporary closure of site. Install signs and manage website and SM comms
21	Covid-19 resurgence significantly increases sickness absence	All staff are encouraged to get Covid-19 and flu vaccines and boosters Dispersed working is still possible for some and Covidsafe measures are adopted
22	Covid-19 causes long-term absence of a senior manager	Working from home enabled, SMT meets regularly. Time off allowed for vaccines, booster jabs
23	Legal challenge impacts on financial resources and public reputation	Legal advice being taken and actions taken in line with advice

PLANS FOR FUTURE PERIODS

The focus of the Society's plans in the immediate future remains the sustainability of the Museum. Primary workstreams which must be achieved over the coming years are:

- Continuation of the new Marketing Strategy to drive footfall and put Dorset on the map.
- Financial sustainability through footfall growth, driven by a strong exhibition programme, commercial income enabled by effective pricing, effective fundraising to support core work, management of expenditure Revised pricing to ensure all commercial activity generates sufficient profits.
- Ongoing care for world class collections to enable learning, research and participation
- Clear oversight of compliance including Health and Safety, HR and Safeguarding to protect and develop staff and volunteers, manage capacity, protect wellbeing and enable outputs to support income growth.
- To bring equity, diversity and inclusion into everything we do
- To respond actively and responsibly to the climate emergency

Our Forward Plan and Activity Plan are set out in detail and managed by theTrustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of The Dorset Natural History and Archaeological Society for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Directors' Report) and the financial statement 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 year. Under company law the Trustees 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 the 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 2019 (FRS 102);
- 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 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 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company'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 the information.

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.

Auditors
The auditors, Scott Vevers Ltd, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Small company provisions
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On behalf of the board

.....
Mrs J M Lang, Chair of the Board of Trustees

Date: 16/09/25

Independent Auditors' Report to the Trustees
Year Ended 31 March 2025

Opinion

We have audited the financial statements of The Dorset Natural History and Archaeological Society for the year ended 31 March 2025 set out on pages 17 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees, as a body, in accordance with Part four 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 charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 the 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to 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 Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
In the light of our 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 to which the Charities Act 2011 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' Annual Report; or
- the charitable company has not kept adequate accounting records; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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 a 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 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

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

The Dorset Natural History and Archaeological Society

Independent Auditors' Report to the Trustees
Year Ended 31 March 2025

Use of our report

This report is made solely to the charitable company'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 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Vevers Ltd

Scott Vevers Ltd
Chartered Accountants & Statutory Auditors
65 East Street
Bridport,
Dorset
DT6 3LB

Date: 19/09/25

Scott Vevers Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Dorset Natural History and Archaeological Society

Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 March 2025

	Note	Unrestricted £	Restricted £	Endowment £	Total 2025 £	Total 2024 £
Income and Endowments from:						
Donations and legacies	3	247,236	235,527	-	482,763	451,690
Charitable activities	4	375,516	-	-	375,516	405,146
Other trading activities	5	144,566	-	-	144,566	190,691
Investments	6	7,673	632	-	8,305	8,218
Total income and endowments		774,991	236,159	-	1,011,150	1,055,745
Expenditure on:						
Raising funds	7	1,618	-	-	1,618	5,968
Trading activities	8	236,018	20,958	-	256,976	257,321
Charitable activities	9	874,097	471,879	-	1,345,976	2,526,665
Total expenditure		1,111,733	492,837	-	1,604,570	2,789,954
Net gains/ (losses) on investments	17 & 18	2,110	-	-	2,110	3,747
Net income/ (expenditure)		(334,632)	(256,678)	-	(591,310)	(1,730,462)
Transfers between funds	23	95,185	(95,185)	-	-	-
Corporation Tax Recoverable		180,383	-	-	180,383	87,944
Other recognised gains/ (losses):						
Remeasurement gain / (loss) on defined benefit pension plan	28	111,000	-	-	111,000	105,000
Net movement in funds		51,936	(351,863)	-	(299,927)	(1,537,518)
Reconciliation of funds:						
Total funds brought forward		491,171	10,937,967	500	11,429,638	12,967,156
Total funds carried forward		543,107	10,586,104	500	11,129,711	11,429,638

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 20 to 41 form part of these financial statements.

The Dorset Natural History and Archaeological Society

Balance Sheet as at 31 March 2025

(Registration number: 3362107)	Note	Total 2025 £	Total 2024 £
Fixed assets			
Tangible assets	14	11,458,830	11,792,510
Heritage assets	15	1,130,068	1,128,233
Investments	16	167,113	165,569
		12,756,011	13,086,312
Current assets			
Stocks	19	11,000	11,000
Debtors	20	105,240	128,447
Cash at bank and in hand		289,662	321,785
		405,902	461,232
Creditors: amounts falling due within one year	21	(242,202)	(217,906)
Net current (liabilities)/ assets		163,700	243,326
Total assets less current liabilities		12,919,711	13,329,638
Creditors: amounts falling due after more than one year	22	(1,790,000)	(1,790,000)
Net assets excluding pension liability		11,129,711	11,539,638
Defined benefit pension liability	28	-	(110,000)
Net assets		11,129,711	11,429,638
Charity Funds			
Endowment funds	23	500	500
Restricted funds	23	10,586,104	10,937,967
Unrestricted funds	23	543,107	601,171
Pension reserve	23	-	(110,000)
Total charity funds		11,129,711	11,429,638

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and in accordance with FRS102 SORP. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 in respect of accounting records and preparation of accounts.

Whilst the company is exempt from audit under Section 477 of the Companies Act 2006 relating to small companies and the members have not required an audit under section 476 of the Act, the company is subject to audit under the Charities Act 2011.

The financial statements were approved and authorised for issue by the Board on 16/09/25

.....

Mrs J M Lang, Chair of the Board of Trustees

The notes on pages 20 to 41 form part of these financial statements.

The Dorset Natural History and Archaeological Society

Statement of Cash Flows
Year Ended 31 March 2025

	Note	Total 2025 £	Total 2024 £
Cash flow from operating activities	25	(143,600)	(119,843)
Tax recoverable / (paid)		180,383	87,944
Net cash flow from operating activities		36,783	(31,899)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(1,835)	(82,151)
Receipts from sales of tangible fixed assets		-	-
Payments to acquire investments		(7,208)	(11,190)
Receipts from sales of investments		8,514	11,660
Interest received		3,110	1,479
Dividends received		5,015	5,992
Rents received from investment properties		180	180
Net cash flow from investing activities		7,776	(74,030)
Cash flow from financing activities			
Interest paid		(75,942)	(64,590)
Net cash flow from financing activities		(75,942)	(64,590)
Net increase / (decrease) in cash and cash equivalents		(31,383)	(170,519)
Cash and cash equivalents at 1 April 2024		322,009	492,528
Cash and cash equivalents at 31 March 2025		290,626	322,009
Cash and cash equivalents consists of:			
Cash at bank and in hand		289,662	321,785
Short term deposits		964	224
Cash and cash equivalents at 31 March 2025		290,626	322,009

The notes on pages 20 to 41 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The Dorset Natural History and Archaeological Society is incorporated in England within the United Kingdom and is a charity limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Accounting convention

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those 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 investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

2 Accounting policies (continued)

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from donations and legacies is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from charitable activities includes membership and admissions income. Membership income is accounted for, in full, in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income relating to sales booked online is recognised in the period in which the customer visits the museum. Any income received where the customer has not yet visited is deferred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Raising funds is expenditure incurred in respect of trading activities carried out by the charity.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to the costs associated with charitable activities.

Support costs allocations

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the proportion of the asset's use. Other support costs are allocated based on the spread of staff costs.

2 **Accounting policies (continued)**

Tangible fixed assets, including heritage assets

Tangible fixed assets and heritage assets, held for continuing use by the charitable company, are recorded at original cost, or in the case of donated assets, at valuation.

It is the policy of the charity not to capitalise heritage assets belonging to the Museum, where a reliable estimate cannot be made of the asset's fair value or the information on cost or value is not available and which cannot be obtained at a cost which is commensurate with the benefits to the users of the financial statements. These are in effect inalienable, held in perpetuity, and are mostly irreplaceable. Any financially based valuation would be misleading to the value and significance of the material culture involved. The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as is possible, commensurate with their long-term care and preservation. The highest possible standards of collection management are applied, and the catalogues are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines.

No depreciation is charged on freehold land and buildings as the trustees have a policy of regular repair and maintenance to ensure they are maintained to the highest standard and their residual value will be in excess of cost, meaning any depreciation charge would be immaterial.

Depreciation of other fixed assets is provided in order to write off the cost valuation less residual value of each asset evenly over its estimated useful life as follows:

Freehold property	Not depreciated
Land and buildings improvements	50 years straight line, once complete
Fixtures, fittings and equipment	15% reducing balance, 25% straight line
Collections	Not depreciated

Change in Accounting Policy - Depreciation of land and building improvements

During the year, the charity reviewed the pattern of consumption of economic benefits associated with its land and building improvements. As a result, it changed the depreciation method applied to these assets from the 10 years straight line method to the 50 years straight line method.

The trustees consider that depreciating the assets over 50 years reflects the expected usage pattern and future economic benefits of the land and building improvements.

This change in accounting policy has been applied prospectively from 1 April 2024 in accordance with FRS 102 Section 10.16. The impact of the change in the current financial year was a decrease in depreciation expense of £1,139,097 with a corresponding increase in the net income of the charity.

Prior period figures have not been restated.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value, with all realised and unrealised gains passing through the SoFA.

Stock

Stock consists of shop stock for resale and publication stocks. Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving stock where appropriate. Any impairments are calculated based on the likely selling value, compared to cost.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2 **Accounting policies (continued)**

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Cash at bank and in hand

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

Operating leases

The trustees classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Rentals of equipment applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account on a straight line basis.

Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years.

Contributions to defined contribution plans are recognised as staff pension expense through the SoFA, when they are due.

Defined benefit pension obligation

The minority of employees of the charity are members of the Local Government Pension Scheme (LGPS) managed by Dorset County Council.

This is a funded defined benefit scheme where the assets are held separately from those of the charity, in separate Trustee administered funds. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the SoFA.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2 **Accounting policies (continued)**

Critical accounting estimates and areas of judgement (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors, that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in Note 28, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2025 has been used by the actuary in valuing the pensions liability at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transactions. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for similar debt instruments.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Grants					
Dorset County Council	81,666	-	-	81,666	113,494
Arts Council England	-	-	-	-	10,000
Wessex Museum Trust	44,208	-	-	44,208	42,324
Moule and du Boulay Trust	-	95,185	-	95,185	-
Other	32,742	140,342	-	173,084	208,801
	158,616	235,527	-	394,143	374,619
Development appeal fund					
Heritage Lottery Fund	-	-	-	-	5,513
	-	-	-	-	5,513
Other					
Donations (including gift aid)	36,376	-	-	36,376	71,558
Legacies	52,244	-	-	52,244	-
	88,620	-	-	88,620	71,558
	247,236	235,527	-	482,763	451,690

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Membership subscriptions	38,455	-	-	38,455	57,876
Museum admission fees	337,061	-	-	337,061	346,395
Events and exhibitions	-	-	-	-	675
Income from lending assets	-	-	-	-	200
	375,516	-	-	375,516	405,146

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Shop and online sales	70,259	-	-	70,259	97,740
Bookings income	50,495	-	-	50,495	71,020
Café rental income	23,161	-	-	23,161	18,496
Royalties and sundry income	651	-	-	651	3,435
	144,566	-	-	144,566	190,691

6 Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Dividends and interest	5,015	-	-	5,015	5,992
Interest on cash deposits	2,478	632	-	3,110	1,479
Rental income	180	-	-	180	180
Other interest received	-	-	-	-	567
	7,673	632	-	8,305	8,218

7 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Fundraising fees	-	-	-	-	3,015
Heritage Lottery Fund Delivery Plan	-	-	-	-	1,407
Investment management fees	1,618	-	-	1,618	1,546
	1,618	-	-	1,618	5,968

8 Expenditure on trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Shop consumables	22,543	20,958	-	43,501	45,375
Employment costs	178,348	-	-	178,348	171,955
Event consumables	9,093	-	-	9,093	22,432
Establishment costs	26,034	-	-	26,034	17,559
	236,018	20,958	-	256,976	257,321

9 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Staff costs (including travel)	402,140	55,660	-	457,800	428,967
Direct costs	295,402	372,462	-	667,864	1,915,044
Support costs	165,260	43,757	-	209,017	172,499
Governance costs	11,295	-	-	11,295	10,155
	874,097	471,879	-	1,345,976	2,526,665

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Direct costs:					
Exhibitions, events and collections	43,152	10,802	-	53,954	124,775
General repairs	16,907	1,280	-	18,187	29,890
Depreciation	10,301	322,128	-	332,429	1,475,347
Establishment costs	206,272	3,794	-	210,066	203,389
Marketing and promotion	12,819	34,458	-	47,277	78,510
Credit card charges	5,931	-	-	5,931	3,133
General expenses	20	-	-	20	-
	295,402	372,462	-	667,864	1,915,044
Support costs:					
Office and administration costs	49,569	38,562	-	88,131	70,902
(Profit) / loss on disposal of tangible fixed assets	1,251	-	-	1,251	-
Loan interest	75,942	-	-	75,942	64,590
Other finance charges	3,993	-	-	3,993	5,044
Printing, postage and stationery	9,577	886	-	10,463	7,088
Professional fees	24,928	4,309	-	29,237	24,875
	165,260	43,757	-	209,017	172,499
Governance costs:					
Auditor's remuneration	11,295	-	-	11,295	10,155
	11,295	-	-	11,295	10,155

10 Net income / (expenditure) for the year

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

	2025	2024
	£	£
Depreciation of tangible fixed assets	332,429	1,475,347
(Profit) / loss on disposal of investments	(299)	1,014
(Profit) / loss on disposal of tangible fixed assets	1,251	-
Operating lease rentals	40,250	39,806
(Profit) / loss on fair value movement of investments	(1,811)	(4,761)
Auditor's remuneration:		
Audit services	6,780	6,100
Other services	4,515	4,055

11 Trustees' and key management personnel remuneration and expenses

During the year the charity made the following transactions with trustees:

No trustees, nor any persons connected with them, have received any remuneration, expenses or benefits from the charity during the year, in their capacity as a trustee.

The total amount of employee benefits received by key management personnel is £109,031 (2024: £117,843). The trustees considers its key management personnel comprise the Executive Director and the Director of Collections.

No trustees are accruing pension arrangements (2024: no trustees).

12 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year/period was as follows:

	2025 FTE	2024 FTE	2025 Number	2024 Number
Raising funds	0.4	0.4	1.0	1.0
Charitable activities	17.4	16.8	32.0	26.0
Governance	0.6	0.6	1.0	1.0
	18.4	17.8	34.0	28.0

The total staff costs and employee benefits were as follows:

	2025	2024
	£	£
Wages and salaries	524,309	485,015
Social security	36,692	33,650
Defined contribution pension costs	15,727	16,864
Defined benefit pension costs	15,446	22,832
Service providers	34,088	33,694
	626,262	592,055

One employee received total employee benefits (excluding employer pension costs) of more than £60,000 (2024: none).

13 Interest payable and similar expenses

	2025	2024
	£	£
Bank loans and overdrafts	3,993	5,044
Loan interest	75,942	64,590
	79,935	69,634

14 Tangible fixed assets

	Freehold Properties	Land and Buildings	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 April 2024	267,878	15,845,544	136,377	16,249,799
Disposals	-	-	(3,956)	(3,956)
At 31 March 2025	267,878	15,845,544	132,421	16,245,843
Depreciation:				
At 1 April 2024	-	4,379,745	77,544	4,457,289
Charge for the year	-	321,583	10,846	332,429
Eliminated on disposals	-	-	(2,705)	(2,705)
At 31 March 2025	-	4,701,328	85,685	4,787,013
Net book value:				
At 31 March 2025	267,878	11,144,216	46,736	11,458,830
At 31 March 2024	267,878	11,465,799	58,833	11,792,510

Freehold properties are functional assets insured for £359,268. At the year end, these comprise the properties of The Old School House and the Craft Market site. Whilst the trustees consider that their market value is higher than the carrying value of these assets, it is impractical to measure their fair value.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £35.2m.

The main Museum buildings were gifted to The Dorset Natural History and Archaeological Society and therefore do not form part of the net book value above. There is a floating charge over this property with The Trustees of the National Heritage Mortgage Fund and a second charge to Dorset County Council.

15 Heritage assets

	Collections	Total
	£	£
Cost or valuation:		
At 1 April 2024	1,128,233	1,128,233
Additions	1,835	1,835
At 31 March 2025	1,130,068	1,130,068
Depreciation:		
At 1 April 2024	-	-
Charge for the year	-	-
At 31 March 2025	-	-
Net book value:		
At 31 March 2025	1,130,068	1,130,068
At 31 March 2024	1,128,233	1,128,233

Collections acquired since 1 January 2021 have been capitalised at cost. Where assets have been donated and a reliable estimate cannot be made of the asset's fair value or the cost of valuation is likely to exceed the benefit provided by the information, the asset has not been recognised in the Financial Statements. Please see the Trustees' Report for more information on the assets donated in the year.

Heritage assets acquired before 1 January 2021 have not been recognised due to the significant cost that would be involved in valuing the Museum's diverse collections and other assets. This would be onerous compared with the additional benefit that would be derived by the users of the Financial Statements in assessing the trustees' stewardship of these assets.

No depreciation is charged on collections or galleries in the course of construction.

Five year summary of additions and disposals:

	2025	2024	2023	2022	2021
	£	£	£	£	£
Purchased additions					
Assets held at cost	1,835	36,180	57,136	2,278	136,270
Total additions	1,835	36,180	57,136	2,278	136,270
Impairment					
Assets held at cost	-	-	-	-	-
Total impairment	-	-	-	-	-
Net Book Value Disposals					
Assets held at cost	-	-	-	-	-
Total NBV disposals	-	-	-	-	-

16 Investments

	2025	2024
	£	£
Quoted investments (note 17)	166,148	165,344
Unquoted investments (note 18)	1	1
Cash held by investment manager	964	224
	167,113	165,569

17 Quoted investments

	2025	2024
	£	£
Fair value at 1 April 2024	165,344	162,067
Additions	7,208	11,190
Disposals	(8,514)	(11,660)
Realised gains/(losses) on disposal	299	(1,014)
Unrealised gains/(losses) on revaluation	1,811	4,761
Fair value at 31 March 2025	166,148	165,344
Cost at 31 March 2025	144,817	146,151

The share portfolio was valued by Charles Stanley & Co. Limited based on the mid market price at 31 March 2025.

18 Unquoted investments

	2025	2024
	£	£
Dorset Museum Trading Company Limited - 1 ordinary share of £1 each (at cost)	1	1

The company is incorporated in England and has an authorised and issued share capital of 1 ordinary share of £1 each. The principal activity of the company will be retail. It has remained dormant since incorporation.

19 Stocks

	2025	2024
	£	£
Goods for resale	11,000	11,000

20 Debtors

	2025	2024
	£	£
Trade debtors	11,475	30,172
Prepayments and accrued income	2,854	3,109
Other debtors	90,911	95,166
	105,240	128,447

21 Creditors: amounts falling due within one year

	2025	2024
	£	£
Loans	-	-
Trade creditors	22,629	61,097
Accruals and deferred income	204,954	135,564
Taxation and social security	8,365	10,710
Other creditors	6,254	10,535
	242,202	217,906

22 Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Loans	1,790,000	1,790,000

The payment terms and interest rate were renegotiated this year as follows:

A loan agreement was reached with Dorset County Council in September 2023. There is a repayment holiday until April 2028. Interest is charged on the loan at 3.83% and is repayable over 20 years to 31 March 2058. The loan is secured against a second charge on the freehold property known as Dorset Museum being 65 and 65A High Street, Dorchester, DT1 1XA.

23 Funds reconciliation

Unrestricted funds

	Balance at 01.04.2024 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2025 £
Unrestricted						
General fund	(447,432)	774,991	(930,350)	108,872	2,110	(491,809)
Designated funds						
Collections	1,034,916	-	-	-	-	1,034,916
Life memberships	9,446	-	-	(9,446)	-	-
Dugdale Trust	941	-	-	(941)	-	-
Lift	3,300	-	-	(3,300)	-	-
	601,171	774,991	(930,350)	95,185	2,110	543,107
Pension reserve	(110,000)	-	(1,000)	-	111,000	-
	491,171	774,991	(931,350)	95,185	113,110	543,107

During the year, the trustees reviewed the designated funds. As the Life membership, Dugdale Trust and Lift projects have been completed in prior years and no further costs are anticipated, the remaining balance on the specific designated funds have been transferred back to unrestricted general funds.

	Balance at 01.04.2023 *£*	*Income* *£*	*Expenditure* *£*	*Transfers* *£*	*Gains / losses* *£*	*Balance at 31.03.2024* *£*
Unrestricted						
General fund	*(239,339)*	*872,044*	*(1,073,295)*	-	*(6,842)*	*(447,432)*
Designated funds						
Collections	*1,034,916*	-	-	-	-	*1,034,916*
Life memberships	*9,446*	-	-	-	-	*9,446*
Dugdale Trust	*941*	-	-	-	-	*941*
Lift	*5,000*	-	*(1,700)*	-	-	*3,300*
Roberts Trust	*18,623*	-	*(18,623)*	-	-	-
	829,587	*872,044*	*(1,093,618)*	-	*(6,842)*	*601,171*
Pension reserve	*(210,000)*	-	*(5,000)*	-	*105,000*	*(110,000)*
	619,587	*872,044*	*(1,098,618)*	-	*98,158*	*491,171*

23 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2024 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2025 £
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	6,826,109	-	(322,128)	-	-	6,503,981
Other funding	3,943,911	-	-	-	-	3,943,911
Dorset Archaeological Committee	59,445	632	-	-	-	60,077
Monograph Fund	8,042	-	-	-	-	8,042
Pilgrim Trust	-	4,420	(4,420)	-	-	-
Moule and du Boulay Trust	-	95,185	-	(95,185)	-	-
Museums Partnership	3,020	-	(3,020)	-	-	-
NHLF Jane Austen Fund	-	47,110	(3,768)	-	-	43,342
NHLF Resilience Fund	97,440	88,812	(159,501)	-	-	26,751
	10,937,967	236,159	(492,837)	(95,185)	-	10,586,104
Endowment funds						
Charles Hansford fund	500	-	-	-	-	500
	10,938,467	236,159	(492,837)	(95,185)	-	10,586,604
Total funds	11,429,638	1,011,150	(1,424,187)	-	113,110	11,129,711

A restricted donation of £95,185 was received during this year from Moule and du Boulay Trust. As the donation had been promised previously, the related expenditure had already been incurred in prior years and funded from unrestricted reserves. Accordingly, the income has been recognised as restricted in the year of receipt, with a transfer from unrestricted funds to restricted funds to match the expenditure previously incurred. This resulted in a £nil closing balance on the restricted fund at 31 March 2025.

23 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2023 £	*Income* £	*Expenditure* £	*Transfers* £	*Gains / losses* £	*Balance at 31.03.2024* £
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	8,326,148	5,513	(1,505,552)	-	-	6,826,109
Other funding	3,943,911	-	-	-	-	3,943,911
Dorset Archaeological Committee	48,856	-	-	-	10,589	59,445
Monograph Fund	8,042	-	-	-	-	8,042
Gentleman's Magazine	3,001	-	(3,001)	-	-	-
Funds under £1,000	835	-	(835)	-	-	-
Treasure Acquisitions	3,256	-	(3,256)	-	-	-
Museums Partnership	8,020	-	(5,000)	-	-	3,020
The Ann James Fine Art Acquisition Fund	5,000	-	(5,000)	-	-	-
Alice Ellen Cooper Dean	-	10,000	(10,000)	-	-	-
Section 106	-	32,000	(32,000)	-	-	-
NHLF Resilience Fund	-	136,188	(38,748)	-	-	97,440
	12,347,069	183,701	(1,603,392)	-	10,589	10,937,967
Endowment funds						
Charles Hansford fund	500	-	-	-	-	500
	12,347,569	183,701	(1,603,392)	-	10,589	10,938,467
Total funds	12,967,156	1,055,745	(2,702,010)	-	108,747	11,429,638

23 Funds reconciliation (continued)

Unrestricted funds

- The general fund represents the free funds which are not designated by the Board, for particular purposes.
- Designated funds represent money set aside for specific purposes at the discretion of the Board.
- The collections designated funds represents the net book value of the collections held within heritage assets.
- The pension reserve represents the notional funding deficit calculated under FRS102 in respect of the charitable company's pension scheme advised by the scheme actuary.
- The revaluation reserve is required under the Companies Act 2006 and represents the difference between the historic cost and market value of investments, at the Balance Sheet date.

Restricted funds

- Where funding is agreed in advance, but only paid on receipt of invoices, funds may go into deficit temporarily.
- Where funds are raised for a particular asset, a transfer is made to the relevant fund when the asset is capitalised.
- Tomorrow's Museum for Dorset:
  - Heritage Lottery Fund represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Other funding represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Other Funds.
- The Dorset Archaeological Committee fund represents money received specifically for the committee.
- The Pilgrim Trust fund is funding a new Curator of Archaeology who is developing a strategy for collection access and care, the first stage in our project from All Saints Church.
- Moule and du Boulay Trust represents a grant for the conservation of the collection and to assist with acquisitions.
- Museums Partnership fund represents a grant towards collections assistants salaries.
- The NHLF Jane Austen Fund has been used to curate and install the Jane Austen: Down to the Sea exhibition. It has also enabled us to run school and community workshops, host a writer in residence, create new digital resources, deliver family activities and a programme of public events as well as new marketing.
- The NHLF resilience fund has been used to enable new staff posts relating to marketing and collections as well as support core work including staff training, PR, improvements to gallery displays, new internal and external signage, IT infrastructure and a new website.
- Other funds represent monies raised for a particular purpose or project.

Endowment funds

- The Charles Hansford fund, which is permanent endowment fund, represents a bequest made in 1910. Interest arising from the investment, which is restricted, is to be utilised towards the maintenance and benefit of the museum and library.
- Heritage assets are capital assets held for conservation and preservation purposes and are therefore shown as expendable endowment. The balance of collections has been transferred to designated funds and the museum and gallery improvements have been transferred to restricted funds during 2020; as the purposes of the funds did not meet the requirement of an endowment fund.

24 Analysis of net assets between funds

	Unrestricted 2025 £	Restricted 2025 £	Endowment 2025 £	Total 2025 £
Fixed assets	2,750,744	10,005,267	-	12,756,011
Cash and current investments	289,162	-	500	289,662
Other current assets / liabilities	(706,799)	580,837	-	(125,962)
Creditors more than one year	(1,790,000)	-	-	(1,790,000)
Provisions / pensions	-	-	-	-
	543,107	10,586,104	500	11,129,711

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Fixed assets	1,619,820	11,466,492	-	13,086,312
Cash and current investments	321,285	-	500	321,785
Other current assets / liabilities	450,066	(528,525)	-	(78,459)
Creditors more than one year	(1,790,000)	-	-	(1,790,000)
Provisions / pensions	(110,000)	-	-	(110,000)
	491,171	10,937,967	500	11,429,638

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

	2025 £	2024 £
Net income / (expenditure) for the year	(591,310)	(1,730,462)
Dividends received	(5,015)	(5,992)
Rents received from investment properties	(180)	(180)
Interest receivable	(3,110)	(1,479)
Interest payable	75,942	64,590
Depreciation and impairment of tangible fixed assets	332,429	1,475,347
Amortisation and impairment of intangible fixed assets		
(Gains) / losses on investments	(1,811)	(4,761)
(Profit) / loss on disposal of tangible fixed assets	1,251	-
(Profit) / loss on disposal of fixed asset investments	(299)	1,014
Receipt of endowment		
Post-employment benefits less payments	1,000	5,000
Provisions less payments		
(Increase) / decrease in stock	-	-
(Increase) / decrease in debtors	23,207	(13,607)
Increase / (decrease) in creditors	24,296	90,687
	(143,600)	(119,843)

26 Related party transactions

There were no related party transactions during the year than those already disclosed in Note 11. Trustees' and key management personnel remuneration and expenses.

27 Contingent liability

Grants received from the National Heritage Memorial Fund amounting to £12,898,957 (total received so far) as at 31 March 2025 may become subject to partial repayment in the event that the assets built, with the funds provided, are sold (2025: £12,537,756). The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.

28 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £15,727 (2024: £16,864).

Defined benefit pension plans

The charity operates a defined benefit pension plan for qualifying employees providing benefits based on career average revalued earnings. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

It is the Dorset County Pension Fund, a Local Government Pension Scheme, which is a contracted-out defined benefit multi-employer pension scheme.

The assets of the defined benefits scheme are held separately from those of the charitable company. The scheme is funded by contributions from the employees and participating employers, in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2025.

At the year end there were contributions due to the scheme totalling £1,645 (2024: £1,571) which are included in creditors.

The scheme is a funded defined benefit pension scheme, with assets held in separate Trustee administrated fund, The total contributions made for the year ended 31 March 2025 were £18,987 (2024: £21,464), of which the employer contributions totalled £15,446 (2024: £17,832) and employees' contributions totalled £3,541 (2024: £3,632). The current rates for future years are 18.3% (2024: 18.3%).

The total cost recognised in the period was as follows:

	2025 £'000	2024 £'000
Current service cost	10	12
Past service cost		
Net interest income / expense	5	10
Administration expenses	1	1
Recognised in net income / expenditure	16	23
Recognised in other gains / losses	-	-
Total cost recognised	16	23

28 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

Amounts recognised in the balance sheet were as follows:

	2025 £'000	2024 £'000
Present value of funded obligations	1,186	1,386
Fair value of plan assets	(1,280)	(1,276)
Actuarial losses / (gains)	94	-
	-	110

The pension expenditure for the year was £1,000 (2024: £5,000). The remeasurement gain on the defined benefit pension plan was £111,000 (2024: £105,000).

Changes in the present value of the defined benefit obligations were as follows:

	2025 £'000	2024 £'000
Opening defined benefit obligation	1,386	1,372
Current service cost	10	12
Past service cost	-	-
Interest expense	66	65
Actuarial (gains) / losses	-	-
Change in financial assumptions	(199)	(12)
Change in demographic assumptions	(3)	(18)
Experience gain/ loss on defined benefit obligation	(4)	5
Contributions by scheme participants	4	4
(Estimated) benefits paid (net of transfers in)	(74)	(42)
Closing defined benefit obligation	1,186	1,386

Changes in the fair value of the pension plan assets were as follows:

	2025 £'000	2024 £'000
Opening plan assets	1,276	1,162
Interest income	61	55
Actual return on plan assets (excluding interest income)	(1)	80
Other actuarial gains / (losses)	-	-
Administration expenses	(1)	(1)
Assets distributed on settlements		
Contributions by charity (included unfunded)	15	18
Contributions by scheme participants	4	4
(Estimated) benefits paid (plus unfunded net of transfers in)	(74)	(42)
Closing plan assets	1,280	1,276

The total return of the fund assets for the year to 31 March 2025 was a surplus of £60,000 (2024: £135,000).

28 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2025 £'000	2024 £'000
Equity instruments	803	799
Debt instruments (bonds)		
Other bonds	84	83
Property	90	100
Other assets		
Cash	28	27
Diversified Growth Fund	85	84
Infrastructure	98	95
Multi Asset Credit	92	88
	1,280	1,276

The principal actuarial assumptions used were as follows:

	2025 %	2024 %
Discount rate	5.85	4.90
Expected rates of salary increases	3.90	3.90
Expected rates of pension increases	2.90	2.90
Expected rate of inflation - RPI	3.20	3.20
Expected rate of inflation - CPI	2.90	2.90

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

	2025 years	2024 years
Retiring at the balance sheet date		
- Males	21.8	21.8
- Females	24.0	23.9
Retiring in 20 years		
- Males	23.1	23.1
- Females	25.4	25.4

29 Leases

Total future minimum lease payments under non-cancellable operating leases

	2025	2024
	£	£
Not later than one year	49,716	42,278
Later than one year but not later than five years	31,500	1,285
	81,216	43,563

30 Financial instruments

The carrying amounts of the charity's financial instruments measured at fair value through net income / expenditure are as follows:

	2025	2024
	£	£
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset investments	167,113	165,569
Measured at amortised cost		
- Debt instruments	392,048	447,123
	559,161	612,692
Financial liabilities		
Measured at amortised cost	2,032,202	2,007,906

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

Income and expense		
Financial assets measured at fair value through net income / expenditure	5,015	5,992
Financial assets, that are debt instruments, measured at amortised cost	3,110	1,479
Financial liabilities measured at amortised cost	75,942	64,590
Net gains and losses		
Financial assets measured at fair value through net income / expenditure	2,110	3,747

THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales - Charity number 1062400

Accounts

Company Registration No. 3362107 (England and Wales)

Charity Registration No. 1062400

The Dorset Natural History and Archaeological Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

The Dorset Natural History and Archaeological Society

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The Dorset Natural History and Archaeological Society

Reference and Administrative Details

Charity Name	The Dorset Natural History and Archaeological Society
Other Names	Dorset Museum
Trustees	Tracy Chevalier Claire Dixon David French Jean Lang (Chair) Sian Merriott Tracey Parsons Peter Sharman Laura Southall Jim Smylie David Tucker Sarah Welton Morag Wood **Dorset Council Representative** Cllr S Bartlett
Registered Office	Dorset Museum 66 High West Street Dorchester, DT1 1XA
Company Registration Number	3362107
Charity Registration Number	1062400
President	Susan, Lady Bradbury
Vice-Presidents	G Pitt Rivers OBE DL P Seaton Sir P Williams Bt. G Yarker BEM FSA
Executive Director	C Dixon
Auditors	Scott Vevers Ltd Chartered Accountants and Registered Auditors 65 East Street Bridport, DT6 3LB
Bankers	Lloyds Bank plc 1-2 High West Street Dorchester, DT1 1UG
Solicitors	Humphries Kirk 40 High West Street Dorchester, DT1 1UR
Investment Advisors	Charles Stanley & Co Ltd Mey House Bridport Road Dorchester, DT1 3QY

The Dorset Natural History and Archaeological Society
Annual Report and Accounts
Year Ended 31 March 2024

Introduction

The Trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the Charity for the year ended 31 March 2024, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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 Charites Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Reference and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Dorset Natural History and Archaeological Society ("the Society", DNHAS") is an educational charity which is an incorporated charitable trust and a company limited by guarantee (Charity number: 1062400 Company number: 3362107). The Society and its Museum, Dorset Museum, is owned by its members. The members elect a Board of Trustees who are responsible for the overall strategy and governance of the Society and its Museum. The charity is variously referred to throughout this report as either "the Charity", "the Society" or "the Company".

The governance of the Society and its Museum is set out in Articles of Association approved by Companies House and the Charity Commissioners and registered on 7 December 2012. In addition, there is a set of 'Regulations' which were adopted by the Board of Trustees of the Society at a meeting held in July 2014 and further updated in February 2020 and January 2021. They are a revised version of the 'Rules of the DNHAS' adopted in March 1998. They reflect the Board's current understanding of the governing Articles of Association and provide supplementary details relevant to their practical application in the operation of the Society.

Directors and Trustees

The Directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:
Tracy Chevalier (elected December 2023, second term)
Claire Dixon (by virtue of her position as Director from 17th July 2023)
David French (elected December 2023, second term)
Jean Lang (Chair) (elected December 2023, second term))
Sian Merriott (elected December 2021, second term)
Tracey Parsons (elected December 2023, second term)
Peter Sharman (elected December 2022)
Jim Smylie (elected December 2021)
Laura Southall (elected December 2022)
David Tucker (elected December 2023)
Sarah Welton (elected March 2021, second term – stood down December 2023)
Morag Wood (elected December 2021)

Dorset Council Representative

Cllr S Bartlett

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.

Ten of the Trustees are elected by members of the Society at the Society's Annual General Meeting following a call for nomination to members and external advertisement. These ten Trustees serve a three-year term with the option of offering themselves for a second three-year term. (Trustees who have served for six years are not eligible to stand for re-election without a period of at least one year out of office). The remaining two Trustees are the Executive Director and a Trustee appointed by the Dorset Council. New Trustees are introduced to the governance, objectives and activities of the Society by the Executive Director and Board Chair and provided with Charity Commission advisory documents.

The Board of Trustees has ultimate responsibility for the Society. The Board sets overall strategy and makes decisions on all major policy and constitutional issues. It is responsible for the final approval of the annual budget and accounts, monitoring the solvency of the Society and safety of its assets. All Trustees sign a declaration of their eligibility to stand and record relevant details in a Conflict of Interest Register which is updated annually. The Board meets quarterly but keeps the frequency and effectiveness of its meetings under review. The Regular subcommittee of the Board is:

- The Finance Committee of the Board, which monitors and helps set both revenue and capital budgets for the Society. It also oversees and scrutinises matters relating to the Society's investments, reserves including monitoring movement in pension liabilities, financial policies and oversight of health and safety and compliance.

The Board sets up sub groups as necessary and during the year the Health and Safety group has met regularly.

The Society is managed and developed by the Executive Director and the staff in accordance with the strategy, and within the budget, set by the Board. The Executive Director and staff are supported in delivering these activities by a large number of volunteers.

The Board and staff use the Museum Accreditation rules of the Arts Council of England (ACE) and the policies of the Museums' Association and Association of Independent Museums as guidelines in operating and developing the Museum & Art Gallery, which has full Accreditation status with ACE.

The Museum & Art Gallery is a member of the Wessex Museums Trust, which has been recognised as an ACE National Portfolio Organisation for the period 2022-2027. The Society is represented on the Wessex Museums Trust's board by the Executive Director.

OBJECTIVES AND ACTIVITES

The objectives of the Society are:

- The advancement of education for the general benefit of the public in the areas of archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset;

- The acquisition, preservation, conservation, exhibition and development (as far as possible) of collections relating to archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset.

Success is assessed in terms of numbers of visitors to Dorset Museum & Art Gallery and of the users of the collections, and the qualitative feedback they give. The numbers of educational and other groups, the individuals involved and the feedback they provide, gives further quantitative and qualitative data, as does

evaluation of the number attending events and using publications. Where achievable, economic and other impacts on the community are assessed through targeted studies. The income generated compared with the expenditure needed to undertake them provides critical measures of financial short-term viability and long-term sustainability.

ACHIEVEMENTS AND PERFORMANCE

Overview

Claire Dixon, Executive Director and Jean Lang, Chair of the Board of Trustees

Dorset Museum & Art Gallery began this financial year with an acknowledged financial challenge and need for significant visitor growth, to secure sufficient income to cover increased running costs caused by the large capital works project and economic climate. £250K of resilience funding was secured from the National Lottery Heritage Fund (NLHF) for specific work including new digital marketing strategies, a national PR plan and a high-quality exhibition programme alongside some other smaller workstreams. Through this work we have seen an increase in footfall and diversity of audience, with visitors coming from across the UK and beyond. This was aided by the success of the Elisabeth Frink Exhibition where 60% of visitors came from outside Dorset. Whilst we still require further growth to achieve a position of sustainability, we have been able to demonstrate that focus on marketing/PR and high quality exhibitions has the potential to ensure our long-term success.

Externally, we continue to face the challenges caused by the war in Ukraine, the impact of Brexit on tourism and the cost-of-living crisis. In addition, the uncertainty caused by an impending national election makes it difficult to rely on or anticipate any long-term support from government funding. We also recognize that our efforts to target the Dorset tourist market during the summer period remains untested and our potential to draw in these audiences, which is critical to our long-term success, will not be fully evaluated and understood until September 2024.

This year, learning participation has continued to grow, reaching pre-pandemic levels and our work with local community groups continues to increase participation amongst those traditionally underserved by heritage. Attendance at events has been mixed but large, free to enter events continue to be hugely popular, enabling those to visit who would otherwise be prevented by the financial barrier of an admission fee. Weddings have reduced considerably, partly due to the bottle neck caused by the pandemic having passed and partly due to essential price increases and public awareness of our economic uncertainty. The reduction in wedding bookings is also being experienced by other heritage venues, with many ceasing to offer this service. Other private room hire has remained constant, including private meetings, conferences and parties. We continue to receive excellent feedback about the Museum & Art Gallery, our exhibitions and the friendliness of our staff and volunteers. We won a 'Visit England Gold accolade' which is external recognition of the quality of our offer.

The financial crisis we reported on last year has improved. Dorset Council confirmed a break in debt repayments until 2027 with an acceptable interest rate and we secured a Dorset Cultural Revenue Grant commitment of £150K over three years. We also secured Museum and Galleries tax relief to offset related expenditure from the core budget. Most significantly, 14% visitor footfall growth has been achieved when compared to the previous financial year and, due to the revised pricing structure that had a positive impact on gift aid, this led to a 50% uplift in admissions income and through secondary spend, we achieved the same increase in retail income. However overall, our annual income was reduced due to receiving a £200K bequest in the prior year, as well as seeing core grant funding from Dorset Council reduce.

What this year has demonstrated is that, with appropriate levels of investment in our public programme and marketing, we can achieve the required levels of footfall and income, to achieve a position of viability although the Board recognises it remains a challenge

Collections Management

All Saints

This year we have continued to move collections from this building, focusing on those items most vulnerable. The problem caused by inappropriate conditions in All Saints continues to be significant, with no obvious immediate solution. We continue to look for opportunities to secure alternative premises for our archaeological collections, but this remains a long term problem to solve, given the likely costs. All possible solutions continue to be considered and as in previous years, we welcome any suggestions for potential locations and funding to resolve this issue.

Collections Discovery Centre

Work continued to move collections into the Collections Discovery Centre (CDC) this year and to organise and document them on the Collection Index + database. This work was supported through a grant received from Dorset Council (Section 106) which enabled us to increase storage capacity through the purchase of new shelving; acquire IT equipment to aid documentation of collections, purchase conservation supplies for repacking and acquire photography equipment for digitisation.

700 boxes of archaeological metalwork were moved from All Saints, and will be repacked and documented in the coming year with the help of a grant from AIM. Social history items from the Old School store were transferred to the CDC and documented. The documentation of the art collection in the CDC was completed, and work began to catalogue items stored in the Art Space. Volunteers continued to work on the organisation and documentation of the natural history collection (including the herbarium), the costume and textile collection, Library collections, and the digitisation of the photographic collection.

Tours of the CDC continued on a regular basis, both for the public and for staff and volunteers. The John Gordon memorial was transferred on loan from St Peter's Church to the CDC.

Acquisitions

- Objects acquired through the Treasure process included a Middle Bronze Age gold sheet bracelet from Piddletrenthide and a Bronze Age copper-alloy hoard from Tarrant Monkton
- The Museum's collection of contemporary art was boosted through the acquisition of an oil painting, *Portland 141* (2019) by Alex Lowery and *Quarry Edge 14 (Portland)* (2021), acrylic on board, by Vanessa Gardiner
- The contents of a cabinet, including archaeological and geological items collected by John Mansel Pleydell and Augustus Pitt Rivers

Loans In

- The John Gordon Memorial from St Peters Church, Dorchester, was transferred to Dorset Museum & Art Gallery on loan, following its removal from the church as a result of a petition for a faculty permitting the removal of a fixed memorial.
- Agreement has been reached with the British Museum (BM) about the Hinton St Mary Mosaic, which is now in storage at their Reading unit where it will remain, unless there is a willingness from the BM to loan the mosaic in its entirety, with the central roundel
- *Small Warrior* an early sculpture by Elisabeth Frink and the subject of an episode of *Fake or Fortune* was displayed in the Artists' Dorset gallery to complement the *Elisabeth Frink: A View from Within* exhibition
- *Seated Man*, and *Fish Head* from Yorkshire Sculpture Park, and *Riace III*, *Walking Madonna* and *Goggle Head* from the Ingram Collection, all sculptures by Elisabeth Frink, were borrowed for the *Elisabeth Frink: A View from Within* exhibition.

Loans Out

- Hambledon Hill/Maiden Castle human remains – Exeter University
- Various archaeological objects - Corfe Castle Town Trust, Dorset
- Human remains from Olds Garage and Little Keep – Newcastle University
- Longham Lakes material for the research project Ebb & Flow: Exploring rivers in later prehistoric Britain at Oxford University
- Osteo-archaeological remains for the research project 'Feed the Birds', University of Exeter
- A patchwork dressing gown dating to the Second World War and stomacher for *Fashioning our World* exhibition at The Salisbury Museum

Special exhibitions programme
Special Exhibitions Gallery:

- March – June 2023 - *ARTISTS ROOMS: Louise Bourgeois*
- July – November 2023 - *Wildlife Photographer of the Year*
- December 2023 – April 2024 - *Elisabeth Frink: A View from Within*

Community Space:

- Feb – June 2023 - *Dorchester Camera Club - 'Art of Seeing'*
- July – November 2023 – *Nature Heals: Photography by* Trevor Parsons
- Dec 2023 – Apr 2024: *Awakened by Frink*

Collections Discovery Centre showcase:

- March - July 2023 - *PJ Harvey: Orlam*
- July – Mar 2023 - *The Askerswell Hoard*
- Mar – Sep 2024 - *John Brown in Dorchester: Rebuilding a Life after slavery*

Learning and Engagement
Schools Programme
The formal schools programme has seen significant growth this year, including an increase of SEND schools visits. The team reached 1788 pupils, delivering 50 school sessions and engaging 10 schools through the loans boxes. In addition, the Learning Team completed the second year of the Urban Nature Project with Natural History Museum, creating workshops that incorporate Dorset & Art Gallery's Natural history collection. The national programme encourages students to become local experts, help observe and collect new data, and take action through science to make a real difference. Pupils explore our hidden collection, discover how early scientists worked and develop their own scientific thinking.

Young people
The Museum successfully applied for funding through the Art Fund Student Opportunities. We were able to employ five students during the period of our Louise Bourgeois exhibition to gallery steward and support the delivery of engagement activities around the exhibition.

Community Engagement Projects
During the year of reporting, 1,000+ people were reached through our community engagement work and 50 community sessions were delivered. Highlights include:

Fashioning our World
Young people worked with practitioners to create new work with textiles and present a fashion show in partnership with The Salisbury Museum, supported by the Esmée Fairbairn Foundation.
Wessex in 100 objects
Staff, volunteers, community groups and young people came together to select highlights from our collection to feature in this digital collections showcase.

Public Engagement activities

- **Heritage Open Days:** The Museum opened free as part of a Dorchester-wide event. Over 2,000 people attended.
- **Monthly lecture series:** Our monthly lecture series saw sold out lectures on subjects including new research on the Neolithic (Dr Alison Sheridan) and Ancient Sea Reptiles (Dr Darren Naish) and Elisabeth Frink (Annette Ratuszniak), but others having to be cancelled or held in smaller spaces. We are reviewing the programme for 2024-2025.
- **Daytime talks:** A number of free daytime talks were held with the support of a grant from the Alice Ellen Dean Cooper Foundation. Subjects included wildlife gardening and underwater photography, the hidden archaeological heritage of west Dorset, and a talk on John Brown for Black History Month.
- A day conference entitled *Roman Dorset Town and Country* was held in November 2023. The conference highlighted current work in this area from academics and archaeologists, and was fully booked.
- **After Dark – October 2023:** This event in collaboration with Shire Hall and Keep Military Museum enabled visitors to explore all three museums during Halloween weekend on a combined ticket. 408 tickets sold 239 were paying adults, an increase on 2022
- **Festival of Archaeology:** A programme of events included Meet the Vikings, a lecture on the dating of the Cerne Abbas giant and participation in 'Hengefest' event at Maumbury Rings.
- **Teachers' evening**: A teachers' event demonstrated to schools what the Museum has to offer and encourage future bookings.
- **'Relaxed openings'** for families, designed to support autistic and neurodiverse children and families took place this year.
- **A British Sign Language tour,** led by deaf tour guide John Wilson, took place during Deaf Awareness week in May 2023.
- **Wildlife Photographer of the Year: A**n events programme included a lecture on Dorset Wildlife Trust's Beaver reintroduction project and smaller daytime talks within our Community Space. Self-guided activities for families ran during the summer holidays.
- **Dorchester Family Science Festival** in partnership with Town Council and Bournemouth University welcomed just under 800 people to the Museum to learn about science through engaging, hands on activities delivered by over 20 different organisations.
- **Storytelling:** A pilot ran at the Museum weekly during April-May in partnership with Dorchester Library, attended by around 40 people in total. Regular sessions have taken place monthly since June, welcoming on average of 8 children and their carers per session.
- **Jurassic Coast Trust sleep over** took place with many families participating but led to significant damage to interactives in Natural Dorset, forcing a review of the event
- **New Christmas Elf workshops** went well and will be expanded for 2024

Fundraising

- £68,000 = DC cultural grant
- £21,988 = DC support grant
- £104,209: Specific grants and donations for named projects including Elisabeth Frink exhibition
- £29,300 Wessex Museums Partnership
- £35,000: Lulworth donation
- £22,500: Art Fund final payment to support the transformation project (TWD)

FINANCIAL REVIEW

Financial Report

The accounts which are highlighted within this report show a trading period of the financial year running 1 April 2023 – 31 March 2024.

Total income received for the year ending 31 March 2024 was £1,055,745 compared with £1,221,734 in 2023.

Total unrestricted income including investment and pension gains for the year ending March 2024 was £1,058,146 (2023: £1,915,996) with expenditure of £1,186,562 (2023: £606,713). This included a depreciation amount of £14,122 (2023: £15,668), thus showing a deficit of £128,416 (2023: surplus of £1,309,283) before funds transfer.

Restricted fund income for the year ending 31 March 2024 was £183,701 (2023: £nil) with expenditure of £1,603,392 (2023: £1,673,707) this included a depreciation amount of £1,461,225 (2023: £1,457,195) which is related to the capital project.

Total funds carried forward as at the end of this fiscal year were £11,429,638 (2023: £12,967,156) , including restricted funds of £10,937,967 (2023: £12,347,069).

As noted elsewhere in the report and in the accounting policies the charity has developed forecasts and budgets thatdemonstrate its inability to repay the loans that are classified as due in April 2024 and have agreed with Dorset Council, that this will be postponed until 2027/28 with an agreeable interest rate in place.

Regarding the ongoing operational financial stability of the charity, we have moved significantly closer to reaching the levels of income and expenditure required, to enable the Society to operate viability by 2026, assuming certain income assumptions are realized relating to outstanding donations relating to TWD and exhibition tax relief, a scheme that has recently been made permanent by the government. Our investment portfolio which is managed by our agent Charles Stanley is continually monitored under strict guidelines therefore protecting our investments and reserves during this volatile time.

RESERVES

The reserves of the Society consist of all unrestricted funds that are not linked to fixed assets or required for specific purposes. These unrestricted funds are reduced by the pension fund deficit. The Trustees continue to monitor the pension liabilities and the reserves of the Society closely and are aware of the need to match variable income against fixed commitments, with day-to-day working needs being met by careful management of short-term liquid resources.

The main Museum building was gifted to The Dorset Natural History and Archaeological Society.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalized in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £33.5m.

RISKS

Risk logs for the Society are maintained and kept under regular review. The main risks for each that were managed during 2023-2024, along with their status at the final year end, were as follows:

No.	Risk Description	Mitigation
1	Visitor numbers remain consistently too low for the income from commercial activities and grants to compensate	Grants requested, debt management renegotiated, growth plan in place and increase to marketing budget pending approval, costs understood and managed
2	Fewer than expected visitors to Dorset due to cost of living	Budget is based on visitor numbers experienced with an uplift in entrance fees in line with price changes. Growth supported by current results and ongoing marketing strategy that demonstrates Dorset Museum is becoming competitive in Dorchester, Dorset and the South West.
3	Staff departures / staff burnout	Handover notes are in place, salary reviews have resulted in positive adjustments, Employee Support Programme in place. Mental Health First Aid being put in place and Recruitment plan in place.
4	Government action limits tourism economy without compensation	Safeguard any surplus from previous years, Income diversification plan implemented.
5	General changes in heritage landscape of Dorset challenge Dorset Museum and limit visitor numbers e.g. Jurassic Coast Museum/ Weymouth Museum	Remain closely in touch with storyline development, nurturing positive partnerships. Ensure offer at Dorset Museum continues to evolve, offering new experiences. Review joint ticketing options and / or complementary activities with new partners. Renew digital engagement.
6	Lack of Health and Safety compliance leads to major incident	H&S Action Plan is in place, support from specialist advisors is available and in use
7	Lack of appropriate safeguarding provision leads to major incident	Safeguarding training is in progress, processes also being reviewed to ensure effective reporting and recording, safeguarding Trustee nominated to support DSO
8	Breach of cyber security	Cyber Essentials is in place and cyber insurance has been secured
9	Maintenance works requires museum to close	Buildings are well maintained and risks understood
10	Social media challenge or negative / unfriendly publicity arising from programming themes.	Communications management plan, to ensure individuals are protected and a response is provided. Brera PR to provide support. Training to be provided to Trustees and SMT
11	Legal challenge impacts on financial resources and public reputation	Legal advice is provided as part of our insurance cover, actions would be taken in line with advice
12	Wessex Museums Partnership challenges the capacity of core staff within DNHAS	Processes are agreed from the outset to ensure risk register is fully addressed. Staff are supported to lead the process by SMT; Board of Trustees provide additional mentoring and support; Finance capacity is monitored.

13	Price inflation provides pressure on all areas of non-salary spending, disproportionately increasing costs	Reserves will need to be used to manage any spike in inflation. Mid-year reforecast improves understanding of risk.
14	Museum doesn't generate surpluses 2024/5 onwards	Alternative funding sources to be considered, income diversification required, alternative operational models and plans are in progress in case needed.
15	Theft/vandalism to collections	Access to collections is recorded and tracked via digital keys and sign in books, regular staff presence across all collection sites.
16	Employment market very challenging, particularly for core skills	Competitive salaries have been benchmarked with a view to application subject to footfall growth in 2024. Current retention levels are positive. Competitive salaries will also attract good quality candidates for future vacancies.
17	Global instability disrupts activity, e.g. materials supply, consumer confidence, energy and services	Good forward planning is essential to manage supply chain issues, understanding contingency need
18	Decisions / position on local issues or programming themes draw public criticism, disenfranchises members	Good governance is upheld, a clear and unambiguous statement is issued about decision making, context and conclusions
19	Change in key Trustees or reduction in overall Board membership e.g. Chair, Finance Chair	Recruitment committee set up to identify process for new Trustees
20	Extreme weather event	Temporary closure of site. Install signs and manage website and social media comms
21	Covid-19 or other infection significantly increases sickness absence	All staff are encouraged to get Covid-19 and flu vaccines and boosters. Dispersed working is still possible for some and Covid safe measures are adopted

PLANS FOR FUTURE PERIODS

The focus of the Society's plans in the immediate future remains the sustainability of the Museum. Primary workstreams which must be achieved over the coming years are:

- Continuation of the new Marketing Strategy to drive footfall and put Dorset on the map.
- Financial sustainability through footfall growth, driven by a strong exhibition programme, commercial income enabled by effective pricing, effective fundraising to support core work, management of expenditure revised pricing to ensure all commercial activity generates sufficient profits.
- Ongoing care for world class collections to enable learning, research and participation
- Clear oversight of compliance including Health and Safety, HR and Safeguarding to protect and develop staff and volunteers, manage capacity, protect wellbeing and enable outputs to support income growth.
- To bring equity, diversity and inclusion into everything we do
- To respond actively and responsibly to the climate emergency

Our Forward Plan and Activity Plan are set out in detail and managed by the Trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of The Dorset Natural History and Archaeological Society for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Executive Directors' report) and the financial statement 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 year. Under company law theTrustees 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 the 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 2019 (FRS 102);
- 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 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 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company'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 the information.

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 disseminationof financial statements may differ from legislation in other jurisdictions.

Auditors

The auditors, Scott Vevers Ltd, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On behalf of the board

Jean Lang

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Mrs J M Lang, Chair of the Board of Trustees

Date: 30th August 2024

Independent Auditors' Report to the Trustees
Year Ended 31 March 2024

Opinion

We have audited the financial statements of The Dorset Natural History and Archaeological Society for the year ended 31 March 2024 set out on pages 15 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees, as a body, in accordance with Part four 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 charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 2024 and of the 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to 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 Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
In the light of our 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 to which the Charities Act 2011 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' Annual Report; or
- the charitable company has not kept adequate accounting records; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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 a 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 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

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

The Dorset Natural History and Archaeological Society

Independent Auditors' Report to the Trustees
Year Ended 31 March 2024

Use of our report

This report is made solely to the charitable company'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 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Vevers Ltd

Scott Vevers Ltd
Chartered Accountants & Statutory Auditors
65 East Street
Bridport,
Dorset
DT6 3LB

Date: 09/09/24

Scott Vevers Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Dorset Natural History and Archaeological Society

Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 March 2024

	Note	Unrestricted £	Restricted £	Endowment £	Total 2024 £	Total 2023 £
Income and Endowments from:						
Donations and legacies	3	267,989	183,701	-	451,690	743,381
Charitable activities	4	405,146	-	-	405,146	304,849
Other trading activities	5	190,691	-	-	190,691	164,784
Investments	6	8,218	-	-	8,218	8,720
Total income and endowments		872,044	183,701	-	1,055,745	1,221,734
Expenditure on:						
Raising funds	7	5,968	-	-	5,968	70,412
Trading activities	8	257,321	-	-	257,321	219,205
Charitable activities	9	923,273	1,603,392	-	2,526,665	1,990,803
Total expenditure		1,186,562	1,603,392	-	2,789,954	2,280,420
Net gains/ (losses) on investments	17 & 18	(6,842)	10,589	-	3,747	(37,632)
Net income/ (expenditure)		(321,360)	(1,409,102)	-	(1,730,462)	(1,096,318)
Transfers between funds	24	-	-	-	-	-
Corporation Tax Recoverable		87,944	-	-	87,944	82,894
Other recognised gains/ (losses):						
Remeasurement gain / (loss) on defined benefit pension plan	29	105,000	-	-	105,000	649,000
Net movement in funds		(128,416)	(1,409,102)	-	(1,537,518)	(364,424)
Reconciliation of funds:						
Total funds brought forward		619,587	12,347,069	500	12,967,156	13,331,580
Total funds carried forward		491,171	10,937,967	500	11,429,638	12,967,156

All income and expenditure derive from continuing activities, with the exception of the sale of freehold and investment properties & receipt of legacies.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 18 to 39 form part of these financial statements.

Balance Sheet as at 31 March 2024

(Registration number: 3362107)	Note	Total 2024 £	Total 2023 £
Fixed assets			
Tangible assets	14	11,792,510	13,221,886
Heritage assets	15	1,128,233	1,092,053
Investments	16	165,569	162,998
		13,086,312	14,476,937
Current assets			
Stocks	20	11,000	11,000
Debtors	21	128,447	114,840
Cash at bank and in hand		321,785	491,598
		461,232	617,438
Creditors: amounts falling due within one year	22	(217,906)	(102,219)
Net current (liabilities)/ assets		243,326	515,219
Total assets less current liabilities		13,329,638	14,992,156
Creditors: amounts falling due after more than one year	23	(1,790,000)	(1,815,000)
Net assets excluding pension liability		11,539,638	13,177,156
Defined benefit pension liability	29	(110,000)	(210,000)
Net assets		11,429,638	12,967,156
Charity Funds			
Endowment funds	24	500	500
Restricted funds	24	10,937,967	12,347,069
Unrestricted funds	24	601,171	829,587
Pension reserve	24	(110,000)	(210,000)
Total charity funds		11,429,638	12,967,156

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and in accordance with FRS102 SORP. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 in respect of accounting records and preparation of accounts.

Whilst the company is exempt from audit under Section 477 of the Companies Act 2006 relating to small companies and the members have not required an audit under section 476 of the Act, the company is subject to audit under the Charities Act 2011.

The financial statements were approved and authorised for issue by the Board on 22 July 2024

Jean Lang

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Mrs J M Lang, Chair of the Board of Trustees

The notes on pages 18 to 39 form part of these financial statements.

Statement of Cash Flows
Year Ended 31 March 2024

	Note	Total 2024 £	Total 2023 £
Cash flow from operating activities	26	(119,843)	(433,692)
Tax recoverable / (paid)		87,944	82,894
Net cash flow from operating activities		(31,899)	(350,798)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(82,151)	(91,502)
Receipts from sales of tangible fixed assets		-	601,533
Payments to acquire investments		(11,190)	(13,501)
Receipts from sales of investments		11,660	240,212
Interest received		1,479	1,942
Dividends received		5,992	4,490
Rents received from investment properties		180	2,288
Net cash flow from investing activities		(74,030)	745,462
Cash flow from financing activities			
Interest paid		(64,590)	(78,721)
Net cash flow from financing activities		(64,590)	(78,721)
Net increase / (decrease) in cash and cash equivalents		(170,519)	315,943
Cash and cash equivalents at 1 April 2023		492,528	176,585
Cash and cash equivalents at 31 March 2024		322,009	492,528
Cash and cash equivalents consists of:			
Cash at bank and in hand		321,785	491,598
Short term deposits		224	930
Cash and cash equivalents at 31 March 2024		322,009	492,528

The notes on pages 18 to 39 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The Dorset Natural History and Archaeological Society is incorporated in England within the United Kingdom and is a charity limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Accounting convention

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those 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 investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

2 Accounting policies (continued)

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from donations and legacies is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from charitable activities includes membership and admissions income. Membership income is accounted for, in full, in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income relating to sales booked online is recognised in the period in which the customer visits the museum. Any income received where the customer has not yet visited is deferred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Raising funds is expenditure incurred in respect of trading activities carried out by the charity.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to the costs associated with charitable activities.

Support costs allocations

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the proportion of the asset's use. Other support costs are allocated based on the spread of staff costs.

2 Accounting policies (continued)

Tangible fixed assets, including heritage assets

Tangible fixed assets and heritage assets, held for continuing use by the charitable company, are recorded at original cost, or in the case of donated assets, at valuation.

It is the policy of the charity not to capitalise heritage assets belonging to the Museum, where a reliable estimate cannot be made of the asset's fair value or the information on cost or value is not available and which cannot be obtained at a cost which is commensurate with the benefits to the users of the financial statements. These are in effect inalienable, held in perpetuity, and are mostly irreplaceable. Any financially based valuation would be misleading to the value and significance of the material culture involved. The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as is possible, commensurate with their long-term care and preservation. The highest possible standards of collection management are applied, and the catalogues are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines.

No depreciation is charged on freehold land and buildings as the trustees have a policy of regular repair and maintenance to ensure they are maintained to the highest standard and their residual value will be in excess of cost, meaning any depreciation charge would be immaterial.

Depreciation of other fixed assets is provided in order to write off the cost valuation less residual value of each asset evenly over its estimated useful life as follows:

Freehold property	Not depreciated
Land and buildings	10 years straight line, once complete
Fixtures, fittings and equipment	15% reducing balance, 25% straight line
Collections	Not depreciated

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate, determined annually by the directors. The directors use market prices where possible, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised through the SoFA.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value, with all realised and unrealised gains passing through the SoFA.

Stock

Stock consists of shop stock for resale and publication stocks. Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving stock where appropriate. Any impairments are calculated based on the likely selling value, compared to cost.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

2 **Accounting policies (continued)**

Cash at bank and in hand

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

Operating leases

The trustees classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years.

Contributions to defined contribution plans are recognised as staff pension expense through the SoFA, when they are due.

Defined benefit pension obligation

The minority of employees of the charity are members of the Local Government Pension Scheme (LGPS) managed by Dorset County Council.

This is a funded defined benefit scheme where the assets are held separately from those of the charity, in separate Trustee administered funds. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the SoFA.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2 Accounting policies (continued)

Critical accounting estimates and areas of judgement (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors, that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in Note 29, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transactions. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for similar debt instruments.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Grants					
Dorset County Council	81,494	32,000	-	113,494	85,078
Arts Council England	10,000	-	-	10,000	67,718
Wessex Museum Trust	42,324	-	-	42,324	106,771
Roberts Trust	-	-	-	-	30,000
Other	62,613	146,188	-	208,801	80,490
	196,431	178,188	-	374,619	370,057
Development appeal fund					
Heritage Lottery Fund	-	5,513	-	5,513	-
	-	5,513	-	5,513	-
Other					
Donations (including gift aid)	71,558	-	-	71,558	51,467
Legacies	-	-	-	-	321,857
	71,558	-	-	71,558	373,324
	267,989	183,701	-	451,690	743,381

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Membership subscriptions	57,876	-	-	57,876	68,103
Museum admission fees	346,395	-	-	346,395	235,004
Events and exhibitions	675	-	-	675	1,742
Income from lending assets	200	-	-	200	-
	405,146	-	-	405,146	304,849

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Shop and online sales	97,740	-	-	97,740	64,074
Bookings income	71,020	-	-	71,020	82,434
Café rental income	18,496	-	-	18,496	15,813
Royalties and sundry income	3,435	-	-	3,435	2,463
	190,691	-	-	190,691	164,784

6 Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Dividends and interest	5,992	-	-	5,992	4,490
Interest on cash deposits	1,479	-	-	1,479	1,942
Rental income	180	-	-	180	2,288
Other interest received	567	-	-	567	-
	8,218	-	-	8,218	8,720

7 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Fundraising fees	3,015	-	-	3,015	36,611
Heritage Lottery Fund Delivery Plan	1,407	-	-	1,407	32,163
Investment management fees	1,546	-	-	1,546	1,638
	5,968	-	-	5,968	70,412

8 Expenditure on trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Shop consumables	45,375	-	-	45,375	30,667
Employment costs	171,955	-	-	171,955	164,869
Event consumables	22,432	-	-	22,432	12,869
Establishment costs	17,559	-	-	17,559	10,800
	257,321	-	-	257,321	219,205

9 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Staff costs (including travel)	381,870	47,097	-	428,967	464,960
Direct costs	393,709	1,521,335	-	1,915,044	1,793,081
Support costs	137,539	34,960	-	172,499	(276,163)
Governance costs	10,155	-	-	10,155	8,925
	923,273	1,603,392	-	2,526,665	1,990,803

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Direct costs:					
Exhibitions, events and collections	93,055	31,720	-	124,775	82,596
General repairs	29,337	553	-	29,890	32,976
Depreciation	14,122	1,461,225	-	1,475,347	1,472,863
Establishment costs	201,804	1,585	-	203,389	147,205
Marketing and promotion	52,258	26,252	-	78,510	53,897
Credit card charges	3,133	-	-	3,133	3,565
Bad debts recoverable	-	-	-	-	(240)
General expenses	-	-	-	-	219
	393,709	1,521,335	-	1,915,044	1,793,081
Support costs:					
Office and administration costs	39,280	31,622	-	70,902	63,498
(Profit) / loss on disposal of tangible fixed assets	-	-	-	-	(482,176)
Loan interest	64,590	-	-	64,590	78,721
Other finance charges	5,044	-	-	5,044	3,417
Printing, postage and stationery	5,935	1,153	-	7,088	18,068
Professional fees	22,690	2,185	-	24,875	42,309
	137,539	34,960	-	172,499	(276,163)
Governance costs:					
Auditor's remuneration	10,155	-	-	10,155	8,925
	10,155	-	-	10,155	8,925

10 Net income / (expenditure) for the year

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

	2024	2023
	£	£
Depreciation of tangible fixed assets	1,475,347	1,472,863
(Profit) / loss on disposal of investments	1,014	26,963
(Profit) / loss on disposal of tangible fixed assets	-	(482,176)
Operating lease rentals	39,806	24,695
(Profit) / loss on fair value movement of investments	(4,761)	10,669
Auditor's remuneration:		
Audit services	6,100	5,975
Other services	4,055	2,950

11 Trustees' and key management personnel remuneration and expenses

During the year the charity made the following transactions with trustees:

No trustees, nor any persons connected with them, have received any remuneration, expenses or benefits from the charity during the year, in their capacity as a trustee.

The total amount of employee benefits received by key management personnel is £117,843 (2023: £93,315). The trustees considers its key management personnel comprise the Executive Director, the Commercial Director, and the Director of Collections.

No trustees are accruing pension arrangements (2023: no trustees).

12 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year/period was as follows:

	2024 FTE	2023 FTE	2024 Number	2023 Number
Raising funds	0.4	0.4	1.0	1.0
Charitable activities	16.8	14.2	26.0	22.0
Governance	0.6	0.6	1.0	1.0
	17.8	15.2	28.0	24.0

The total staff costs and employee benefits were as follows:

	2024	2023
	£	£
Wages and salaries	485,015	476,769
Social security	33,650	31,687
Defined contribution pension costs	16,864	19,586
Defined benefit pension costs	22,832	57,534
Service providers	33,694	36,055
	592,055	621,631

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

13 Interest payable and similar expenses

	2024	2023
	£	£
Bank loans and overdrafts	5,044	3,417
Loan interest	64,590	78,721
	69,634	82,138

14 Tangible fixed assets

	Freehold Properties	Land and Buildings	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 April 2023	267,878	15,805,245	130,705	16,203,828
Additions	-	40,299	5,672	45,971
At 31 March 2024	267,878	15,845,544	136,377	16,249,799
Depreciation:				
At 1 April 2023	-	2,919,065	62,877	2,981,942
Charge for the year	-	1,460,680	14,667	1,475,347
At 31 March 2024	-	4,379,745	77,544	4,457,289
Net book value:				
At 31 March 2024	267,878	11,465,799	58,833	11,792,510
At 31 March 2023	267,878	12,886,180	67,828	13,221,886

Freehold properties are functional assets insured for £341,185. At the year end, these comprise the properties of The Old School House and the Craft Market site. Whilst the trustees consider that their market value is higher than the carrying value of these assets, it is impractical to measure their fair value.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £33.5m.

The main Museum buildings were gifted to The Dorset Natural History and Archaeological Society and therefore do not form part of the net book value above. There is a float charge over this property with The Trustees of the National Heritage Mortgage Fund and a second charge to Dorset County Council.

15 Heritage assets

	Collections	Total
	£	£
Cost or valuation:		
At 1 April 2023	1,092,053	1,092,053
Additions	36,180	36,180
At 31 March 2024	1,128,233	1,128,233
Depreciation:		
At 1 April 2023	-	-
At 31 March 2024	-	-
Net book value:		
At 31 March 2024	1,128,233	1,128,233
At 31 March 2023	1,092,053	1,092,053

Collections acquired since 1 January 2021 have been capitalised at cost. Where assets have been donated and a reliable estimate cannot be made of the asset's fair value or the cost of valuation is likely to exceed the benefit provided by the information, the asset has not been recognised in the Financial Statements. Please see the Trustees' Report for more information on the assets donated in the year.

Heritage assets acquired before 1 January 2021 have not been recognised due to the significant cost that would be involved in valuing the Museum's diverse collections and other assets. This would be onerous compared with the additional benefit that would be derived by the users of the Financial Statements in assessing the trustees' stewardship of these assets.

No depreciation is charged on collections or galleries in the course of construction.

Five year summary of additions and disposals:

	2024	2023	2022	2021	2020
	£	£	£	£	£
Purchased additions					
Assets held at cost	36,180	57,136	2,278	136,270	27,405
Total additions	36,180	57,136	2,278	136,270	27,405
Impairment					
Assets held at cost	-	-	-	-	-
Total impairment	-	-	-	-	-
Net Book Value Disposals					
Assets held at cost	-	-	-	-	-
Total NBV disposals	-	-	-	-	-

16 Investments

	2024	2023
	£	£
Investment properties (note 17)	-	-
Quoted investments (note 18)	165,344	162,067
Unquoted investments (note 19)	1	1
Cash held by investment manager	224	930
	165,569	162,998

17 Investment property

	2024	2023
	£	£
Fair value at 1 April 2023	-	250,000
Disposal proceeds	-	(225,000)
Realised loss on disposal	-	(25,000)
Fair value at 31 March 2024	-	-
Cost at 31 March 2024	-	-

The investment property consisted of 3 Colliton Street which was acquired in 2019-20, as part of the development works. The property was sold on 25 August 2022.

18 Quoted investments

	2024	2023
	£	£
Fair value at 1 April 2023	162,067	176,410
Additions	11,190	13,501
Disposals	(11,660)	(15,212)
Realised gains/(losses) on disposal	(1,014)	(1,963)
Unrealised gains/(losses) on revaluation	4,761	(10,669)
Fair value at 31 March 2024	165,344	162,067
Cost at 31 March 2024	146,151	149,633

The share portfolio was valued by Charles Stanley & Co. Limited based on the mid market price at 31 March 2024.

19 Unquoted investments

	2024	2023
	£	£
Dorset Museum Trading Company Limited - 1 ordinary share of £1 each (at cost)	1	1

The company is incorporated in England and has an authorised and issued share capital of 1 ordinary share of £1 each. The principal activity of the company will be retail. It has remained dormant since incorporation.

20 Stocks

	2024	2023
	£	£
Goods for resale	11,000	11,000

21 Debtors

	2024	2023
	£	£
Trade debtors	30,172	27,567
Prepayments and accrued income	3,109	1,709
Other debtors	95,166	85,564
	128,447	114,840

22 Creditors: amounts falling due within one year

	2024	2023
	£	£
Loans	-	-
Trade creditors	61,097	21,188
Accruals and deferred income	135,564	67,112
Taxation and social security	10,710	9,055
Other creditors	10,535	4,864
	217,906	102,219

23 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Loans	1,790,000	1,815,000

The payment terms and interest rate were renegotiated this year as follows:

A new loan agreement was reached with Dorset County Council in September 2023. There is a repayment holiday until April 2028. Interest is charged on the loan at 3.83% and is repayable over 20 years to 31 March 2058. The loan is secured against a second charge on the freehold property known as Dorset Museum being 65 and 65A High Street, Dorchester, DT1 1XA.

24 Funds reconciliation

Unrestricted funds

	Balance at 01.04.2023 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2024 £
Unrestricted						
General fund	(239,339)	872,044	(1,073,295)	-	(6,842)	(447,432)
Designated funds						
Collections	1,034,916	-	-	-	-	1,034,916
Life memberships	9,446	-	-	-	-	9,446
Dugdale Trust	941	-	-	-	-	941
Lift	5,000	-	(1,700)	-	-	3,300
Roberts Trust	18,623	-	(18,623)	-	-	-
	829,587	872,044	(1,093,618)	-	(6,842)	601,171
Pension reserve	(210,000)	-	(5,000)	-	105,000	(110,000)
	619,587	872,044	(1,098,618)	-	98,158	491,171

	Balance at 01.04.2022 £	*Income £*	*Expenditure £*	*Transfers £*	*Gains / losses £*	*Balance at 31.03.2023 £*
Unrestricted						
General fund	*(917,792)*	*1,191,734*	*(474,442)*	*(1,207)*	*(37,632)*	*(239,339)*
Designated funds						
Collections	*1,034,916*	-	-	-	-	*1,034,916*
Life memberships	*9,446*	-	-	-	-	*9,446*
Dugdale Trust	*941*	-	-	-	-	*941*
Lift	*5,000*	-	-	-	-	*5,000*
Roberts Trust	-	*30,000*	*(11,377)*	-	-	*18,623*
	132,511	*1,221,734*	*(485,819)*	*(1,207)*	*(37,632)*	*829,587*
Pension reserve	*(821,000)*	-	*(38,000)*	-	*649,000*	*(210,000)*
	(688,489)	*1,221,734*	*(523,819)*	- *1,207*	*611,368*	*619,587*

24 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2023 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2024 £
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	8,326,148	5,513	(1,505,552)	-	-	6,826,109
Other funding	3,943,911	-	-	-	-	3,943,911
Dorset Archaeological Committee	48,856	-	-	-	10,589	59,445
Monograph Fund	8,042	-	-	-	-	8,042
Gentleman's Magazine	3,001	-	(3,001)	-	-	-
Funds under £1,000	835	-	(835)	-	-	-
Treasure Acquisitions	3,256	-	(3,256)	-	-	-
Museums Partnership	8,020	-	(5,000)	-	-	3,020
The Ann James Fine Art Acquisition Fund	5,000	-	(5,000)	-	-	-
Alice Ellen Cooper Dean	-	10,000	(10,000)	-	-	-
Section 106	-	32,000	(32,000)	-	-	-
NHLF Resilience Fund	-	136,188	(38,748)	-	-	97,440
	12,347,069	183,701	(1,603,392)	-	10,589	10,937,967
Endowment funds						
Charles Hansford fund	500	-	-	-	-	500
	12,347,569	183,701	(1,603,392)	-	10,589	10,938,467
Total funds	12,967,156	1,055,745	(2,702,010)	-	108,747	11,429,638

24 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2022	*Income*	*Expenditure*	*Transfers*	*Gains / losses*	*Balance at 31.03.2023*
	£	£	£	£	£	£
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	*9,938,589*	-	*(1,612,441)*	-	-	*8,326,148*
Other funding	*3,943,911*	-	-	-	-	*3,943,911*
Dewlish Mosaic Public Appeal	*50,025*	-	*(50,025)*	-	-	-
Dorset Archaeological Committee	*48,856*	-	-	-	-	*48,856*
Jurassic Coast Gallery	*9,974*	-	*(9,974)*	-	-	-
Monograph Fund	*8,042*	-	-	-	-	*8,042*
Museum Makers	*(1,207)*	-	-	*1,207*	-	-
Gentleman's Magazine	*3,001*	-	-	-	-	*3,001*
WDDC Social Inclusion	*885*	-	*(885)*	-	-	-
Funds under £1,000	*835*	-	-	-	-	*835*
Barnes - Dugdale portrait	*382*	-	*(382)*	-	-	-
Treasure Acquisitions	*3,256*	-	-	-	-	*3,256*
Museums Partnership	*8,020*	-	-	-	-	*8,020*
The Ann James Fine Art Acquisition Fund	*5,000*	-	-	-	-	*5,000*
	14,019,569	-	*(1,673,707)*	*1,207*	-	*12,347,069*
Endowment funds						
Charles Hansford fund	*500*	-	-	-	-	*500*
	14,020,069	-	*(1,673,707)*	*1,207*	-	*12,347,569*
Total funds	*13,331,580*	*1,221,734*	*(2,197,526)*	-	*611,368*	*12,967,156*

24 Funds reconciliation (continued)

Unrestricted funds

- The general fund represents the free funds which are not designated by the Board, for particular purposes.
- Designated funds represent money set aside for specific purposes at the discretion of the Board.
- The collections designated funds represents the net book value of the collections held within heritage assets.
- The pension reserve represents the notional funding deficit calculated under FRS102 in respect of the charitable company's pension scheme advised by the scheme actuary.
- The revaluation reserve is required under the Companies Act 2006 and represents the difference between the historic cost and market value of investments, at the Balance Sheet date.

Restricted funds

- The Dorset Archaeological Committee fund represents money received specifically for the committee.
- The treasure acquisition fund represents monies raised to purchase specific artefacts.
- Where funding is agreed in advance, but only paid on receipt of invoices, funds may go into deficit temporarily.
- Where funds are raised for a particular asset, a transfer is made to the relevant fund when the asset is capitalised.
- Archaeology gallery fund represents funds raised from the public, members and trusts towards the archaeology redevelopment.
- Tomorrow's Museum for Dorset:
  - Heritage Lottery Fund represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Other funding represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Development appeal fund represents unspent funds raised from the public, members and trusts towards the museum redevelopment.
- Other funds represent monies raised for a particular purpose or project.
- Museums Partnership fund represents a grant towards collections assistants salaries.
- Dewlish Mosaic Public Appeal are funds towards the purchase of Dewlish Mosaic which proved to be successful.
- The Ann James Fine Art Acquisition Fund was a legacy from the late Mrs Ann James and is dedicated to the purchase of fine art for the museum to a total value of £5,000.

Endowment funds

- The Charles Hansford fund, which is permanent endowment fund, represents a bequest made in 1910. Interest arising from the investment, which is restricted, is to be utilised towards the maintenance and benefit of the museum and library.
- Heritage assets are capital assets held for conservation and preservation purposes and are therefore shown as expendable endowment. The balance of collections has been transferred to designated funds and the museum and gallery improvements have been transferred to restricted funds during 2020; as the purposes of the funds did not meet the requirement of an endowment fund.

25 Analysis of net assets between funds

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Fixed assets	1,619,820	11,466,492	-	13,086,312
Cash and current investments	321,285	-	500	321,785
Other current assets / liabilities	450,066	(528,525)	-	(78,459)
Creditors more than one year	(1,790,000)	-	-	(1,790,000)
Provisions / pensions	(110,000)	-	-	(110,000)
	491,171	10,937,967	500	11,429,638

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Fixed assets	1,589,520	12,887,417	-	14,476,937
Cash and current investments	491,098	-	500	491,598
Other current assets / liabilities	563,969	(540,348)	-	23,621
Creditors more than one year	(1,815,000)	-	-	(1,815,000)
Provisions / pensions	(210,000)	-	-	(210,000)
	619,587	12,347,069	500	12,967,156

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

	2024 £	2023 £
Net income / (expenditure) for the year	(1,730,462)	(1,096,318)
Dividends received	(5,992)	(4,490)
Rents received from investment properties	(180)	(2,288)
Interest receivable	(1,479)	(1,942)
Interest payable	64,590	78,721
Depreciation and impairment of tangible fixed assets	1,475,347	1,472,863
(Gains) / losses on investments	(4,761)	10,669
(Profit) / loss on disposal of tangible fixed assets	-	(482,176)
(Profit) / loss on disposal of fixed asset investments	1,014	26,963
Post-employment benefits less payments	5,000	38,000
(Increase) / decrease in stock	-	-
(Increase) / decrease in debtors	(13,607)	(77,379)
Increase / (decrease) in creditors	90,687	(396,315)
	(119,843)	(433,692)

27 Related party transactions

There were no related party transactions during the year.

28 Contingent liability

Grants received from the National Heritage Memorial Fund amounting to £12,898,957 (total received so far) as at 31 March 2024 may become subject to partial repayment in the event that the assets built, with the funds provided, are sold (2024: £12,537,756). The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.

29 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £16,864 (2023: £19,586).

Defined benefit pension plans

The charity operates a defined benefit pension plan for qualifying employees providing benefits based on career average revalued earnings. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

It is the Dorset County Pension Fund, a Local Government Pension Scheme, which is a contracted-out defined benefit multi-employer pension scheme.

The assets of the defined benefits scheme are held separately from those of the charitable company. The scheme is funded by contributions from the employees and participating employers, in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2022.

At the year end there were contributions due to the scheme totalling £6,862 (2023: £90) which are included in creditors.

The scheme is a funded defined benefit pension scheme, with assets held in separate Trustee administrated fund, The total contributions made for the year ended 31 March 2024 were £21,464 (2023: £23,753), of which the employer contributions totalled £17,832 (2023: £19,534) and employees' contributions totalled £3,632 (2023: £4,219). The current rates for future years are 18.3% (2023: 18.3%).

The total cost recognised in the period was as follows:

	2024 £'000	2023 £'000
Current service cost	12	36
Net interest income / expense	10	21
Administration expenses	1	1
Recognised in net income / expenditure	23	58
Recognised in other gains / losses	-	-
Total cost recognised	23	58

29 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

Amounts recognised in the balance sheet were as follows:

	2024 £'000	2023 £'000
Present value of funded obligations	1,386	1,372
Fair value of plan assets	(1,276)	(1,162)
	110	210

The pension expenditure for the year was £5,000 (2023: £38,000). The remeasurement gain on the defined benefit pension plan was £105,000 (2023: £649,000).

Changes in the present value of the defined benefit obligations were as follows:

	2024 £'000	2023 £'000
Opening defined benefit obligation	1,372	2,054
Current service cost	12	36
Past service cost	-	-
Interest expense	65	53
Actuarial (gains) / losses	-	-
Change in financial assumptions	(12)	(896)
Change in demographic assumptions	(18)	(49)
Experience gain/ loss on defined benefit obligation	5	209
Contributions by scheme participants	4	4
(Estimated) benefits paid (net of transfers in)	(42)	(39)
Closing defined benefit obligation	1,386	1,372

Changes in the fair value of the pension plan assets were as follows:

	2024 £'000	2023 £'000
Opening plan assets	1,162	1,233
Interest income	55	32
Actual return on plan assets (excluding interest income)	80	(89)
Other actuarial gains / (losses)	-	2
Administration expenses	(1)	(1)
Contributions by charity (included unfunded)	18	20
Contributions by scheme participants	4	4
(Estimated) benefits paid (plus unfunded net of transfers in)	(42)	(39)
Closing plan assets	1,276	1,162

The total return of the fund assets for the year to 31 March 2024 was a surplus of £135,000 (2023: loss of £57,000).

29 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2024 £'000	2023 £'000
Equity instruments	799	724
Debt instruments (bonds)		
Gilts	-	6
Other bonds	83	76
Property	100	94
Other assets		
Cash	27	19
Diversified Growth Fund	84	78
Infrastructure	95	88
Multi Asset Credit	88	77
	1,276	1,162

The principal actuarial assumptions used were as follows:

	2024 %	2023 %
Discount rate	4.90	4.80
Expected rates of salary increases	3.90	3.85
Expected rates of pension increases	2.90	2.85
Expected rate of inflation - RPI	3.20	3.20
Expected rate of inflation - CPI	2.90	2.85

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

	2024 years	2023 years
Retiring at the balance sheet date		
- Males	21.8	22.2
- Females	23.9	24.2
Retiring in 20 years		
- Males	23.1	23.5
- Females	25.4	25.6

30 Leases

Total future minimum lease payments under non-cancellable operating leases

	2024	2023
	£	£
Not later than one year	42,278	41,834
Later than one year but not later than five years	1,285	3,757
	43,563	45,591

31 Financial instruments

The carrying amounts of the charity's financial instruments measured at fair value through net income / expenditure are as follows:

	2024	2023
	£	£
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset investments	165,569	162,998
Measured at amortised cost		
- Debt instruments	447,123	604,729
	612,692	767,727
Financial liabilities		
Measured at amortised cost	2,007,906	1,917,219

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

Income and expense		
Financial assets measured at fair value through net income / expenditure	5,992	4,490
Net gains and losses		
Financial assets measured at fair value through net income / expenditure	3,747	(12,632)

THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales - Charity number 1062400

Accounts

Company Registration No. 3362107 (England and Wales)

Charity Registration No. 1062400

The Dorset Natural History and Archaeological Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

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COMPANIES HOUSE

The Dorset Natural History and Archaeological Society

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The Dorset Natural History and Archaeological Society

Reference and Administrative Details

Charity Name	The Dorset Natural History and Archaeological Society
Other Names	Dorset Museum
Trustees	T Chevalier D French S James (resigned December 2022) J Lang S Merriott T Parsons P Sharman (elected December 2022) J Smyllie L Southall (elected December 2022) S Welton M Wood
Registered Office	Dorset Museum 66 High West Street Dorchester DT1 1XA
Company Registration Number	3362107
Charity Registration Number	1062400
President	Susan, Lady Bradbury
Vice-Presidents	R Peers MA FSA FMA G Pitt Rivers OBE DL P Seaton Sir P Williams Bt. G Yarker BEM FSA
Auditors	Scott Vevers Ltd Chartered Accountants and Registered Auditors 65 East Street Bridport DT6 3LB
Bankers	Lloyds Bank plc 1-2 High West Street Dorchester DT1 1UG
Solicitors	Humphries Kirk 40 High West Street Dorchester DT1 1UR
Investment Advisors	Charles Stanley & Co Ltd Mey House Bridport Road Dorchester DT1 3QY

Trustees' Report (Including Director's Report)
Year Ended 31 March 2023

Introduction
The Trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the Charity for the year ended 31 March 2023, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Reference and Administrative Details
Administrative information is given in a separate section at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT
The Dorset Natural History and Archaeological Society ("the Society", DNHAS") is an educational charity which is an incorporated charitable trust and a company limited by guarantee (Charity number: 1062400 Company number: 3362107). The Society and its Museum, Dorset Museum, is owned by its members. The members elect a Board of Trustees who are responsible for the overall strategy and governance of the Society and its Museum. The charity is variously referred to throughout this report as either "the Charity", "the Society" or "the Company".

The governance of the Society and its Museum is set out in Articles of Association approved by Companies House and the Charity Commissioners and registered on 7 December 2012. In addition, there is a set of 'Regulations' which were adopted by the Board of Trustees of the Society at a meeting held in July 2014 and further updated in February 2020 and January 2021. They are a revised version of the 'Rules of the DNHAS' adopted in March 1998. They reflect the Board's current understanding of the governing Articles of Association and provide supplementary details relevant to their practical application in the operation of the Society.

Directors and Trustees
The Directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:
Tracy Chevalier (elected March 2021)

David French (elected March 2021)

Jean Lang (Chair) (elected March 2021)

Sian Merriott (elected December 2021, second term)

Tracey Parsons (elected March 2021)

Peter Sharman (elected December 2022)

Laura Southall (elected December 2022)

Jim Smylie (elected December 2021)

Sarah Welton (elected March 2021, second term)

Morag Wood (elected December 2021)

Dorset Council Representative and Trustee
Cllr S Bartlett

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.

Ten of the Trustees are elected by members of the Society at the Society's Annual General Meeting following a call for nomination to members and external advertisement. These ten Trustees serve a three-year term with the option of offering themselves for a second three-year term. (Trustees who have served for six years are not eligible to stand for re-election without a period of at least one year out of office). The remaining two Trustees are the Executive Director and a Trustee appointed by the Dorset Council. New Trustees are introduced to the governance, objectives and activities of the Society by the Executive Director and Board Chair and provided with Charity Commission advisory documents.

The Board of Trustees has ultimate responsibility for the Society and its Museum. The Board sets overall strategy and makes decisions on all major policy and constitutional issues. It is responsible for the final approval of the annual budget and accounts, ensuring the solvency of the Society and safety of its assets. All Trustees sign a declaration of their eligibility to stand and record relevant details in a Conflict of Interest Register which is updated annually. The Board meets quarterly but keeps the frequency and effectiveness of its meetings under review. The Regular subcommittees and working groups of the Board are:

- The Personnel Committee of the Board, which keeps pay and remuneration for staff under review and proposes changes to the Board for its approval. The Committee uses publicly available pay data within the museum sector as a benchmark for this.

- The Marketing and Income Generation Committee, which oversees promotion, commercial income generation and fundraising and development.

- The Finance Committee of the Board, which monitors and helps set both revenue and capital budgets for the Society and its Museum. It also oversees and scrutinises matters relating to the Society's investments, pensions, reserves and financial policies.

The Society and its Museum are managed and developed by the Executive Director and the staff in accordance with the strategy, and within the budget, set by the Board. The Executive Director and staff are supported in delivering these activities by a large number of volunteers.

The Board and staff use the Museum Accreditation rules of the Arts Council of England (ACE) and the policies of the Museums' Association and Association of Independent Museums as guidelines in operating and developing the Museum. On completion of the Tomorrow's Museum for Dorset project, the Museum has returned to full Accreditation status with ACE.

The Museum is a member of the Wessex Museums Trust, which has been recognised as an ACE National Portfolio Organisation for the period 2022-2026. The Society is represented on the Wessex Museums Trust's board by the Interim Director.

Where applicable, new trustees are invited to meet key members of staff and volunteers, either in person or virtually, and encouraged to attend a meeting of each sub-committee. They are also briefed on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, recent financial performance and the future financial and objective plans of the charity.

OBJECTIVES AND ACTIVITIES

The objectives of the Society are:

- The advancement of education for the general benefit of the public in the areas of archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset;

- The acquisition, preservation, conservation, exhibition and development (as far as possible) of collections relating to archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset.

To achieve these objectives for the public benefit the Society maintains and develops Dorset Museum and provides learning, teaching, information (including through public lectures, performances, and publications) and is a forum for debate about Dorset. The development of the collections over 150 years has provided a record of the story of Dorset from its geological roots 250 million years ago to the present. Continuing acquisition and management of the collections augments this rich heritage.

The Society uses its collections to curate permanent exhibitions in the Museum and so tell the story of Dorset and its people, explaining why it is like it is and its possible future. Together with activities for educational and other groups these exhibitions provide an accessible, inclusive and entertaining gateway to the natural and cultural heritage of Dorset for all. In addition, the collections are made available to researchers and other scholars for study and investigation either at the Museum or through loans. Items from the collections are also loaned to other museums for exhibition.

The success of these activities in achieving the Society's objectives is assessed in terms of numbers of visitors and of the users of the collections, and the qualitative feedback they give. The numbers of educational and other groups, the individuals involved and the feedback they provide, gives the Museum further quantitative and qualitative data, as does evaluation of the number attending events, such as lectures, and using publications. Where achievable, economic and other impacts on the community are assessed through targeted studies. The income generated from the activities compared with the expenditure needed to undertake them provides critical measures of financial short-term viability and long-term sustainability.

The Tomorrow's Museum for Dorset Project

To enhance these activities and enable a full range of sustainable operations, the Society completed a major re-development project – the Tomorrow's Museum for Dorset (TMD) project – which cost £16.3m. The project was supported by the National Lottery Heritage Fund and delivered new permanent displays, a temporary exhibition gallery, learning resources, collections storage facilities, a renewed public face with additionalcapacity for income generation from retail and catering activities, as well as a strengthened and improved staff and volunteer structure.

The Society has a new Forward Plan that is committed to the following key aims:

Aim 1: To reach larger audiences and encourage deeper engagement with our collections

1.1 Increase Visitor Figures
1.2 Increase repeat visits
1.3 Offer opportunities for people who face economic barriers to visit the Museum
1.4 Strengthen our reputation for excellent temporary exhibitions
1.5 Increase engagement with formal learners
1.6 Continue to develop and expand visitor offer for families and under-5s
1.7 Increase opportunities for young people to engage with our collections
1.8 Deliver activities for Roman Town House
1.9 Increase and improve access provision across the Museum and its activities

1.10 Use our collections to increase community wellbeing
1.11 Consult, reach and work more with underserved groups
1.12 Strengthen and broaden our public events programme
1.13 Increase opportunities to engage with our collections digitally
1.14 Better understand and respond to our audiences

AIM 2: To tell Dorset's stories in bigger and bolder ways
2.1 Complete outstanding interpretation/installation from the TMD project
2.2 Complete the refurbishment of the Victorian Hall
2.3 Increase understanding and awareness of our collections and stories
2.4 Develop temporary exhibitions that draw on our collections and stories
2.5 Develop key knowledge and awareness of the collections across the staff and volunteer teams
2.6 Develop subject expertise of our collections and learning staff
2.7 Wessex in 100 objects project
2.8 Support and facilitate other museums/heritage organisations in the county to tell Dorset's stories
2.9 Identify gaps within the Museum's collection and the stories we tell and work to fill them

AIM 3: To properly care for our collections and to collect for the future, and for visitors to understand the work we do with our collections
3.1 All our collections to be moved to a fit for purpose home
3.2 All our collections to be documented to inventory level
3.3 Increase digitisation of the collection
3.4 Develop the collection to better represent Dorset's living communities
3.5 Develop framework for assessing disposals
3.6 Increase access to the collection
3.7 Offer more opportunities for visitors to see behind the scenes
3.8 Offer opportunities for local people to work with collection through volunteering
3.9 Maintain and disseminate Emergency Plan for collections
3.10 Maintain preservation of conservation measures across collection
3.11 Identify collections requiring remedial conservation

AIM 4: To be a financially and operationally sustainable museum
4.1 Ensure that the Museum is in a robust and secure financial position
4.2 Develop and maintain a robust and profitable venue hire business to supplement the Museum's income
4.3 Develop and maintain a robust and profitable weddings business
4.4 Continue to develop an attractive and profitable retail offer
4.5 Continue to provide an attractive and high quality café and catering offer
4.6 Develop and increase income from the Museum's Picture Library service
4.7 Develop and maintain a robust and realistic strategy for fundraising and development
4.8 Develop membership offer and increase number of members joining per annum
4.9 Maintain a secure, dedicated and healthy workforce
4.10 Retain and develop our volunteer team and increase reputation as a premier provider of volunteer
4.11 Maintain and improve governance of the Museum
4.12 Contribute to the physical, cultural and economic life of Dorchester and the wider county
4.13 Maintain and develop the Museum's EDI plan
4.14 Ensure that the Museum building and external stores continue to be maintained and secure
4.15 Ensure Health and Safety and fire evacuation procedures in place and properly maintained
4.16 Ensure safeguarding procedure in place and maintained via trained Safeguarding Officers
4.17 Ensure IT infrastructure is in place and upgrades accounted for in budget
4.18 Develop a framework with WMP partners to become carbon neutral by 2050 and to tackle the climate and environmental emergency

ACHIEVEMENTS AND PERFORMANCE

Overview
Claire Dixon, Executive Director and Jean Lang, Chair of the Board of Trustees

Dorset Museum has now experienced a full financial year of opening, gaining a better understanding of seasonal footfall and opportunities for growth. We know from postcode data, that the initial increase in visitors the Museum experienced when we re-opened, was largely due to local footfall and this is not sustainable. The lack of a national press campaign and ongoing marketing beyond local audiences, means that we have struggled to reach those visiting the County or those living across the UK and globally who might travel to experience the museum and engage with our exhibition programme.

In addition to this, we face new economic challenges that have led to reduced footfall and rising costs for museums and attractions across the UK, caused by the war in Ukraine, the impact of Brexit on tourism and the cost-of-living crisis.

Positive highlights include the gradual return of schools and community groups to Museums, enabling us to deliver a rich and varied programme of workshops and activities. Events are also well attended, with many lectures welcoming almost 100 people and late-night openings, sleepovers, science and archaeology days all welcoming large numbers of visitors, again recognizing that this remains a largely local audience. We are also continuing to receive excellent feedback about the Museum and our exhibitions, from those that do visit. However, their surprise at the quality of our offer reflects the fact that we need to better market and present ourselves, through digital marketing, our website and the visual impact at the front entrance. We are also hugely proud to have scored 93% when assessed by the Visit England Visitor Attraction Quality Scheme Report, up from 90% in 2022, which will mean the Museum is nominated for a 'Visit England Gold accolade', with sectional scores also seeing the Museum nominated for 'Best Told Story' and 'Quality Food and Drink' accolades.

The financial crisis we reported on last year continues and worsens, we completed the sale of St Peters Institute and other properties to make a contribution to reducing the loan to Dorset Council. Re-payment of the remainder has been put on hold, but interest continues to be added and we have not come close to realising a surplus, with which to pay this back or invest in the future of the Museum. Footfall growth has been insignificant compared to last year and audiences remain largely local, due to an insufficient marketing budget and lack of digital presence for the Museum. We continue to focus on footfall growth and diversification of income through new commercial activity. The securing of a wedding license enabled us to secure new income but an insufficient pricing model has impacted our ability to generate a profit.

What these issues do highlight is that there is a clear opportunity to turn the museum around if we can increase our marketing spend, improve our digital profile to reach tourist markets, as well as increase our commercial prices.

Collections Management

All Saints
Whilst significant progress has been made with the movement of collections into the new CDC, we recognise that any ambition to move all collections out of All Saints and the commercial storage units was never realistic. Whilst we fully accept and acknowledge that the conditions in All Saints in particular, are completely inappropriate and compromising the collections, there is no obvious immediate solution. A new, sizeable building with appropriate conditions has not yet been sourced and it is not envisaged we will find this in the next few years. We also have to acknowledge that any costs associated with the purchase or rent of a new building alongside costs to install appropriate storage facilities and environmental controls, given that All Saints is provided free of charge, will be difficult to sustain. If a suitable location is found and funded, the removal of collections is estimated to be a 3-year process due to the scale of what is in store.

The crisis relating to All Saints is an urgent priority and we are moving as much of the collection into our other storage areas as we can, whilst also looking into alternatives such as underground storage, which would provide appropriate care for the artefacts, but limit access for research. All possible solutions are being sought and Dorset Council are working with us to assist with potential options. We welcome any suggestions for potential locations and funding and will ensure members are kept up to date with our progress.

Collections Discovery Centre

Tours of the CDC took place for staff and volunteers and have been launched and are taking place regularly for visitors, to give them a better understanding of behind the scenes work going on in the CDC. All artworks stored in the Old School store have now been moved to the CDC and relevant archaeological items were then moved from All Saints to Old School, where a team of volunteers have been working on them. The move of the costume and textiles collection from Old School store to CDC has been completed, along with all social history objects. Following the completion of the Elisabeth Frink cataloguing, the team is working with volunteers to catalogue the Elizabeth Muntz collection and the metalwork team has received training on workflow for incoming treasure items and they have been working on cataloguing new Treasure items. Cataloguing of Natural History collection following its move to the CDC has continued, being documented by volunteers. All human remains have now been moved into the CDC, as has the Herbarium collection. The cataloguing of the Elisabeth Frink collection is now complete and the cataloguing of the remainder of the sculpture collection has progressed, with the remainder of the art collection having also moved from the Old School store into the CDC. A funding application to Section 106 contributed to the costs of new shelving in the CDC, laptops for volunteer work, photography equipment for digitization of collections, a new showcase outside the CDC, and packing and conservation supplies.

Acquisitions

- A decorated gold sheet of Bronze Age date from Burton and Winkton, Dorset
- A silver gilt iconographic finger ring from Little Bredy, Dorset
- Gold and rock crystal pendant from Milton Abbas, Dorset
- Silver hawking vervel Gold and rock crystal ring
- Iron Age bullet staters
- Jeremy Gardiner painting 'August evening, Lyme Regis'
- Richard Battenham ceramics
- Askerswell hoard
- Amanda Chambers artworks (five ceramic pieces that were created in response to her research using the Sylvia Townsend Warner and Valentine Ackland archive in 2014)
- First proof with handwritten corrections of her upcoming Dorset dialect poem *Orlam* from Dorset-born singer, songwriter and musician and winner of two Mercury Music Awards PJ Harvey, as well as an exclusive signed photograph of the artist wearing Dorset buttons
- A cushion used by Elisabeth Frink in her studio at Woolland
- Gold and rock crystal pendant found at Milton Abbas

Loans In

- John Gordon Memorial
- Five Elisabeth Frink pieces
- Three small bronze sculptures and two candlesticks by Elisabeth Frink
- *A Village Choir*, an 1847 oil painting by Thomas Webster as part of the Hardy's Wessex exhibition
- Thomas Gainsborough portrait arrived at the Museum on 18 November 2022 and was hung in the Artists Dorset gallery, it will transfer as a gift after three years

Loans Out

- Hambledon Hill/Maiden Castle human remains – Exeter University
- Gussage All Saints and Maiden Castle infant human remains - University of Reading
- Various archaeological objects - Corfe Castle Town Trust, Dorset

- Elisabeth Frink's *Tribute III* - Shire Hall Historic Courthouse Museum
- Elisabeth Frink's *Self-Portrait* - Royal West Of England Academy
- The 'Waddon skull' - UWE

Special exhibitions programme
Temporary Gallery:

- Until 1 May 2022 - Scene through Wood: A Century of Modern Wood engraving
- May – October 2022 - *Hardy's Wessex: The Landscapes that Shaped a Writer*
- December to February 2023 - *I Grew Up 1980s*
- March – June 2023 - *ARTISTS ROOMS: Louise Bourgeois*

Community Gallery:

- Until June 2022 - A Virus a Day: Textile Art by Antje Rook
- July – September 2022 - *Plastic is not fantastic*
- October – January 2023 – *Unmasked*
- Feb – June 2023 - *Dorchester Camera Club - 'Art of Seeing'*

Learning and Engagement
Schools Programme
The formal schools programme was initially quiet but picked up from November 2022, including enquiries from SEND schools, which points towards the accessibility of the offer. During this year of reporting, the team reached 2,055 pupils, delivering 60 school sessions and engaging 320 pupils through the loans boxes. In addition, the Learning Team completed the first year of the Urban Nature Project with Natural History Museum.

Community Engagement Projects
During the year of reporting, 2,252 people were reached through our community engagement work and 54 community sessions were delivered. Highlights include:

- 'Sensing the past project' which was a partnership project between Dorset Museum, Dorset Blind Association and Charmouth Heritage Centre.
- 'Quilt project' involved collecting quilt pieces that could be stitched together for a future exhibition in the Museum's Community Space, engaging with Dorchester mosque, Weymouth rainbows group, families who take part in our Sunday art and craft activities and Charminster WI.
- Bridging the Gap work placement
- Black Writer residencies that led to the creation of new blog posts, as part of a partnership with the Bridport Prize.

Public Engagement activities

- **Heritage Open Days:** The Museum opened free to visitors on 18 September as part of a Dorchester-wide event. Around 650 people attended with tours of the CDC running throughout the day and family art and craft activities in the Learning Base.
- **Monthly lecture series:** Our monthly lecture series continued to perform well, with sold out lectures in September (Tom Sharpe – Mary Anning) and October (Dr Susan Greaney – Neolithic Dorchester).
- **After Dark – October 2022:** This event in collaboration with Shire Hall and Keep Military Museum enabled visitors to explore all three museums during Halloween weekend on a combined ticket.
- **Gallery tours:** A regular programme of weekly volunteer-led covered a mix of subjects.
- **Festival of Archaeology:** A range of events included lectures, and a town-wide event at Maumbury Rings
- **Quilt project:** Alex Briggs has been informally developing a celebration quilt project for the Museum. So far this has involved the participation of members of the Start recovery group. We've also been offered around 20 quilt squares by 20 volunteers and members of public. The Museum

will submit an application for WMP NPO funding for work with under-served communities to take this project further and in a more structured manner in early 2023, with the possibility of the quilt being exhibited in our Community Space.

- **Songlines project**: An event to mark the culmination of *Songlines*, a partnership project between Dorchester Arts, Dorset Museum and Dorchester Area Schools Partnership. The piece of music composed by local composer Geof Edge and inspired by the Museum's Natural Dorset gallery was performed by the Dorchester schools, accompanied by adult community choirs.
- **Teachers' evening**: A teachers' event demonstrated to schools what the Museum has to offer and encourage future bookings.
- 'Relaxed opening' for families, designed to support autistic and neurodiverse children and families took place in February and a 'Quiet opening' took place for adults in March as well as a BSL deaf-led tour.

Fundraising

- £86,328: DCC grants
- £68,270: Specific grants and donations for named projects
- £67,718: Last Arts Council payment of Capital project grant
- £109, 805: Wessex Museums Partnership
- £50,000: Lulworth donation
- £43,463: Specific grants to support acquisitions
- £321,857: Large bequests

FINANCIAL REVIEW

Financial Report

The accounts which are highlighted within this report show a trading period of the financial year running 1 April 2022 – 31 March 2023.

Total income received for the year ending 31 March 2023 was £1,221,734 compared with £1,442,790 in 2022.

Total unrestricted income for the year ending 31 March 2023 was £1,221,734 with expenditure and net loss on investment of £644,345. This included depreciation amount of £15,668 and a profit on disposal of the property fixed assets of £482,176. Unrestricted income therefore shows a surplus of £577,389 before funds transfer.

Restricted fund income for the year ending 31 March 2023 was £nil with expenditure of £1,673,707. This was offset by project grants and donations, with the exception of a depreciation amount of £1,457,195 which is related to the capital project.

Total funds carried forward as at the end of this fiscal year are £12,967,156 which consists of both fixed assets and current liabilities.

As noted elsewhere in the report and in the accounting policies the charity has developed forecasts and budgets that demonstrate its inability to repay the loans that are classified as due in April 2024.

Regarding the ongoing operational financial stability of the charity, projections of income and expenditure are underway, to demonstrate the levels of footfall and income required, to enable the Museum to operate viably. It is anticipated that this can be achieved by 2026, accepting that we will need to manage negative cashflow during that period. Our investment portfolio which is managed by our agent Charles Stanley, is continually monitored under strict guidelines therefore protecting our investments and reserves during this volatile time.

RISKS

Risk logs for the Society are maintained and kept under regular review. The main risks for each that were managed during 2022-2023, along with their status at the final year end, were as follows:

Society / Museum Risks	Risk Management Status
Prolonged closure of Museum due to external factors	Ongoing monitoring, action as required
Further delays and impacts due to Covid-19	Ongoing monitoring, action as required
Failure to achieve visitor targets / decline in membership	Ongoing monitoring, action as required
Energy / Insurance price rises	Ongoing monitoring, action as required
Major building / infrastructure failure	Ongoing monitoring, action as required
Major catastrophe	Ongoing monitoring, action as required
Loss of key staff	Ongoing monitoring, action as required
Failure to address operational readiness planning	Ongoing monitoring, action as required
Theft / vandalism to buildings / collections	Ongoing monitoring, action as required

RESERVES

The reserves of the Society consist of all unrestricted funds that are not linked to fixed assets or required for specific purposes. These unrestricted funds are reduced by the pension fund deficit. The Trustees continue to monitor the pension liabilities and the reserves of the Society closely and are aware of the need to match variable income against fixed commitments, with day-to-day working needs being met by careful management of short-term liquid resources.

The main Museum building was gifted to The Dorset Natural History and Archaeological Society.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalized in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £30.7m.

In the event of the Charity being wound up, these assets would be sold to cover any financial deficits.

PLANS FOR FUTURE PERIODS

The focus of the Society's plans in the immediate future, having delivered the Tomorrow's Museum for Dorset project, is the sustainability of the Museum. Primary workstreams which must be achieved over the coming years are:

- New Marketing Strategy to drive footfall.
- Revised commercial strategy to ensure all activity generates sufficient profits.
- Review of Health and Safety procedures and documentation in response to the audit report.
- Review of HR procedures to ensure open and fair recruitment, effective people management, positive training and development programme as well as focused objectives for staff who manage capacity, protect wellbeing and support income growth.

- Continual development of the exhibition and events programmes to encourage footfall and income growth.
- New fundraising strategy to encourage support for the Museum's future
- Expenditure review to ensure costs support income growth and core work

Our Forward Plan and Activity Plan are set out in detail and managed by the Trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of The Dorset Natural History and Archaeological Society for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Executive Directors' report) and the financial statement 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 year. Under company law, the Trustees 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 the 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 2019 (FRS 102);
- 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 disclose with reasonable accuracy at anytime the financial position of the charitable company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and henceforth taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company'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 the information.

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.

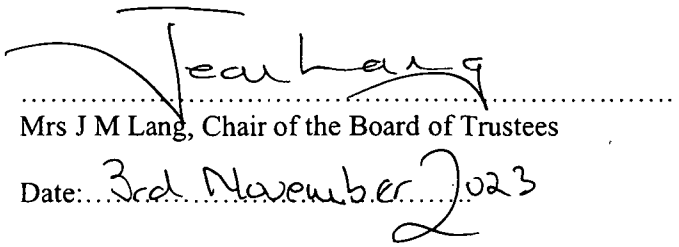
Auditors

The auditors, Scott Vevers Ltd, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On behalf of the board



Mrs J M Lang, Chair of the Board of Trustees

Date: 3rd November 2023

Independent Auditors' Report to the Trustees
Year Ended 31 March 2023

Opinion

We have audited the financial statements of The Dorset Natural History and Archaeological Society for the year ended 31 March 2023 set out on pages 16 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part four 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 charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of the 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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

We have nothing to report in respect of the following matters in relation to 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 group's or parent 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Matters on which we are required to report by exception
In the light of our 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 to which the Charities Act 2011 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' Annual Report; or
- the charitable company has not kept adequate accounting records; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 11, 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 a 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 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

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

Use of our report
This report is made solely to the charitable company'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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Vevers

Scott Vevers Ltd
Chartered Accountants & Statutory Auditors
65 East Street
Bridport
Dorset
DT6 3LB

Date: 07/11/23

Scott Vevers Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 March 2023

	Note	Unrestricted £	Restricted £	Endowment £	Total 2023 £	Total 2022 £
Income and Endowments from:						
Donations and legacies	3	743,381	-	-	743,381	1,030,067
Charitable activities	4	304,849	-	-	304,849	275,907
Other trading activities	5	164,784	-	-	164,784	127,669
Investments	6	8,720	-	-	8,720	9,147
Total income and endowments		1,221,734	-	-	1,221,734	1,442,790
Expenditure on:						
Raising funds	7	38,249	32,163	-	70,412	25,956
Trading activities	8	219,205	-	-	219,205	104,838
Charitable activities	9	349,259	1,641,544	-	1,990,803	2,698,811
Total expenditure		606,713	1,673,707	-	2,280,420	2,829,605
Net gains/ (losses) on investments	17 & 18	(37,632)	-	-	(37,632)	7,047
Net income/ (expenditure)		577,389	(1,673,707)	-	(1,096,318)	(1,379,768)
Transfers between funds	24	(1,207)	1,207	-	-	-
Corporation Tax		82,894	-	-	82,894	(4,338)
Other recognised gains/ (losses):						
Remeasurement gain / (loss) on defined benefit pension plan	29	649,000	-	-	649,000	209,000
Net movement in funds		1,308,076	(1,672,500)	-	(364,424)	(1,175,106)
Reconciliation of funds:						
Total funds brought forward		(688,489)	14,019,569	500	13,331,580	14,506,686
Total funds carried forward		619,587	12,347,069	500	12,967,156	13,331,580

All income and expenditure derive from continuing activities, with the exception of the sale of freehold and investment properties & receipt of legacies.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 19 to 40 form part of these financial statements.

Balance Sheet as at 31 March 2023

(Registration number: 3362107)

	Note	Total 2023 £	Total 2022 £
Fixed assets			
Tangible assets	14	13,221,886	14,779,740
Heritage assets	15	1,092,053	1,034,917
Investments	16	162,998	427,260
		14,476,937	16,241,917
Current assets			
Stocks	20	11,000	11,000
Debtors	21	114,840	37,461
Cash at bank and in hand		491,598	175,736
		617,438	224,197
Creditors: amounts falling due within one year	22	(102,219)	(1,191,201)
Net current (liabilities)/ assets		515,219	(967,004)
Total assets less current liabilities		14,992,156	15,274,913
Creditors: amounts falling due after more than one year	23	(1,815,000)	(1,122,333)
Net assets excluding pension liability		13,177,156	14,152,580
Defined benefit pension liability	29	(210,000)	(821,000)
Net assets		12,967,156	13,331,580
Charity Funds			
Endowment funds	24	500	500
Restricted funds	24	12,347,069	14,019,569
Unrestricted funds	24	829,587	132,511
Pension reserve	24	(210,000)	(821,000)
Total charity funds		12,967,156	13,331,580

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and in accordance with FRS102 SORP. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 in respect of accounting records and preparation of accounts.

Whilst the company is exempt from audit under Section 477 of the Companies Act 2006 relating to small companies and the members have not required an audit under section 476 of the Act, the company is subject to audit under the Charities Act 2011.

The financial statements were approved and authorised for issue by the Board on 3rd November 2023

Mrs J M Lang, Chair of the Board of Trustees

The notes on pages 19 to 40 form part of these financial statements.

The Dorset Natural History and Archaeological Society

Statement of Cash Flows
Year Ended 31 March 2023

	Note	Total 2023 £	Total 2022 £
Cash flow from operating activities	26	(433,692)	332,789
Tax recoverable / (paid)		82,894	(4,338)
Net cash flow from operating activities		(350,798)	328,451
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(91,502)	(556,273)
Receipts from sales of tangible fixed assets		601,533	-
Payments to acquire investments		(13,501)	(22,845)
Receipts from sales of investments		240,212	22,435
Interest received		1,942	14
Dividends received		4,490	4,153
Rents received from investment properties		2,288	4,980
Net cash flow from investing activities		745,462	(547,536)
Cash flow from financing activities			
Interest paid		(78,721)	(64,763)
Net cash flow from financing activities		(78,721)	(64,763)
Net increase / (decrease) in cash and cash equivalents		315,943	(283,848)
Cash and cash equivalents at 1 April 2022		176,585	460,433
Cash and cash equivalents at 31 March 2023		492,528	176,585
Cash and cash equivalents consists of:			
Cash at bank and in hand		491,598	175,736
Short term deposits		930	849
Cash and cash equivalents at 31 March 2023		492,528	176,585

The notes on pages 19 to 40 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The Dorset Natural History and Archaeological Society is incorporated in England within the United Kingdom and is a charity limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Accounting convention

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those 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 investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

2 **Accounting policies (continued)**

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from donations and legacies is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from charitable activities includes membership and admissions income. Membership income is accounted for, in full, in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income relating to sales booked online is recognised in the period in which the customer visits the museum. Any income received where the customer has not yet visited is deferred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Raising funds is expenditure incurred in respect of trading activities carried out by the charity.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to the costs associated with charitable activities.

Support costs allocations

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the proportion of the asset's use. Other support costs are allocated based on the spread of staff costs.

2 **Accounting policies (continued)**

Tangible fixed assets, including heritage assets

Tangible fixed assets and heritage assets, held for continuing use by the charitable company, are recorded at original cost, or in the case of donated assets, at valuation.

It is the policy of the charity not to capitalise heritage assets belonging to the Museum, where a reliable estimate cannot be made of the asset's fair value or the information on cost or value is not available and which cannot be obtained at a cost which is commensurate with the benefits to the users of the financial statements. These are in effect inalienable, held in perpetuity, and are mostly irreplaceable. Any financially based valuation would be misleading to the value and significance of the material culture involved. The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as is possible, commensurate with their long-term care and preservation. The highest possible standards of collection management are applied, and the catalogues are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines.

No depreciation is charged on freehold land and buildings as the trustees have a policy of regular repair and maintenance to ensure they are maintained to the highest standard and their residual value will be in excess of cost, meaning any depreciation charge would be immaterial.

Depreciation of other fixed assets is provided in order to write off the cost valuation less residual value of each asset evenly over its estimated useful life as follows:

Freehold property	Not depreciated
Land and buildings	10 years straight line, once complete
Fixtures, fittings and equipment	15% reducing balance, 25% straight line
Collections	Not depreciated

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate, determined annually by the directors. The directors use market prices where possible, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised through the SoFA.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value, with all realised and unrealised gains passing through the SoFA.

Stock

Stock consists of shop stock for resale and publication stocks. Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving stock where appropriate. Any impairments are calculated based on the likely selling value, compared to cost.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

2 **Accounting policies (continued)**

Cash at bank and in hand

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

Operating leases

The trustees classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years.

Contributions to defined contribution plans are recognised as staff pension expense through the SoFA, when they are due.

Defined benefit pension obligation

The minority of employees of the charity are members of the Local Government Pension Scheme (LGPS) managed by Dorset County Council.

This is a funded defined benefit scheme where the assets are held separately from those of the charity, in separate Trustee administered funds. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the SoFA.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2 **Accounting policies (continued)**

Critical accounting estimates and areas of judgement (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors, that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in Note 29, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transactions. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for similar debt instruments.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Grants					
Dorset County Council*	85,078	-	-	85,078	84,294
Arts Council England	67,718	-	-	67,718	380,318
Wessex Museum Trust	106,771	-	-	106,771	33,855
Roberts Trust	30,000	-	-	30,000	-
College bursaries	-	-	-	-	14,197
Other	80,490	-	-	80,490	66,853
	370,057	-	-	370,057	579,517
Development appeal fund					
Heritage Lottery Fund*	-	-	-	-	381,357
	-	-	-	-	381,357
Other					
Donations (including gift aid)	51,467	-	-	51,467	59,698
Legacies	321,857	-	-	321,857	6,750
	373,324	-	-	373,324	66,448
Exceptional government funding					
Coronavirus Job Retention Scheme (CJRS) grant*	-	-	-	-	2,745
	-	-	-	-	2,745
	743,381	-	-	743,381	1,030,067

The charity has been eligible to claim additional funding in the year from government support schemes, in response to the coronavirus pandemic. The funding received is shown above under Exceptional government funding.

*Government grants

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Membership subscriptions	68,103	-	-	68,103	53,625
Museum admission fees	235,004	-	-	235,004	217,311
Events and exhibitions	1,742	-	-	1,742	2,471
Income from lending assets	-	-	-	-	2,500
	304,849	-	-	304,849	275,907

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Shop and online sales	64,074	-	-	64,074	68,705
Bookings income	82,434	-	-	82,434	43,482
Café rental income	15,813	-	-	15,813	13,927
Royalties and sundry income	2,463	-	-	2,463	1,555
	164,784	-	-	164,784	127,669

6 Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Dividends and interest	4,490	-	-	4,490	4,153
Interest on cash deposits	1,942	-	-	1,942	14
Rental income	2,288	-	-	2,288	4,980
	8,720	-	-	8,720	9,147

7 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Fundraising fees	36,611	-	-	36,611	13,573
Heritage Lottery Fund Delivery Plan	-	32,163	-	32,163	10,684
Investment management fees	1,638	-	-	1,638	1,699
	38,249	32,163	-	70,412	25,956

8 Expenditure on trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Shop consumables	30,667	-	-	30,667	29,089
Employment costs	164,869	-	-	164,869	61,296
Event consumables	12,869	-	-	12,869	-
Establishment costs	10,800	-	-	10,800	14,453
	219,205	-	-	219,205	104,838

9 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Staff costs (including travel)	352,604	112,356	-	464,960	663,996
Direct costs	273,653	1,519,428	-	1,793,081	1,841,124
Support costs	(285,923)	9,760	-	(276,163)	186,266
Governance costs	8,925	-	-	8,925	7,425
	349,259	1,641,544	-	1,990,803	2,698,811

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Direct costs:					
Exhibitions, events and collections	20,543	62,053	-	82,596	76,656
General repairs	32,976	-	-	32,976	34,966
Depreciation	15,668	1,457,195	-	1,472,863	1,471,296
Establishment costs	147,205	-	-	147,205	158,802
Marketing and promotion	53,717	180	-	53,897	90,085
Credit card charges	3,565	-	-	3,565	5,372
Bad debts recoverable	(240)	-	-	(240)	263
General expenses	219	-	-	219	3,684
	273,653	1,519,428	-	1,793,081	1,841,124
Support costs:					
Office and administration costs	63,498	-	-	63,498	63,420
(Profit) / loss on disposal of tangible fixed assets	(482,176)	-	-	(482,176)	11,902
Loan interest	78,721	-	-	78,721	64,763
Other finance charges	3,417	-	-	3,417	1,253
Printing, postage and stationery	18,068	-	-	18,068	18,301
Professional fees	32,549	9,760	-	42,309	26,627
	(285,923)	9,760	-	(276,163)	186,266
Governance costs:					
Auditor's remuneration	8,925	-	-	8,925	7,425
	8,925	-	-	8,925	7,425

10 Net income / (expenditure) for the year

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

	2023	2022
	£	£
Depreciation of tangible fixed assets	1,472,863	1,471,296
(Profit) / loss on disposal of investments	26,963	3
(Profit) / loss on disposal of tangible fixed assets	(482,176)	11,902
Operating lease rentals	24,695	34,563
(Profit) / loss on fair value movement of investments	10,669	(7,050)
Auditor's remuneration:		
Audit services	5,975	4,975
Other services	2,950	2,450

11 Trustees' and key management personnel remuneration and expenses

During the year the charity made the following transactions with trustees:

No trustees, nor any persons connected with them, have received any remuneration, expenses or benefits from the charity during the year, in their capacity as a trustee.

The total amount of employee benefits received by key management personnel is £93,315 (2022: £120,646). The trustees considers its key management personnel comprise the Executive Director, the Commercial Director, and the Director of Collections.

No trustees are accruing pension arrangements (2022: no trustees).

12 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year/period was as follows:

	2023 FTE	2022 FTE	2023 Number	2022 Number
Raising funds	0.4	0.4	1.0	1.0
Charitable activities	14.2	15.0	22.0	22.0
Governance	0.6	0.6	1.0	1.0
	15.2	16.0	24.0	24.0

The total staff costs and employee benefits were as follows:

	2023	2022
	£	£
Wages and salaries	521,022	578,230
Social security	31,687	37,006
Defined contribution pension costs	19,586	19,939
Defined benefit pension costs	57,534	74,115
	629,829	709,290

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

13 Interest payable and similar expenses

	2023	2022
	£	£
Bank loans and overdrafts	3,417	1,253
Loan interest	78,721	64,763
	82,138	66,016

14 Tangible fixed assets

	Freehold Properties	Land and Buildings	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 April 2022	387,235	15,777,735	123,849	16,288,819
Additions	-	27,510	6,856	34,366
Disposals	(119,357)	-	-	(119,357)
At 31 March 2023	267,878	15,805,245	130,705	16,203,828
Depreciation:				
At 1 April 2022	-	1,462,415	46,664	1,509,079
Charge for the year	-	1,456,650	16,213	1,472,863
Eliminated on disposals	-	-	-	-
At 31 March 2023	-	2,919,065	62,877	2,981,942
Net book value:				
At 31 March 2023	267,878	12,886,180	67,828	13,221,886
At 31 March 2022	387,235	14,315,320	77,185	14,779,740

Freehold properties are functional assets insured for £326,180. At the year end, these comprise the properties of The Old School House and the Craft Market site. Whilst the trustees consider that their market value is higher than the carrying value of these assets, it is impractical to measure their fair value.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for £30.7m.

The main Museum buildings were gifted to The Dorset Natural History and Archaeological Society and therefore do not form part of the net book value above. There is a float charge over this property with The Trustees of the National Heritage Mortgage Fund and a second charge to Dorset County Council.

During the year, the Charity sold the properties, St Peters Institute and 4-5 Colliton Street. The proceeds received, after disbursements, were £601,533.

15 Heritage assets

	Collections	Total
	£	£
Cost or valuation:		
At 1 April 2022	1,034,917	1,034,917
Additions	57,136	57,136
At 31 March 2023	1,092,053	1,092,053
Depreciation:		
At 1 April 2022	-	-
At 31 March 2023	-	-
Net book value:		
At 31 March 2023	1,092,053	1,092,053
At 31 March 2022	1,034,917	1,034,917

Collections acquired since 1 January 2021 have been capitalised at cost. Where assets have been donated and a reliable estimate cannot be made of the asset's fair value or the cost of valuation is likely to exceed the benefit provided by the information, the asset has not been recognised in the Financial Statements. Please see the Trustees' Report for more information on the assets donated in the year.

Heritage assets acquired before 1 January 2021 have not been recognised due to the significant cost that would be involved in valuing the Museum's diverse collections and other assets. This would be onerous compared with the additional benefit that would be derived by the users of the Financial Statements in assessing the trustees' stewardship of these assets.

No depreciation is charged on collections or galleries in the course of construction.

Five year summary of additions and disposals:

	2023	2022	2021	2020	2019
	£	£	£	£	£
Purchased additions					
Assets held at cost	57,136	2,278	136,270	27,405	46,670
Total additions	57,136	2,278	136,270	27,405	46,670
Impairment					
Assets held at cost	-	-	-	-	-
Total impairment	-	-	-	-	-
Net Book Value Disposals					
Assets held at cost	-	-	-	-	141,178
Total NBV disposals	-	-	-	-	141,178

16 Investments

	2023	2022
	£	£
Investment properties (note 17)	-	250,000
Quoted investments (note 18)	162,067	176,410
Unquoted investments (note 19)	1	1
Cash held by investment manager	930	849
	162,998	427,260

17 Investment property

	2023	2022
	£	£
Fair value at 1 April 2022	250,000	250,000
Disposal proceeds	(225,000)	-
Realised loss on disposal	(25,000)	-
Fair value at 31 March 2023	-	250,000
Cost at 31 March 2023	-	250,000

The investment property consisted of 3 Colliton Street which was acquired in 2019-20, as part of the development works. The property was sold on 25 August 2022.

18 Quoted investments

	2023	2022
	£	£
Fair value at 1 April 2022	176,410	168,953
Additions	13,501	22,845
Disposals	(15,212)	(22,435)
Realised gains/(losses) on disposal	(1,963)	(3)
Unrealised gains/(losses) on revaluation	(10,669)	7,050
Fair value at 31 March 2023	162,067	176,410
Cost at 31 March 2023	149,633	151,808

The share portfolio was valued by Charles Stanley & Co. Limited based on the mid market price at 31 March 2023.

19 Unquoted investments

	2023	2022
	£	£
Dorset Museum Trading Company Limited - 1 ordinary share of £1 each (at cost)	1	1

The company is incorporated in England and has an authorised and issued share capital of 1 ordinary share of £1 each. The principal activity of the company will be retail. It has remained dormant since incorporation.

20 Stocks

	2023	2022
	£	£
Goods for resale	11,000	11,000

21 Debtors

	2023	2022
	£	£
Trade debtors	27,567	24,653
Prepayments and accrued income	1,709	2,840
Other debtors	85,564	9,968
	114,840	37,461

22 Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans	-	992,667
Trade creditors	21,188	22,690
Accruals and deferred income	67,112	161,425
Taxation and social security	9,055	4,338
Other creditors	4,864	10,081
	102,219	1,191,201

23 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Loans	1,815,000	1,122,333

The payment terms and interest rate were renegotiated this year as follows:

A new loan agreement was reached with Dorset County Council in August 2022. The loan repayments have been paused until April 2024. Interest is charged on the loan at 3.83% and is repayable over 20 years to 31 March 2044. The loan is secured against a second charge on the freehold property known as Dorset Museum being 65 and 65A High Street, Dorchester, DT1 1XA.

24 Funds reconciliation

Unrestricted funds

	Balance at 01.04.2022 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2023 £
Unrestricted						
General fund	(917,792)	1,191,734	(474,442)	(1,207)	(37,632)	(239,339)
Designated funds						
Collections	1,034,916	-	-	-	-	1,034,916
Life membership	9,446	-	-	-	-	9,446
Dugdale Trust	941	-	-	-	-	941
Lift	5,000	-	-	-	-	5,000
Roberts Trust	-	30,000	(11,377)	-	-	18,623
	132,511	1,221,734	(485,819)	(1,207)	(37,632)	829,587
Pension reserve	(821,000)	-	(38,000)	-	649,000	(210,000)
	(688,489)	1,221,734	(523,819)	(1,207)	611,368	619,587

	Balance at 01.04.2021 £	*Income £*	*Expenditure £*	*Transfers £*	*Gains / losses £*	*Balance at 31.03.2022 £*
Unrestricted						
General fund	*(872,951)*	*837,849*	*(887,460)*	*(2,277)*	*7,047*	*(917,792)*
Designated funds						
Collections	*1,032,639*	-	-	*2,277*	-	*1,034,916*
Life membership	*9,446*	-	-	-	-	*9,446*
Dugdale Trust	*941*	-	-	-	-	*941*
Lift	*5,000*	-	-	-	-	*5,000*
	175,075	*837,849*	*(887,460)*	-	*7,047*	*132,511*
Pension reserve	*(979,000)*	-	*(51,000)*	-	*209,000*	*(821,000)*
	(803,925)	*837,849*	*(938,460)*	-	*216,047*	*(688,489)*

24 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2022 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 31.03.2023 £
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	9,938,589	-	(1,612,441)	-	-	8,326,148
Other funding	3,943,911	-	-	-	-	3,943,911
Dewlish Mosaic Public Appeal	50,025	-	(50,025)	-	-	-
Dorset Archaeological Committee	48,856	-	-	-	-	48,856
Jurassic Coast Gallery	9,974	-	(9,974)	-	-	-
Monograph Fund	8,042	-	-	-	-	8,042
Museum Makers	(1,207)	-	-	1,207	-	-
Gentleman's Magazine	3,001	-	-	-	-	3,001
WDDC Social Inclusion	885	-	(885)	-	-	-
Funds under £1,000	835	-	-	-	-	835
Barnes - Dugdale portrait	382	-	(382)	-	-	-
Treasure Acquisitions	3,256	-	-	-	-	3,256
Museums Partnership	8,020	-	-	-	-	8,020
The Ann James Fine Art Acquisition	5,000	-	-	-	-	5,000
	14,019,569	-	(1,673,707)	1,207	-	12,347,069
Endowment funds						
Charles Hansford	500	-	-	-	-	500
	14,020,069	-	(1,673,707)	1,207	-	12,347,569
Total funds	13,331,580	1,221,734	(2,197,526)	-	611,368	12,967,156

Notes to the Financial Statements for the Year Ended 31 March 2023

24 Funds reconciliation (continued)

Restricted funds

	Balance at 01.04.2021 £	*Income* £	*Expenditure* £	*Transfers* £	*Gains / losses* £	*Balance at 31.03.2022* £
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	*11,279,178*	*554,816*	*(1,895,405)*	-	-	*9,938,589*
Other funding	*3,943,911*	-	-	-	-	*3,943,911*
Dewlish Mosaic Public	-	*50,025*	-	-	-	*50,025*
Dorset Archaeological Committee	*48,856*	-	-	-	-	*48,856*
Jurassic Coast	*9,974*	-	-	-	-	*9,974*
Monograph Fund	*8,042*					*8,042*
Museum Makers	*(1,207)*					*(1,207)*
Gentleman's Magazine	*3,001*	-	-	-	-	*3,001*
WDDC Social	*885*	-	-	-	-	*885*
Funds under £1,000	*813*	*100*	*(78)*	-	-	*835*
Barnes - Dugdale portrait	*382*	-	-	-	-	*382*
Treasure Acquisitions	*8,256*	-	-	*(5,000)*	-	*3,256*
Museums Partnership	*8,020*	-	-	-	-	*8,020*
The Ann James Fine Art Acquisition	-	-	-	*5,000*	-	*5,000*
	15,310,111	*604,941*	*(1,895,483)*	-	-	*14,019,569*
Endowment funds						
Charles Hansford fund	*500*	-	-	-	-	*500*
	15,310,611	*604,941*	*(1,895,483)*	-	-	*14,020,069*
Total funds	*14,506,686*	*1,442,790*	*(2,833,943)*	-	*216,047*	*13,331,580*

24 Funds reconciliation (continued)

Unrestricted funds

- The general fund represents the free funds which are not designated by the Board, for particular purposes.
- Designated funds represent money set aside for specific purposes at the discretion of the Board.
- The collections designated funds represents the net book value of the collections held within heritage assets.
- The pension reserve represents the notional funding deficit calculated under FRS102 in respect of the charitable company's pension scheme advised by the scheme actuary.
- The revaluation reserve is required under the Companies Act 2006 and represents the difference between the historic cost and market value of investments, at the Balance Sheet date.

Restricted funds

- The Dorset Archaeological Committee fund represents money received specifically for the committee.
- The treasure acquisition fund represents monies raised to purchase specific artefacts.
- Where funding is agreed in advance, but only paid on receipt of invoices, funds may go into deficit temporarily.
- Where funds are raised for a particular asset, a transfer is made to the relevant fund when the asset is capitalised.
- Archaeology gallery fund represents funds raised from the public, members and trusts towards the archaeology redevelopment.
- Tomorrow's Museum for Dorset:
  - Heritage Lottery Fund represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Other funding represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Development appeal fund represents unspent funds raised from the public, members and trusts towards the museum redevelopment.
- Other funds represent monies raised for a particular purpose or project.
- Museums Partnership fund represents a grant towards collections assistants salaries.
- Dewlish Mosaic Public Appeal are funds towards the purchase of Dewlish Mosaic which proved to be successful.
- The Ann James Fine Art Acquisition Fund was a legacy from the late Mrs Ann James and is dedicated to the purchase of fine art for the museum to a total value of £5,000.

Endowment funds

- The Charles Hansford fund, which is permanent endowment fund, represents a bequest made in 1910. Interest arising from the investment, which is restricted, is to be utilised towards the maintenance and benefit of the museum and library.
- Heritage assets are capital assets held for conservation and preservation purposes and are therefore shown as expendable endowment. The balance of collections has been transferred to designated funds and the museum and gallery improvements have been transferred to restricted funds during 2020; as the purposes of the funds did not meet the requirement of an endowment fund.

Notes to the Financial Statements for the Year Ended 31 March 2023

25 Analysis of net assets between funds

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Fixed assets	1,589,520	12,887,417	-	14,476,937
Cash and current investments	491,098	-	500	491,598
Other current assets / liabilities	563,969	(540,348)	-	23,621
Creditors more than one year	(1,815,000)	-	-	(1,815,000)
Provisions / pensions	(210,000)	-	-	(210,000)
	619,587	12,347,069	500	12,967,156

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Fixed assets	1,924,815	14,317,102	-	16,241,917
Cash and current investments	175,236	-	500	175,736
Other current assets / liabilities	(845,207)	(297,533)	-	(1,142,740)
Creditors more than one year	(1,122,333)	-	-	(1,122,333)
Provisions / pensions	(821,000)	-	-	(821,000)
	(688,489)	14,019,569	500	13,331,580

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

	2023 £	2022 £
Net income / (expenditure) for the year	(1,096,318)	(1,379,768)
Dividends received	(4,490)	(4,153)
Rents received from investment properties	(2,288)	(4,980)
Interest receivable	(1,942)	(14)
Interest payable	78,721	64,763
Depreciation and impairment of tangible fixed assets	1,472,863	1,471,296
(Gains) / losses on investments	10,669	(7,050)
(Profit) / loss on disposal of tangible fixed assets	(482,176)	11,902
(Profit) / loss on disposal of fixed asset investments	26,963	3
Post-employment benefits less payments	38,000	51,000
(Increase) / decrease in stock	-	(11,000)
(Increase) / decrease in debtors	(77,379)	1,117,423
Increase / (decrease) in creditors	(396,315)	(976,633)
	(433,692)	332,789

27 Related party transactions

There were no related party transactions during the year.

28 Contingent liability

Grants received from the National Heritage Memorial Fund amounting to £12,898,957 (total received so far) as at 31 March 2023 may become subject to partial repayment in the event that the assets built, with the funds provided, are sold (2023: £12,537,756). The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.

29 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £19,586 (2022: £19,939).

Defined benefit pension plans

The charity operates a defined benefit pension plan for qualifying employees providing benefits based on career average revalued earnings. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

It is the Dorset County Pension Fund, a Local Government Pension Scheme, which is a contracted-out defined benefit multi-employer pension scheme.

The assets of the defined benefits scheme are held separately from those of the charitable company. The scheme is funded by contributions from the employees and participating employers, in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2022.

At the year end there were contributions due to the scheme totalling £90 (2022: £2,916) which are included in creditors.

The scheme is a funded defined benefit pension scheme, with assets held in separate Trustee administrated fund, The total contributions made for the year ended 31 March 2023 were £23,753 (2022: £29,298), of which the employer contributions totalled £19,534 (2022: £23,115) and employees' contributions totalled £4,219 (2022: £6,183). The current rates for future years are 18.3% (2022: 18.1%).

The total cost recognised in the period was as follows:

	2023 £'000	2022 £'000
Current service cost	36	54
Net interest income / expense	21	19
Administration expenses	1	1
Recognised in net income / expenditure	58	74
Recognised in other gains / losses	-	-
Total cost recognised	58	74

29 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

Amounts recognised in the balance sheet were as follows:

	2023 £'000	2022 £'000
Present value of funded obligations	1,372	2,054
Fair value of plan assets	(1,162)	(1,233)
	210	821

The pension expenditure for the year was £38,000 (2022: £51,000). The remeasurement gain on the defined benefit pension plan was £649,000 (2022: £209,000).

Changes in the present value of the defined benefit obligations were as follows:

	2023 £'000	2022 £'000
Opening defined benefit obligation	2,054	2,109
Current service cost	36	54
Past service cost	-	-
Interest expense	53	42
Actuarial (gains) / losses	-	-
Change in financial assumptions	(896)	(123)
Change in demographic assumptions	(49)	-
Experience gain/ loss on defined benefit obligation	209	5
Contributions by scheme participants	4	6
(Estimated) benefits paid (net of transfers in)	(39)	(39)
Closing defined benefit obligation	1,372	2,054

Changes in the fair value of the pension plan assets were as follows:

	2023 £'000	2022 £'000
Opening plan assets	1,233	1,130
Interest income	32	23
Actual return on plan assets (excluding interest income)	(89)	91
Other actuarial gains / (losses)	2	-
Administration expenses	(1)	(1)
Contributions by charity (included unfunded)	20	23
Contributions by scheme participants	4	6
(Estimated) benefits paid (plus unfunded net of transfers in)	(39)	(39)
Closing plan assets	1,162	1,233

The total return of the fund assets for the year to 31 March 2023 was a loss of £57,000 (2022: surplus of £114,000).

29 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2023 £'000	2022 £'000
Equity instruments	724	656
Debt instruments (bonds)		
Gilts	6	153
Other bonds	76	62
Property	94	115
Other assets		
Cash	19	25
Diversified Growth Fund	78	81
Infrastructure	88	84
Multi Asset Credit	77	57
	1,162	1,233

The principal actuarial assumptions used were as follows:

	2023 %	2022 %
Discount rate	4.80	2.60
Expected rates of salary increases	3.85	4.20
Expected rates of pension increases	2.85	3.20
Expected rate of inflation - RPI	n/a	n/a
Expected rate of inflation - CPI	2.85	3.20

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

	2023 years	2022 years
Retiring at the balance sheet date		
- Males	22.2	23.1
- Females	24.2	24.7
Retiring in 20 years		
- Males	23.5	24.4
- Females	25.6	26.1

30 Leases

Total future minimum lease payments under non-cancellable operating leases

	2023	2022
	£	£
Not later than one year	41,834	42,722
Later than one year but not later than five years	3,757	26,479
	45,591	69,201

31 Financial instruments

The carrying amounts of the charity's financial instruments measured at fair value through net income / expenditure are as follows:

	2023	2022
	£	£
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset investments	162,998	427,260
Measured at amortised cost		
- Debt instruments	604,729	210,357
	767,727	637,617
Financial liabilities		
Measured at amortised cost	1,917,219	2,313,534

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

Income and expense		
Financial assets measured at fair value through net income / expenditure	4,490	4,153
Net gains and losses		
Financial assets measured at fair value through net income / expenditure	(12,632)	7,047

THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales - Charity number 1062400

Accounts

Registered Company No. 3362107

Registered Charity No. 1062400

The Dorset Natural History and Archaeological Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

The Dorset Natural History and Archaeological Society

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The Dorset Natural History and Archaeological Society

Reference and Administrative Details

Charity Name	The Dorset Natural History and Archaeological Society
Other Names	Dorset Museum
Trustees	Ms T R Chevalier Dr A J Fleet (to December 2021) Mr D J French Ms S James Mrs J M Lang Mrs S E Merriott Dr J E Murden (to December 2021) Ms T M Parsons Mr J J R Pope (to December 2021) Mr J S Smyllie (from December 2021) Mr A H Walters (to December 2021) Mrs S A H Welton Ms M Wood (from December 2021)
Registered Office	Dorset Museum 66 High West Street Dorchester Dorset DT1 1XA
Company Registration Number	3362107
Charity Registration Number	1062400
President	Susan, Lady Bradbury
Vice-Presidents	Mr A J H du Boulay FSA (to January 2022) Mr R N R Peers MA FSA FMA Mr G A L-F Pitt Rivers OBE DL Mrs P Seaton Sir P Williams Bt. Mrs G Yarker BEM FSA
Past Presidents	The Countess of Sandwich Mr G A L-F Pitt Rivers OBE DL Captain M Fulford-Dobson CVO OBE RN
Dorset Council Appointed Representative	Cllr S Bartlett
Officers and staff	
Executive Director	Dr J E Murden (to December 2021)
Interim Director	Ms E Selby (from January 2022)
Director of Collections and Public Engagement	Ms E Selby (to December 2021)
Commercial Director	Mr R Maughan
Museum Secretary	Mrs A Butler
Secretarial Support	Miss A Gundry
Curator	Dr J Cripps
Collection Assistants	Ms K Broomfield, Miss C King (to September 2021) Miss E Mordue (from January 2022)

Officers and staff Continued

Collections Manager	Ms K Broomfield (from October 2021)
Exhibition Manager	Ms L Johnston
Head of Learning	Mrs E Talbot
Learning and Community Outreach	Ms H Eastwood (to October 2021) Mrs A Briggs (from January 2022)
Head of Marketing	Mr D Goulden (to March 2022)
Marketing Officers	Miss A Moore and Mr M North
Head of Visitor Services	Mrs G Hurlstone, Miss M Broadbent
Retail Manager	Mrs A Smith
Visitor Services Assistants	Miss A Cartwright, Ms B Jackson, Miss C Backhouse (to January 2022) Mrs S Kenyon, Ms P Lee, Mrs D Marsh, Mrs C McLaren, Mr K Nash, Mrs J Nash (to March 2022) Ms A Wilson
Facilities Manager	Mr M Pettit
Technical Services	Mr J Stone, Mr G Pendleton
Finance Manager	Mrs L Cartwright
Membership Officer	Mrs P Harding
Events Team	Mrs G Hurlstone, Mrs P Harding, Mrs H Barnett
DNHAS Editor	Dr C Randall

Auditors

Scott Vevers Ltd
Chartered Accountants and Registered Auditors
65 East Street
Bridport
Dorset
DT6 3LB

Bankers

Lloyds Bank plc
1-2 High West Street
Dorchester
Dorset
DT1 1UG

Solicitors

Humphries Kirk
40 High West Street
Dorchester
Dorset
DT1 1UR

Investment Advisors

Charles Stanley & Co Ltd
Mey House
Bridport Road
Poundbury
Dorchester
Dorset
DT1 3QY

The Dorset Natural History and Archaeological Society

Trustees' Report (Including Directors' Report)
Year Ended 31st March 2022

Introduction
The Trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the Charity for the year ended 31st March 2022, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the Charites Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Reference and Administrative Details
Administrative information is given in a separate section at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT
The Dorset Natural History and Archaeological Society ("the Society", "DNHAS") is an educational charity which is an incorporated charitable trust and a company limited by guarantee (Charity number: 1062400 Company number: 3362107). The Society and its Museum, the Dorset County Museum, is owned by its members. The members elect a Board of Trustees who are responsible for the overall strategy of the Society and its Museum. The charity is variously referred to throughout this report as either "the Charity", "the Society" or "the Company".

The governance of the Society and its Museum is set out in Articles of Association approved by Companies House and the Charity Commissioners and registered on 7 December 2012. In addition, there is a set of 'Regulations' which were adopted by the Board of Trustees of the Society at a meeting held in July 2014 and further updated in February 2020 and January 2021. They are a revised version of the 'Rules of the DNHAS' adopted in March 1998. They reflect the Board's current understanding of the governing Articles of Association and provide supplementary details relevant to their practical application in the operation of the Society.

Directors and Trustees
The Directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:
Dr A J Fleet (Chair) (to December 2021)
Ms T R Chevalier
Mr D J French
Ms S James
Mrs J M Lang
Mrs S E Merriott
Dr J E Murden (executive Director & CEO to December 2021)
Ms T M Parsons
Mr J J R Pope (to December 2021)
Mr J S Smyllie (elected December 2021)
Mr A H Walters (to December 2021)
Mrs S A H Welton
Ms M Wood (elected December 2021)

Dorset Council Representative
Cllr S Bartlett

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.

Ten of the Trustees are elected by members of the Society at the Society's Annual General Meeting following a call for nomination to members and external advertisement. These ten Trustees serve a three-year term with the option of offering themselves for a second three-year term. (Trustees who have served for six years are not eligible to stand for re-election without a period of at least one year out of office). The remaining two Trustees are the Executive Director and a Trustee appointed by the Dorset Council. New Trustees are introduced to the governance, objectives and activities of the Society by the Executive Director and Board Chairman and provided with Charity Commission advisory documents.

The Board of Trustees has ultimate responsibility for the Society and its Museum. The Board sets overall strategy and makes decisions on all major policy and constitutional issues. It is responsible for the final approval of the annual budget and accounts, ensuring the solvency of the Society and safety of its assets. All Trustees sign a declaration of their eligibility to stand and record relevant details in a Conflict of Interest Register which is updated annually. The Board meets quarterly but keeps the frequency and effectiveness of its meetings under review. The Regular subcommittees and working groups of the Board are:

- The Personnel Committee of the Board, which keeps pay and remuneration for staff under review and proposes changes to the Board for its approval. The Committee uses publicly available pay data within the museum sector as a benchmark for this.

- The Finance Committee of the Board, which monitors and helps set both revenue and capital budgets for the Society and its Museum. It also oversees and scrutinises matters relating to the Society's investments, pensions, reserves and financial policies.

- The Dorset Archaeological Committee, which oversees archaeological academic research and field work taking place across the county.

The Society and its Museum are managed and developed by the Executive Director and the staff in accordance with the strategy, and within the budget, set by the Board. The Executive Director and staff are supported in delivering these activities by a large number of volunteers.

The Board and staff use the Museum Accreditation rules of the Arts Council of England (ACE) and the policies of the Museums' Association and Association of Independent Museums as guidelines in operating and developing the Museum. As a result of the ongoing development as part of the Tomorrow's Museum for Dorset project and its temporary closure due to building work between October 2018 and May 2021, the Museum currently has Provisional Accreditation status with ACE.

The Museum is a member of the Wessex Museums Trust, which has been recognised as an ACE National Portfolio Organisation for the period 2018-2022. The Society is represented on the Wessex Museums Trust's board by the Executive Director.

OBJECTIVES AND ACTIVITES

The objectives of the Society are:

- The advancement of education for the general benefit of the public in the areas of archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset;
- The acquisition, preservation, conservation, exhibition and development (as far as possible) of collections relating to archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset.

To achieve these objectives for the public benefit the Society maintains and develops the Dorset Museum and provides learning, teaching, information (including through public lectures, performances, and publications) and is a forum for debate about Dorset. The development of the collections over 150 years has provided a record of the story of Dorset from its geological roots 250 million years ago to the present. Continuing acquisition and management of the collections augments this rich heritage.

The Society uses its collections to curate permanent exhibitions in the Museum and so tell the story of Dorset and its people, explaining why it is like it is and its possible future. Together with activities for educational and other groups these exhibitions provide an accessible, inclusive and entertaining gateway to the natural and cultural heritage of Dorset for all. In addition, the collections are made available to researchers and other scholars for study and investigation either at the Museum or through loans. Items from the collections are also loaned to other museums for exhibition.

The success of these activities in achieving the Society's objectives is assessed in terms of numbers of visitors and of the users of the collections, and the qualitative feedback they give. The numbers of educational and other groups, the individuals involved and the feedback they provide, gives the Museum further quantitative and qualitative data, as does evaluation of the number attending events, such as lectures, and using publications. Where achievable, economic and other impacts on the community are assessed through targeted studies. The income generated from the activities compared with the expenditure needed to undertake them provides critical measures of financial short-term viability and long-term sustainability.

The Tomorrow's Museum for Dorset Project

To enhance these activities and enable a full range of sustainable operations, the Society has been delivering a major re-development project – the Tomorrow's Museum for Dorset (TMD) Project – which cost £16.3m. The project secured £12.4m of support from the National Lottery Heritage Fund and delivered new permanent displays, a Special Exhibition gallery, learning resources, collections storage facilities, a renewed public face with additional capacity for income generation from retail activities as well as a strengthened and improved staff and volunteer structure. The Society had four key strategic aims for the Project which will deliver a range of outcomes and outputs:

Strategic aims	*Outcomes*	*Outputs*
1. To reach a larger and broader audience – from local communities to tourist visitors – and encourage deeper engagement with the collections	To double visitor numbers to a baseline figure of 100,000 per annum. A broader visitor demographic, including families and those from more difficult to reach backgrounds. Increased levels of satisfaction, enjoyment and engagement among our audiences, more repeat visits. A reputation for great temporary exhibitions, which will show Dorset to the world and the world to Dorset.	A wider, more diverse range of high-quality heritage learning experiences. A new learning centre and enhanced education offer. Using the collection to provide new resources for the teaching of prehistory and science as part of the national curriculum. Increased access for adults and community groups, and long-term learning partnerships with local health and wellbeing agencies.

2. To own Dorset's stories and tell them in bigger and bolder ways	Increased awareness and understanding of our collections and stories. Wider recognition of Dorset's 250 million year history and its international importance in palaeontology, geology, literature and social history. Heritage becomes an essential part of any visit to Dorset.	New galleries that showcase the Museum's nationally and international collections in an inspiring and accessible way, catering for varying levels of prior knowledge. Interpretation that celebrates and promotes understanding of the most important and fundamental principles of natural and human history
3. To care for the collections to the highest standards and enable their development for the future, and to enable visitors to understand the work done with the collections.	An engaging interface between the traditionally separated public and private spheres of the Museum. A safe conservation environment and sustainable future for the heritage our collection represents. A sustainable level of appropriately skilled and knowledgeable remunerated staff and volunteers to care for the collections.	Visitors able to see the stored collections and have the opportunity to get involved with the everyday conservation and collections management of the museum as part of their visit. All the collections in a fit for purpose home. Additional collecting capacity for Dorset's strategically important collections, including storage space, conservation and research facilities.
4. To be a financially and operationally sustainable museum.	An operating model (including trading subsidiaries) that generates the level of income required for the successful operation of the museum. Contribution to the physical and economic regeneration of Dorchester's urban conservation area. An exemplar model of volunteering at the heart of a modern museum.	Facilities and a public programme that maximises self-sustaining income from admissions, trading, membership and support in-kind from volunteers. Forward facing retail and catering operations, which appeal to visitors and non-visitors alike. A programme of events and opportunities for use of our venue by others that will both generate income and encourage the widest possible use of the museum.

In undertaking all these activities and the *Tomorrow's Museum for Dorset* project the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

Overview

Elizabeth Selby, Interim Director and Jean Lang, Chair of the Board of Trustees
April 2021 to March 2022 was a year of celebration and new challenges. The Museum reopened on 28 May and we started the work of becoming a thriving operational organisation once again. Although the majority of the building work and refurbishment was complete, we continued to work on building snagging and the delivery of the Activity Plan for the *Tomorrow's Museum for Dorset* project including our schools, exhibition, events and community engagement programme.

Opening a new Museum at the tail end of a global pandemic was not what the Museum had predicted in its years of planning, but despite the various challenges (including the need to get back the confidence of our visitors to pre-pandemic levels), we are fortunate that we've not had to close the Museum since reopening.

Shortly after reopening, the Museum was shortlisted for a Kids in Museums Family Friendly Museum award for Best Small Museum. Although we did not win, shortlisting was a huge achievement for us, and recognition of the work that went into ensuring that the new Museum was family friendly and interactive. In July, we were visited by Visit England for our Attraction Visit Report and received an overall quality score of 90%. The assessor commented on the quality of displays and interpretation and we were subsequently presented with a 'Best Told Story' accolade, awarded to visitor attractions that tell their stories in a memorable and creative way. In March 2022 we were delighted to be longlisted for the Art Fund Museum of the Year award. Although we did not make the shortlist, we were honoured to have got so far in what is a highly competitive national award.

In addition to these accolades, we have received fantastic feedback from visitors on the quality of the displays and interpretation, both in person at the Museum and via our various social media channels and review sites such as Trip Advisor.

The *Tomorrow's Museum for Dorset* project not only enabled us to transform our building and the facilities we offer, but also enabled us to expand and develop our staff team. The Museum is fortunate to have retained staff who contributed so much to the project and developed skills and knowledge as a result. The new Museum also required us to expand and develop new roles for our volunteers, and we are hugely grateful to those who have remained with us throughout the project, and those who have come on board since the Museum reopened. Many of the latter are gallery stewards and library supervisors, two new roles that were created to serve the new needs of the Museum. Together with the rest of our team, these volunteers ensure that visitors receive a friendly and informative welcome and enable our Library to be open to all visitors throughout the week.

A key area of work for the Museum team following the completion of the building was to ensure that there was a vibrant programme of exhibitions, events and other activities to complement the new building and its facilities. The year saw the delivery of an engaging programme of special exhibitions, including the notable *Scene through Wood* exhibition from the Ashmolean Museum, Oxford. A monthly lecture series began in November 2021 with novelist Tracy Chevalier discussing how place informs her writing. The Museum also delivered a number of creative workshops for both families and adults.

We cannot progress as a Museum unless we have the funds to do so. Many of our visitors do not understand that unlike the great City museums we do not get state funding and cannot open for free. Achieving financial sustainability has to be a core objective. We were enormously grateful to Dorset Council for their financial support to get us to completion of *Tomorrow's Museum for Dorset* but their loan has to be repaid and we have lots of other projects for which funds are needed. The Board is very aware that we need to increase income from more visitors, from corporate sponsors, individuals and Trusts. Since our reopening the Museum team has been working to develop diverse income streams to ensure the continued survival of the Museum. These have included the hire of our new spaces for external organisations and promoting the Museum as an exciting and unusual wedding venue with greatly increased use of the Victorian Hall.

In December 2021 Executive Director Dr Jon Murden (who had been with the Museum since 2009) left us to take up the role of Chief Executive of the National Motor Museum at Beaulieu, as a classic car enthusiast a dream job. Elizabeth Selby, who joined the Museum as Exhibition Development Manager in 2016 (subsequently becoming Director of Collections and Public Engagement in 2018) became Interim Director.

Collections Management

Tomorrow's Museum for Dorset project delivery
At the start of the 2021-2022 financial year, the Museum's collections team was busy completing the installation of the new galleries as part of the *Tomorrow's Museum for Dorset* project. The small but dedicated team of curatorial, learning and community engagement staff worked creatively and resourcefully, with our team of external contractors, to complete four new stunning permanent galleries in time for the Museum's opening on 28 May 2021. Despite the pressure to get our permanent galleries open, we were also able to open with temporary exhibitions in both our new Special Exhibitions Gallery and Community Space.

Collections Discovery Centre and collection documentation
The new Collections Discovery Centre (CDC) in the basement of the Museum's new extension provides optimal, stable storage for a good proportion of the Museum's collections, as well as conservation and research workrooms. The Centre has been the focus of work for the collections team following the Museum's reopening, with the support of volunteer teams.

The development of the CDC has gone hand-in-hand with the procurement of a new Collection Management System (CMS) to catalogue all of the Museum's collections. The new system went live in May 2021, and includes the transfer of existing access databases numbering around 180,000 records. While there is a huge amount of work involved in cleaning up existing data, sorting out duplicate records and ensuring standardisation of terminology, the implementation of the new database creates a clear way forward for staff and volunteer teams to ensure the centralisation of collections information and compliance with SPECTRUM, the UK collection management standard.

The CDC has almost 2,000 unique locations that have been entered into the new database. A major objective of 2021-22 was to start the process of ensuring objects entering the CDC had an inventory level record on the database and that their new location was recorded.

The move of collections destined for a new home in the CDC has been slow and complicated. The original plan had been to start the move of Collections back from external stores into the new store concurrently with the build and installation of the new galleries, but Covid-19 delayed this. The first priority has been to complete the move of collections from the Museum's Colliton Street store, most importantly Natural History. This collection was at risk from pest damage and each item from the store needed to be packed and frozen prior to its move to the CDC. This particular task was finally completed in spring 2022.

Other collections that have been prioritised in the move to the CDC include human remains from the archaeology collection, which have a designated area in the new store, fine art and costume and textiles.

A major objective of the *Tomorrow's Museum for Dorset* project was to break down the barriers between the back-of-house functions with regard to the care and management of the Museum collections, and the general visitor experience. Creating a visible store has partially achieved this, but in our first year of opening we made strides to ensure that visitors had opportunities to see work going on behind the scenes. This included public tours of the Collections Discovery Centre – including four tours offered during Heritage Open Days in September, and a special Elisabeth Frink CDC tour, for a Frink themed open evening in November. We also had conservators carrying out work in the visible Conservation Studio, and fossil preparation from a member of the Jurassic Coast Trust team.

Acquisitions
In July 2021 we acquired a further bronze sculpture from the Elisabeth Frink estate, *Tribute III* (1975) as well as a collection of medals awarded to the artist including Dame of the British Empire medal awarded in 1982, Order of the Companion of Honour awarded in 1992, and the Royal Society of British Sculptors medal awarded in 1993.

The Museum continued to acquire contemporary objects relating to Covid-19 and also collected objects relating to the climate emergency.

Loans
The recently acquired *Tribute III* (1975) bronze sculpture by Elisabeth Frink was loaned to Messums Wiltshire for the exhibition *Man is an Animal*, running from September 2021 to January 2022.

An assortment of Neolithic objects from Hambledon Hill, including human remains, pottery and a stone axe were loaned to the Federal State Museum for Archaeology in Herne, Germany, for the exhibition *Stonehenge - Of People and Landscapes* from September 2021 to September 2022. The archaeologist and broadcaster Julian Richards worked with the Herne Museum to curate the exhibition, which was previously shown at MAMUZ in Austria in 2014 and included objects on loan from us.

The Early Bronze Age burial assemblage from Clandon Barrow was loaned to Halle Museum of Prehistory, Germany for the exhibition *The Nebra Sky Disc – New Horizons* between June 2021 and January 2022.

The aforementioned Clandon Barrow burial assemblage was loaned to the British Museum's major exhibition *The World of Stonehenge* along with an assortment of other Neolithic and Early Bronze Age objects, between February and July 2022.

Special exhibitions programme
At the rear of the new building our Special Exhibitions gallery offers 180m^2 of purpose-designed, Government Indemnity Standard exhibition space, connected to our back of house facilities. This new space can host large, single touring exhibitions using either the whole room or dividing it into smaller sections. Our Community Space, which is at the front of the building and connected to our Welcome Area, can display smaller exhibitions with a community theme.

We opened the new Museum in May 2021 with two temporary exhibitions in place. ***Alchemy: Artefacts Reimagined*** was installed in the Special Exhibitions Gallery and ran between 28 May – 5 September 2021. This exhibition was a collaboration with the Wessex Museums Partnership, working with artist-in-residence Anne Marie James, who responded to an archaeological artefact in each of the partner museum's collections. The exhibition successfully show-cased the new exhibition space as a place to display contemporary art.

We also opened a small exhibition in our Community Space entitled ***A Museum in the Making*** (28 May – 24 November). This exhibition told the story of the building of the new Museum through 16 pen and watercolour drawings by local artist and Museum volunteer Peter Runeckles.

In October 2021, we opened our second Special Exhibitions Gallery exhibition, **Elmer and Friends: The Colourful World of David McKee**, which ran until January 2022. A touring exhibition from Seven Stories: National Museum of Children's Literature, this created an opportunity to continue to engage with family audiences and develop our Under-5s offer, with whom it has proved particularly popular. On 2 December 2021, our second Community Space exhibition opened - ***My Creative Life: Talking Heads*** ran until 6 March, the culmination of a project delivered during the summer of 2021 with a group of people with learning difficulties and mental health challenges. Participants explored themes of isolation and personal experiences during lockdown.

Quiet Revolutions was a display of six ceramic pieces by artist Amanda Chambers (RWA, MRSS) forming an 'intervention' within the Museum's Artists' Dorset Gallery. Running from January to March 2022 in conjunction with LGBTQ+ history month, the works were inspired by the lives of Sylvia Townsend Warner and Valentine

Ackland.

In February 2022 we opened **Scene Through Wood: 100 years of wood engraving,** which ran until 1 May 2022. An exhibition from the Ashmolean Museum, it celebrated wood engraving, one of the most skilful and creative forms of visual art. It explored themes from storytelling to the natural world through the work of artists such as Peter Blake, Ann Desmet and Mark Escher, and included a specially curated display of work by Reynolds Stone from the Museum's collections and on loan from Humphrey Stone, the late artists' son.

A Virus a Day running from March to May 2022 **was an exhibition in our Community Space** exploring the textures, colours, techniques and personal stories stitched into Antje Rook's quilt created in response to Covid-19.

Learning and Engagement
During the run up to reopening in May 2021, the Learning and Engagement Team worked to relocate to the John White Learning Centre, prepare for the first pilot events for schools during the school summer term, and develop and deliver a number of significant and impactful projects.

Formal Schools Programme
Six First Schools were invited to participate in a series of pilot programmes during May - June 2021. Aimed at Key Stage 2, these pilot sessions enabled the Learning Team to fine-tune the core schools programme delivery. The workshops were well received during the pilot phase, and as a result, rolled out to the wider school network from September 2021 onwards.

A bespoke Early Years workshop was also developed and offered during the *Elmer and Friends* exhibition between May and December 2021. Dorset Museum's Learning Team looked to collaborate with Dorset Reading Partners on the delivery, however unfortunately very few schools took up the offer due to Covid anxiety. The handful of workshops that were delivered, were well received and the Learning Team look to incorporate a core Early Years programme going forward.

The team also coordinated a photoshoot to support marketing of the formal schools programme.

Teacher open evening July 2021
Teachers from across Dorset were invited to explore the new Museum and meet the Learning Team during an informal evening. Around 80 teachers from a variety of schools attended.

Schools and young people engagement projects

Elmer and Friends exhibition

Alongside the formal learning programme aimed at Early Years, a series of art-based family workshops was delivered, inspired by the Elmer and Friends exhibition. Funding was also granted from the Mansel-Pleydell Trust enabling the design and decoration of an Elmer sculpture and subsequent tour of six libraries across Dorset. The Elmer sculpture project was supported by artist Caroline Parrott and 90 pupils from Wyke Regis Primary Federation.

Explore: Urban Nature Programme

In partnership with the Natural History Museum and ten other museums, this three year national programme looks to start a new urban nature movement and provide people with the motivation and tools to safeguard nature in towns and cities. The development phase of the project took place during 2021. This also included preliminary discussions with the Dorset Area of Outstanding Natural Beauty team with a view to working in partnership locally to deliver an outreach element to the project with schools.

Songlines
Working with Dorchester Arts, Geof Edge, DASP Music and local community choirs, this intergenerational project used the rich resources offered by the Dorset Museum Lulworth Gallery: Natural Dorset as the basis for children and adults to compose, learn and perform a collection of original songs and music. Workshops were held throughout January - February 2022 at the Museum with over 500 Key Stage 2 pupils taking part as part of the first phase of the project.

Wessex Museums Climate Change Projects

In partnership with Wessex Museums, Dorset Museum worked with various groups of children and young people to discover, explore and learn about the topic of climate change and threats to our environment.

A series of workshops was held for 15 pupils from Budmouth College between September-November 2021 to investigate objects on display and consider the different stories there are to tell about climate change in the collection.

Climate Change Art Competition and Kids in Museum Digital Takeover
A former student at Budmouth College and now student at Southampton University worked with us to help launch activities for national Kids in Museum Take Over Day in November 2021. An art competition for schools was set up and the winning piece displayed in the Lulworth Gallery: Natural Dorset.

Fashioning our World
This project, led by Salisbury Museum, aims to create a model of working with young people to explore sustainability through historical fashion collections and share this model with the wider museum industry. Dorset Museum will work with Salisbury in the second year of the project to trial the model created and ensure it is practical and usable for the wider museum community. During 2021-2022 Dorset Museum began scoping the work required in preparation for delivery in 2022 - 2023.

Community Engagement Projects

Environment and Me
This project, exploring and making connections to the themes of climate change and the environment using the Museum's collection was delivered in partnership with People First Dorset and artist Sarah Acton. Funded by Wessex Water and Wessex Museums Partnership the project involved ten participants with learning disabilities, who took part in a series of ten workshops between August and October 2021. A celebration and pop up exhibition was held during March 2022 attended by 50 friends and family members of the participants.

My Creative Life – Talking Heads
In partnership with Dorset Council and The Arts Development Company, and facilitated by Janna Edwards of 15 Days in Clay, this project focussed on engaging adults with learning disabilities, young men with mental health problems, and elderly people with early on-set dementia. The ten workshops held between May and July 2021 allowed the eight participants to reflect on their experiences of Covid through work with clay. The pieces became part of an impactful Community exhibition held in the summer of 2021.

Sensing the Past
This project was developed in consultation with potential participants and a group leader at the Dorset Blind Association, who the Museum had initially worked remotely with during the first lockdown. Development work took place between January and March 2022, with the delivery of the project happening in late 2022, funded by Wessex Museums Partnership and working in partnership with Charmouth Heritage Coast Centre. The outcomes for the project include engaging eight visually impaired adults in a museum setting and on site at Charmouth, creation of audio recordings and physical objects inspired by the museum collections and a field visit that reflect a growing sense of belonging and connection to Dorset.

Community Quilt
To celebrate Dorset Museum and the community, staff, volunteers, community groups and members of the public were invited to take part in a project to create a community quilt inspired by our collection. The period January 2022 – March 2022 saw the launch of the project, which will continue into 2023.

Public Engagement activities

Artyfacts
A programme of collection inspired, art-based activities was developed and delivered each Sunday throughout term time and twice weekly during school holidays. Aimed at a family audience, these drop-in workshops enable creativity and play in a relaxed environment.

Dorchester Family Science Festival
In partnership with Dorchester Town Council, Bournemouth University and other organisations, Dorset Museum hosted the Dorchester Family Science Festival on Sunday 13 March 2022. Around 800 people enjoyed hands-on, science based activities throughout the Museum.

Bridport Prize writers in residence programme
During March 2022 we built relationships with Bridport Prize and took part in the development phase of a partnership project focussed on Black Writers in Residence at Dorset Museum.

Relaxed Openings for Families and Adults
The first opportunity for neuro-divergent children and their families to enjoy the museum was offered during March 2022. Families were welcomed to the museum during a relaxed evening.

Object handling
A programme of handling opportunities in the gallery was trialled during the first few months of re-opening. Initially in the People's Dorset Gallery, the learning team look to expand the programme to other galleries going forward.

S.T.A.R.T (Support Transition and Recovery Team) visits
S.T.A.R.T work with people who access support from Dorchester and Bridport Community Mental Health Teams. The group has been visiting the Museum regularly on Fridays. During January 2022 – March 2022 the learning team developed and delivered a programme of light touch activities, based on our collection for participants to engage with.

APPROACH TO FUNDRAISING

The Society retained Development Partners LLP throughout 2021/22 as a consultant to advise on fundraising strategy and to support the staff team with expertise on making application to specific trusts and foundations. The demands of the Tomorrow's Museum for Dorset project meant that fundraising towards the capital project remained the Society's priority. Despite the impact of Covid-19 in increasing the costs of the capital elements of the project and restricting our ability to carry out public campaigns, by the end of the 2020-21 Financial year sufficient funds had been pledged to the campaign to allow the successful completion of the project. This was the result of successful fundraising appeals and funding applications secured from a wide range of trusts and foundations, local authority sources, private donations, public contributions and corporate sponsorship.

The importance of this priority, and the size of the fundraising target set, meant that active fundraising to make a contribution towards day-to-day Society and Museum activities and expenses remained suspended. The exceptions to this were in relation to the purchase of mosaic pavement from Dewlish Roman Villa following the refusal by DCMS to grant it an Export Purchase Licence; and the purchase of archaeological objects discovered within Dorset and declared Treasure under the auspices of the 1996 Treasure Act. In both cases funds towards these acquisitions were raised from applications to the V&A Purchase Grant Fund, the Headley Trust Archaeological Fund and from Society members/ private individuals.

FINANCIAL REVIEW

Financial Report – Roger Maughan, Commercial Director
The accounts which are highlighted within this report show a trading period of some ten months following the re-opening of the Museum at the end of May 2021.

The ongoing impact from Covid 19 continues to challenge all businesses as consumer confidence has been severely affected and as such visitor numbers have not yet returned to pre Covid 19 figures. Government financial support for the Furlough Scheme, Business Grants and reduced levels of VAT have also been withdrawn during this accounting period.

Total income received for the year ending 31st March 2022 was £1,442,790 compared with £6,341,322 in 2021.

Total unrestricted income including investment gains for the year ending March 2022 was £844,896 with expenditure of £934,122 this included a depreciation amount of £17,002, thus showing a deficit of £89,226 before funds transfer.

Restricted fund income for the year ending 31st March 2022 was £604,941 with expenditure of £1,895,483 this included a depreciation amount of £1,454,294 which is related to the capital project.

Total funds carried forward as at the end of this fiscal year are £13,331,580 which consists of both fixed assets and current liabilities.

As noted elsewhere in the report and in the accounting policies the charity has developed forecasts and budgets that demonstrate its ability to repay the loans that are classified as due in more than one year from 31st March 2022.

Regarding the ongoing operational financial stability of the charity, a number of scenarios of differing annual visitor numbers due to the unknown impact of Covid-19 were developed, so that key income and cost budgets along with forecasts can be managed. Our investment portfolio which is managed by our agent Charles Stanley is continually monitored under strict guidelines therefore protecting our investments and reserves during this volatile time.

Our business model continues to evolve and with the introduction of a Wedding Licence we are now able to offer the Museum as the ideal Wedding Venue, this income stream along-with other Conferences and Events will assist in providing a financial sustainable future for the Museum.

RISKS

Risk logs for the Society and the Tomorrow's Museum for Dorset Project and maintained and kept under regular review. The main risks for each that were managed during 2021-22, along with their status at the final year end, were as follows:

Society / Museum Risks	Risk Management Status		Tomorrow's Museum Project Risks	Risk Management Status
Prolonged closure of Museum due to capital works	Ongoing monitoring and action as required		Increased scope / cost of work in historic buildings	Ongoing monitoring and action as required
Further delays and impacts due to Covid-19	Ongoing monitoring and action as required		Failure to secure pledged match-funding / cashflow support	Ongoing monitoring and action as required
Failure to achieve visitor targets / decline in membership	Ongoing monitoring and action as required		Poor contractor performance	Ongoing monitoring and action as required

Energy / Insurance price rises	Ongoing monitoring and action as required		Damaged relationships with neighbours / local community	Ongoing monitoring and action as required
Major building / infrastructure failure	Ongoing monitoring and action as required		Developed design exceeds available budget	Ongoing monitoring and action as required
Major catastrophe	Ongoing monitoring and action as required		Failure to renegotiate cashflow loan support in light of Covid-19 delays	Ongoing monitoring and action as required
Loss of key staff	Ongoing monitoring and action as required		Failure to sell surplus property holdings	Ongoing monitoring and action as required
Failure to address operational readiness planning	Ongoing monitoring and action as required			
Theft / vandalism to buildings / collections	Ongoing monitoring and action as required			

RESERVES

The reserves of the Society are those unrestricted funds which are not tied up in fixed assets or otherwise committed and are therefore reduced by the pension fund deficit. The Trustees continue to monitor the pension liabilities and the reserves of the Society closely and are aware of the need to match variable income against fixed commitments, day-to-day working needs being met by careful management of short-term liquid resources.

The main Museum building was gifted to The Dorset Natural History and Archaeological Society.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for 9.25m.

In the event of the Charity being wound up, these assets would be sold to cover any financial deficits.

PLANS FOR FUTURE PERIODS

The focus of the Society's plans in the immediate future remains the final delivery of the Tomorrow's Museum for Dorset project. Following re-profiling to take into account the impact of the Covid-19 pandemic, the main elements of the project which must be achieved over the coming years are:

- Interior fit out (September 2020 – April 2021)
- Exhibition fit out and object installation (October 2020 to April 2021)
- Opening of the new museum (May 2021). Completion of outstanding snagging task / defects rectification (June 2021 – March 2022)
- Relocation of stored collections to new home locations (2021-2023)
- Establishment of new operation procedures (January – April 2021)
- Summative evaluation and submission of final reports to funders (January – October 2022)
- Roll out of new activities and exhibition programme (2021-2023)

The project's programme of construction, formal Project Management Plan, Business Plan, Management and Maintenance Plan and Activity Plan are set out in detail in the written project plans and documents managed by the Trustees.

The Dorset Natural History and Archaeological Society

Trustees' Report (Including Directors' Report)
Year Ended 31st March 2022

Statement of Trustees responsibilities
The Trustees (who are also Directors of The Dorset Natural History and Archaeological Society for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Directors' report) and the financial statement 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 year. Under company law the Trustees 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 the 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 2019 (FRS 102);
- 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 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 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.

In so far as the Trustees are aware:
- There is no relevant audit information of which the charitable company'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 the information.

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.

Auditors
The auditors, Scott Vevers Ltd, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

Small company provisions
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

On behalf of the board

Mrs J M Lang, Trustee

Date: 21/12/22

Independent Auditor's Report to the Trustees of The Dorset Natural History and Archaeological Society

Opinion

We have audited the financial statements of The Dorset Natural History and Archaeological Society (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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 31st March 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 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 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.

Independent Auditor's Report to the Trustees of The Dorset Natural History and Archaeological Society (continued)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, 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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, taxation legislation and data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Independent Auditor's Report to the Trustees of The Dorset Natural History and Archaeological Society (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing the charity's correspondence with relevant regulators including the Health and Safety Executive, and the charity's legal advisors.

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

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

Use of our report

This report is made solely to the charitable company'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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Vevers Ltd

Scott Vevers Ltd
Chartered Accountants & Statutory Auditors
65 East Street
Bridport
Dorset
DT6 3LB

Date: 19/12/22

Scott Vevers Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Dorset Natural History and Archaeological Society

Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 March 2022

	Note	Unrestricted £	Restricted £	Endowment £	Total 2022 £	Total 2021 £
Income and Endowments from:						
Donations and legacies	3	425,126	604,941	-	1,030,067	6,311,641
Charitable activities	4	275,907	-	-	275,907	12,283
Other trading activities	5	127,669	-	-	127,669	13,158
Investments	6	9,147	-	-	9,147	4,240
Total income and endowments		837,849	604,941	-	1,442,790	6,341,322
Expenditure on:						
Raising funds	7	20,096	5,860	-	25,956	38,355
Trading activities	8	103,842	996	-	104,838	7,133
Charitable activities	9	810,184	1,888,627	-	2,698,811	1,021,753
Other		-	-	-	-	-
Total expenditure		934,122	1,895,483	-	2,829,605	1,067,241
Net gains/ (losses) on investments	18	7,047	-	-	7,047	16,807
Net income/ (expenditure)		(89,226)	(1,290,542)	-	(1,379,768)	5,290,888
Transfers between funds	26				-	-
Corporation Tax		(4,338)	-	-	(4,338)	-
Other recognised gains/ (losses):						
Remeasurement gain/ (loss) on defined benefit pension plan	31	209,000	-	-	209,000	(257,000)
Net movement in funds		115,436	(1,290,542)	-	(1,175,106)	5,033,888
Reconciliation of funds:						
Total funds brought forward		(803,925)	15,310,111	500	14,506,686	9,472,798
Total funds carried forward		(688,489)	14,019,569	500	13,331,580	14,506,686

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The Dorset Natural History and Archaeological Society

(Registration number: 3362107)
Balance Sheet as at 31 March 2022

	Note	Total 2022 £	Total 2021 £
Fixed assets			
Tangible assets	14	14,779,740	15,708,943
Heritage assets	15	1,034,917	1,032,639
Investments	16	427,260	421,882
		16,241,917	17,163,464
Current assets			
Stocks	20	11,000	-
Debtors	21	37,461	1,154,884
Cash at bank and in hand		175,736	457,505
		224,197	1,612,389
Creditors: amounts falling due within one year	22	(1,191,201)	(1,205,167)
Net current (liabilities)/ assets		(967,004)	407,222
Total assets less current liabilities		15,274,913	17,570,686
Creditors: amounts falling due after more than one year	23	(1,122,333)	(2,085,000)
Net assets excluding pension liability		14,152,580	15,485,686
Defined benefit pension liability	31	(821,000)	(979,000)
Net assets		13,331,580	14,506,686
Charity Funds			
Endowment funds	26	500	500
Restricted funds	26	14,019,569	15,310,111
Unrestricted funds	26	132,511	175,075
Revaluation reserve	26	-	-
Pension reserve	26	(821,000)	(979,000)
Total charity funds		13,331,580	14,506,686

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 in respect of accounting records and preparation of accounts.

The Dorset Natural History and Archaeological Society

(Registration number: 3362107)
Balance Sheet as at 31 March 2022

Whilst the company is exempt from audit under Section 477 of the Companies Act 2006 relating to small companies and the members have not required an audit under section 476 of the Act, the company is subject to audit under the Charities Act 2011.

The financial statements were approved and authorised for issue by the Board on 2/12/22

.....
Mrs J M Lang, Trustee

The notes on pages 24 to 47 form part of these financial statements.

The Dorset Natural History and Archaeological Society

Statement of Cash Flows
Year Ended 31 March 2022

	Note	Total 2022 £	Total 2021 £
Cash flow from operating activities	28	332,789	5,545,229
Interest paid		-	-
Tax paid		(4,338)	-
Net cash flow from operating activities		328,451	5,545,229
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(556,273)	(6,254,731)
Receipts from sales of tangible fixed assets		-	-
Payments to acquire investments		(22,845)	(67,299)
Receipts from sales of investments		22,435	64,375
Interest received		14	98
Dividends received		4,153	4,150
Rents received from investment properties		4,980	(8)
Net cash flow from investing activities		(547,536)	(6,253,415)
Cash flow from financing activities			
Receipts from issue of new long term loans		-	275,000
Interest paid		(64,763)	-
Net cash flow from financing activities		(64,763)	275,000
Net increase / (decrease) in cash and cash equivalents		(283,848)	(433,186)
Cash and cash equivalents at 1 April 2021		460,433	893,619
Cash and cash equivalents at 31 March 2022		176,585	460,433
Cash and cash equivalents consists of:			
Cash at bank and in hand		175,736	457,505
Short term deposits		849	2,928
Cash and cash equivalents at 31 March 2022		176,585	460,433

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The Dorset Natural History and Archaeological Society is incorporated in England within the United Kingdom and is a charity limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those 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 investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from donations and legacies is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from charitable activities includes membership and admissions income. Membership income is accounted for, in full, in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income relating to sales booked online is recognised in the period in which the customer visits the museum. Any income received where the customer has not yet visited is deferred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Trading activities is expenditure incurred in respect of trading activities carried out by the trust.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to the general running of the charity as opposed to the costs associated with charitable activities.

Support costs allocations

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis

Support costs allocations

consistent with use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the proportion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Tangible fixed assets, including heritage assets

Tangible fixed assets and heritage assets, held for continuing use by the charitable company, are recorded at original cost, or in the case of donated assets, at valuation. Heritage assets are not revalued, as it is considered that any valuation would be very subjective and the cost of valuation would outweigh any benefit received.

No depreciation is charged on the collection held within heritage assets as it is the intention of the trustees to ensure these are maintained to the highest of standard and their residual value will be in excess of cost.

No depreciation is charged on freehold land and buildings as the trustees have a policy of regular repair and maintenance to ensure they are maintained to the highest standard and their residual value will be in excess of cost, meaning any depreciation charge would be immaterial.

Depreciation of other fixed assets is provided in order to write off the cost valuation less residual value of each asset evenly over its estimated useful life as follows:

Freehold property	Not depreciated
Land and buildings	10 years straight line, once complete
Fixtures, fittings and equipment	15% reducing balance, 25% straight line
Collections	Not depreciated

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate, determined annually by the directors. The directors use market prices where possible, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised through the SoFA.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value, with all realised and unrealised gains passing through the SoFA.

Stock

Stock consists of shop stock for resale and publication stocks. Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving stock where appropriate. Any impairments are calculated based on the likely selling value, compared to cost.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Cash at bank and in hand

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

Operating leases

The trust classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior years.

Contributions to defined contribution plans are recognised as staff pension expense through the SoFA, when they are due.

Defined benefit pension obligation

The majority of employees of the charity are members of the Local Government Pension Scheme (LGPS) managed by Dorset County Council.

This is a funded defined benefit scheme where the assets are held separately from those of the charity, in separate Trustee administered funds. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the SoFA.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors, that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in Note 31, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Financial instruments

The charity only holds basic financial instruments, as defined by FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost, as detailed in Note 32. Investment portfolios and investment property are basic financial instruments measured at fair value through the income and expenditure account. Prepayments are not financial instruments.

Cash at bank - cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals, other creditors and loans are financial instrument and are measured at amortised cost as detailed in Note 32. Taxation, social security and the Local Government Pension Scheme are not included in the financial instruments disclosure definition.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Grants					
Dorset County Council*	84,294	-	-	84,294	78,994
Arts Council England	206,779	173,539	-	380,318	265,725
Wessex Museum Trust	33,855	-	-	33,855	18,785
Wolfson Foundation	-	-	-	-	120,000
Foyle Foundation	-	-	-	-	25,000
John Ellerman Foundation	-	-	-	-	30,057
College bursaries	14,197	-	-	14,197	-
Other	16,728	50,125	-	66,853	300
	355,853	223,664	-	579,517	538,861

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Development appeal fund					
Heritage Lottery Fund*	80	381,277	-	381,357	5,322,653
Valentine Trust	-	-	-	-	20,000
J&S Weld	-	-	-	-	20,000
Garfield Weston	-	-	-	-	100,000
G F Eyre Charitable Trust	-	-	-	-	10,000
Ann Dannat Lagacy	-	-	-	-	10,000
Other	-	-	-	-	47,272
	80	381,277	-	381,357	5,529,925
Other					
Donations (including gift aid)	59,698	-	-	59,698	124,525
Legacies	6,750	-	-	6,750	50,000
	66,448	-	-	66,448	174,525

*Government grants

3 Donations and legacies (continued)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Exceptional government funding					
Coronavirus Job Retention Scheme (CJRS) grant*	2,745	-	-	2,745	58,330
Other Coronavirus grants*	-	-	-	-	10,000
	2,745	-	-	2,745	68,330
	425,126	604,941	-	1,030,067	6,311,641

The charity has been eligible to claim additional funding in the year from government support schemes, in response to the coronavirus pandemic. The funding received is shown above under Exceptional government funding.

The charity furloughed some of its staff under the government's CJRS. The funding received, amounting to £2,745 (2021 £58,330), relates to staff costs which are included within Note 12.

*Government grants

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Membership subscriptions	53,625	-	-	53,625	10,941
Museum admission fees	217,311	-	-	217,311	-
Events and exhibitions	2,471	-	-	2,471	1,342
Income from lending assets	2,500	-	-	2,500	-
	275,907	-	-	275,907	12,283

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Shop/ online sales	68,705	-	-	68,705	9,284
Bookings income	43,482	-	-	43,482	-
Café rental income	13,927	-	-	13,927	-
Royalties and sundry income	1,555	-	-	1,555	3,874
	127,669	-	-	127,669	13,158

6 Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Dividends and interest	4,153	-	-	4,153	4,150
Interest on cash deposits	14	-	-	14	98
Rental income	4,980	-	-	4,980	(8)
	9,147	-	-	9,147	4,240

7 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Fundraising fees	7,713	5,860	-	13,573	36,905
Heritage Lottery Fund Delivery Plan	10,684	-	-	10,684	-
Investment management fees	1,699	-	-	1,699	1,450
	20,096	5,860	-	25,956	38,355

8 Expenditure on trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Shop consumables	39,093	996	-	40,089	7,133
Closing stock	(11,000)	-	-	(11,000)	-
Employment costs	61,296	-	-	61,296	-
Establishment costs	14,453	-	-	14,453	-
	103,842	996	-	104,838	7,133

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Exhibitions, events, collections	75,708	948	-	76,656	6,217
Management and other project expenses	-	-	-	-	-
General repairs	30,788	4,178	-	34,966	11,458
Development costs	-	-	-	-	-
Depreciation	17,002	1,454,294	-	1,471,296	18,027
(Profit) / loss on disposal of tangible fixed assets	11,902	-	-	11,902	-
Bad debts	263	-	-	263	-
Travel and subsistence	5,908	2,721	-	8,629	8,010
Employment costs	328,093	319,901	-	647,994	640,367
Staff training	6,813	560	-	7,373	-
Establishment costs	127,678	31,124	-	158,802	184,262
Marketing and promotion	52,698	37,387	-	90,085	74,791
General expenses	3,684	-	-	3,684	-
Support costs:					
Office and administration expenses	32,411	31,009	-	63,420	22,641
Loan interest	64,763	-	-	64,763	-
Other finance charges	6,592	33	-	6,625	2,445
Printing, postage and stationery	17,689	612	-	18,301	22,409
Professional fees	28,192	5,860	-	34,052	31,126
	810,184	1,888,627	-	2,698,811	1,021,753

10 Net income / (expenditure) for the year

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

	2022 £	2021 £
Depreciation of tangible fixed assets	1,471,296	18,026
(Profit) / loss on disposal of investments	3	(16,829)
(Profit) / loss on disposal of tangible fixed assets	11,902	-
Impairment of stock	-	22
Operating lease rentals	34,563	35,321
(Profit) / loss on fair value movement of investments	(7,050)	22
Independent auditor's remuneration:		
Audit services	4,975	5,000
Other services	2,450	3,784

11 Trustees' and key management personnel remuneration and expenses

During the year the charity made the following transactions with trustees:

£nil (2021 £nil) of expenses were reimbursed during the year.

0 trustees (2021: 0 trustees) were reimbursed expenses for business expenditure during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year, in their capacity as a trustee.

No trustees have received any other benefits from the charity during the year.

The total amount of employee benefits received by key management personnel is £120,646 (2021 £169,964). The Trust considers its key management personnel comprise the Executive Director, the Commercial Director, and the Director of Collections.

No trustees are accruing pension arrangements (2021: no trustees).

12 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year/period was as follows:

	2022 Number	2022 FTE	2021 Number	2021 FTE
Raising funds	1.0	0.4	1.0	0.4
Charitable activities	27.0	18.0	22.0	16.2
Governance	1.0	0.6	1.0	0.6
	29.0	19.0	24.0	17.2

The total staff costs and employee benefits were as follows:

	2022 £	2021 £
Wages and salaries	578,230	532,014
Social security	37,006	35,948
Defined contribution pension costs	19,939	26,000
Defined benefit pension operating costs	74,115	46,405
	709,290	640,367

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

13 Interest payable and similar expenses

	2022	2021
	£	£
Bank loans and overdrafts	1,253	1,288
Credit card interest	5,372	1,157
	6,625	2,445

14 Tangible fixed assets

	Freehold Properties	Land and Buildings	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 April 2021	387,235	15,252,961	301,116	15,941,312
Additions	-	546,130	7,865	553,995
Disposals	-	(21,356)	(185,132)	(206,488)
At 31 March 2022	387,235	15,777,735	123,849	16,288,819
Depreciation:				
At 1 April 2021	-	26,430	205,939	232,369
Charge for the year	-	1,453,684	17,612	1,471,296
Eliminated on disposals	-	(17,699)	(176,887)	(194,586)
At 31 March 2022	-	1,462,415	46,664	1,509,079
Net book value:				
At 31 March 2022	387,235	14,315,320	77,185	14,779,740
At 31 March 2021	387,235	15,226,531	95,177	15,708,943

Freehold properties are functional assets insured for £2.1m. These comprise the properties of 4-5 Colliton Street, St Peter's Institute, the Craft Market site and Old School. Whilst the trustees consider that their market value is higher than the carrying value of these assets, it is not practical to quantify the difference.

The main Museum buildings, which are made up of the Crickmay Building (including part of the Victorian galleries), Williams House and the Brawne Extension, have not been capitalised in the Balance Sheet, as reliable cost information is not available and it is not considered beneficial to the users of the Financial Statements to attempt to establish an estimated valuation. However, the property is insured for 9.25m.

The main Museum buildings were gifted to The Dorset Natural History and Archaeological Society and therefore do not form part of the net book value above.

The charity has provided a fixed charge over the freehold property known as 4 and 5 Colliton Street, the freehold land on the south side of Colliton Street and the freehold property known as St Peter's Institute Colliton Street in favour of National Heritage Memorial Fund.

This fixed charge was subsequently satisfied on 16th June 2022 and a new fixed charge was registered over 65 and 65A High West Street.

15 Heritage assets

	Collections £	Total £
Cost or valuation:		
At 1 April 2021	1,032,639	1,032,639
Additions	2,278	2,278
Disposals	-	-
At 31 March 2022	1,034,917	1,034,917
Depreciation:		
At 1 April 2021	-	-
Charge for the year	-	-
Eliminated on disposals	-	-
At 31 March 2022	-	-
Net book value:		
At 31 March 2022	1,034,917	1,034,917
At 31 March 2021	1,032,639	1,032,639

Collections acquired since 1 January 2021 have been capitalised at cost. Where assets have been donated and a reliable estimate cannot be made of the asset's fair value or the cost of valuation is likely to exceed the benefit provided by the information, the asset has not been recognised in the Financial Statements. Please see the Trustees' Report for more information on the assets donated in the year.

Heritage assets acquired before 1 January 2021 have not been recognised due to the significant cost that would be involved in valuing the Museum's diverse collections and other assets. This would be onerous compared with the additional benefit that would be derived by the users of the Financial Statements in assessing the trustees' stewardship of these assets.

No depreciation is charged on collections or galleries in the course of construction.

15 Heritage assets (continued)

Five year summary of additions and disposals:

	2022 £	2021 £	2020 £	2019 £	2018 £
Purchased additions					
Assets held at cost	2,278	136,270	27,405	46,670	5,905
Donated additions					
Assets held at 'deemed' cost	-	-	-	-	-
Total additions	2,278	136,270	27,405	46,670	5,905
Impairment					
Assets held at cost	-	-	-	-	-
Total impairment	-	-	-	-	-
Net Book Value Disposals					
Assets held at cost	-	-	-	141,178	-
Total NBV disposals	-	-	-	141,178	-

16 Investments

	2022 £	2021 £
Investment properties (note 17)	250,000	250,000
Quoted investments (note 18)	176,410	168,953
Unquoted investments (note 19)	1	1
Cash held by investment manager	849	2,928
	427,260	421,882

17 Investment property

	2022 £	2021 £
Fair value at 1 April 2021	250,000	250,000
Additions	-	-
Unrealised gains/(losses) on revaluation	-	-
Fair value at 31 March 2022	250,000	250,000
Cost at 31 March 2022	250,000	250,000

17 Investment property (continued)

The investment property consists 3 Colliton Street which was acquired in 2019-20, as part of the development works.

The investment property was revalued by the trustees as at 31 March 2022.

18 Quoted investments

	2022	2021
	£	£
Fair value at 1 April 2021	168,953	149,222
Additions	22,845	67,299
Disposals	(22,435)	(64,375)
Realised gains/(losses) on disposal	(3)	(22)
Unrealised gains/(losses) on revaluation	7,050	16,829
Fair value at 31 March 2022	176,410	168,953
Cost at 31 March 2022	151,808	152,196

The share portfolio was valued by Charles Stanley & Co. Limited based on the mid market price at 31 March 2022.

19 Unquoted investments

	2022	2021
	£	£
Dorset Museum Trading Company Limited - 1 ordinary share of £1 each (at cost)	1	1

The company is incorporated in England and has an authorised and issued share capital of 1 ordinary share of £1 each. The principal activity of the company will be retail. It has remained dormant since incorporation.

20 Stocks

	2022	2021
	£	£
Goods for resale	11,000	-

21 Debtors

	2022	2021
	£	£
Trade debtors	24,653	394,929
Other debtors	9,968	169,609
Prepayments and accrued income	2,840	590,346
	37,461	1,154,884

22 Creditors: amounts falling due within one year

	2022	2021
	£	£
Loans	992,667	155,000
Trade creditors	22,690	786,556
Accruals and deferred income	161,425	246,239
Other creditors	10,081	9,460
Taxation and social security	4,338	7,912
	1,191,201	1,205,167

23 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Loans	1,122,333	2,085,000

Loans include aggregate amounts of £590,665 (2021 £698,332) which fall due after five years and which are payable by instalments. The payment terms and interest rate of each creditor for which an amount falls due after five years are as follows:

Interest is charged on the £475,000 Dorset County Council (previously West Dorset District Council) loan, which is repayable over 7 years to 31 March 2028, at an interest rate equivalent to the Public Work Loans Board 25 year rate, currently 2.81% (2021 2.81%). The loan is secured against the freehold property known as the Old School House.

Interest is charged on the £1,700,000 Dorset County Council loan, which is repayable over 15 years to 31 March 2037, at an interest rate equivalent to the Public Work Loans Board 25 year rate, currently 2.81% (2021 2.81%).

Details of leasing arrangements are provided in note 24.

24 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than one year	42,722	20,916
Later than one year but not later than five years	26,479	33,000
Later than five years	-	24,750
	69,201	78,666

25 Capital commitments

As at 31 March 2022 the charity had committed to further expenditure totalling £25,427 in relation to the building development. This amount is expected to be paid by 31st December 2022.

26 Funds reconciliation

Unrestricted funds

	Balance at 2021 £	Income £	Expenditure £	Transfers £	Gains / losses £	Balance at 2022 £
Unrestricted						
General fund	(872,951)	837,849	(887,460)	(2,277)	7,047	(917,792)
Designated funds						
Collections	1,032,639	-	-	2,277	-	1,034,916
Life memberships	9,446	-	-	-	-	9,446
Dugdale Trust	941	-	-	-	-	941
Lift	5,000	-	-	-	-	5,000
	175,075	837,849	(887,460)	-	7,047	132,511
Pension reserve	(979,000)	-	(51,000)	-	209,000	(821,000)
Revaluation reserve	-	-	-	-	-	-
	(803,925)	837,849	(938,460)	-	216,047	(688,489)

26 Funds reconciliation

Restricted funds

	Balance at 2021	Income	Expenditure	Transfers	Gains / losses	Balance at 2022
	£	£	£	£	£	£
Tomorrow's Museum for Dorset:						
Heritage Lottery Fund	11,279,178	554,816	(1,895,405)	-	-	9,938,589
Other funding	3,943,911	-	-	-	-	3,943,911
Dewlish Mosaic Public Appeal	-	50,025	-	-	-	50,025
Dorset Archaeological Committee	48,856	-	-	-	-	48,856
Jurassic Coast Gallery	9,974	-	-	-	-	9,974
Monograph Fund	8,042	-	-	-	-	8,042
Museum Makers	(1,207)	-	-	-	-	(1,207)
Gentleman's Magazine	3,001	-	-	-	-	3,001
WDDC Social Inclusion	885	-	-	-	-	885
Funds under £1,000	813	100	(78)	-	-	835
Barnes - Dugdale portrait	382	-	-	-	-	382
Treasure Acquisitions	8,256	-	-	(5,000)	-	3,256
Museums Partnership	8,020	-	-	-	-	8,020
The Anne James Fine Art Acquistion Fund	-	-	-	5,000	-	5,000
	15,310,111	604,941	(1,895,483)	-	-	14,019,569
Endowment funds						
Charles Hansford fund	500	-	-	-		500
	15,310,611	604,941	(1,895,483)	-	-	14,020,069
Total funds	14,506,686	1,442,790	(2,833,943)	-	216,047	13,331,580

Unrestricted funds

- The general fund represents the free funds which are not designated by the Board, for particular purposes.
- Designated funds represent money set aside for specific purposes at the discretion of the Board.
- The collections designated funds represents the net book value of the collections held within heritage assets.
- The pension reserve represents the notional funding deficit calculated under FRS102 in respect of the charitable company's pension scheme advised by the scheme actuary.

26 Funds reconciliation (continued)

- The revaluation reserve is required under the Companies Act 2006 and represents the difference between the historic cost and market value of investments, at the Balance Sheet date.

Restricted funds

- The Dorset Archaeological Committee fund represents money received specifically for the committee.
- The treasure acquisition fund represents monies raised to purchase specific artefacts.
- Where funding is agreed in advance, but only paid on receipt of invoices, funds may go into deficit temporarily.
- Where funds are raised for a particular asset, a transfer is made to the relevant fund when the asset is capitalised.
- Archaeology gallery fund represents funds raised from the public, members and trusts towards the archaeology redevelopment.
- The John Ellerman fund represents a grant over 3 years towards the salary of the Director of Collections.
- Tomorrow's Museum for Dorset:
  - Heritage Lottery Fund represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Other funding represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
  - Development appeal fund represents unspent funds raised from the public, members and trusts towards the museum redevelopment.
- Other funds represent monies raised for a particular purpose or project.
- Museums Partnership fund represents a grant towards collections assistants salaries.
- Arts Council England is a Cultural Recovery Fund Grant.
- Foyle Foundation is a grant contribution towards increased operating costs on re-opening due to covid-19 and restrictions.
- Dewlish Mosaic Public Appeal are funds towards the purchase of Dewlish Mosaic which proved to be successful.
- The Anne James Fine Art Aquisition Fund was a legacy from the late Mrs Anne James and is dedicated to the purchase of Fine Art for the Museum to a total value of £5000.

Endowment funds

- The Charles Hansford fund, which is permanent endowment fund, represents a bequest made in 1910. Interest arising from the investment, which is restricted, is to be utilised towards the maintenance and benefit of the museum and library.
- Heritage assets are capital assets held for conservation and preservation purposes and are therefore shown as expendable endowment. The balance of collections has been transferred to designated funds and the museum and gallery improvements have been transferred to restricted funds during 2020; as the purposes of the funds did not meet the requirement of an endowment fund.

27 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Fixed assets	1,924,815	14,317,102	-	16,241,917
Cash and current investments	175,236	-	500	175,736
Other current assets / liabilities	(845,207)	(297,533)	-	(1,142,740)
Creditors more than one year	(1,122,333)	-	-	(1,122,333)
Provisions / pensions	(821,000)	-	-	(821,000)
	(688,489)	14,019,569	500	13,331,580

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £
Fixed assets	1,940,374	15,223,089	-	17,163,463
Cash and current investments	369,983	87,022	500	457,505
Other current assets / liabilities	(50,282)	-	-	(50,282)
Creditors more than one year	(2,085,000)	-	-	(2,085,000)
Provisions / pensions	(979,000)	-	-	(979,000)
	(803,925)	15,310,111	500	14,506,686

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

	2022 £	2021 £
Net income / (expenditure) for the year	(1,379,768)	5,290,888
Dividends received	(4,153)	(4,150)
Rents received from investment properties	(4,980)	8
Interest receivable	(14)	(98)
Interest payable	64,763	-
Depreciation and impairment of tangible fixed assets	1,471,296	18,026
(Gains) / losses on investments	(7,050)	(16,829)
(Profit) / loss on disposal of tangible fixed assets	11,902	-
(Profit) / loss on disposal of fixed asset investments	3	22
Post-employment benefits less payments	51,000	27,000
(Increase) / decrease in stock	(11,000)	-
(Increase) / decrease in debtors	1,117,423	363,803
Increase / (decrease) in creditors	(976,633)	(133,441)
	332,789	5,545,229

29 Related party transactions

During 2017, loans totalling £75,000 were received from J J R Pope (trustee) and S Fleet, W Hilton, C Atterbury and F Hebditch (wives of trustees). Since the loans were advanced, the husbands of W Hilton, C Atterbury and F Hebditch have resigned as trustees.

During the year ended 31 March 2022 £5,000 of the loans were released to income (2021 £nil), leaving £30,000 outstanding as at 31 March 2022 (2021 £65,000). The balance has been repaid. Interest is charged on the loans, which are repayable within 5 years, at 0.5% per annum.

There were no other related party transactions during the year.

30 Contingent liability

Grants received from the National Heritage Memorial Fund amounting to £12,898,957 (total received so far) as at 31st March 2022 may become subject to partial repayment in the event that the assets built, with the funds provided, are sold (2021 £12,537,756). The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.

31 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £19,939 (2021 - £26,000).

Defined benefit pension plans

The charity operates a defined benefit pension plan for qualifying employees providing benefits based on career average revalued earnings. The pension plan is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

It is the Dorset County Pension Fund, a Local Government Pension Scheme, which is a contracted-out defined benefit multi-employer pension scheme.

The assets of the defined benefits scheme are held separately from those of the charitable company. The scheme is funded by contributions from the employees and participating employers, in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation were carried out at 31 March 2019.

At the year end there were contributions due to the scheme totalling £2,916 (2021 £2,699) which are included in creditors.

31 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

The scheme is a funded defined benefit pension scheme, with assets held in separate Trustee administrated fund, The total contributions made for the year ended 31 March 2022 were £29,298, of which the employer contributions totalled £23,115 and employees' contributions totalled £6,183. The current rates for future years are 18.1% (2021 24%).

The total cost recognised in the period was as follows:

	2022 £'000	2021 £'000
Current service cost	54	36
Past service cost	-	-
Net interest income / expense	19	16
Administration expenses	1	1
Recognised in net income / expenditure	74	53
Recognised in other gains / losses	-	-
Total cost recognised	74	53

Amounts recognised in the balance sheet were as follows:

	2022 £'000	2021 £'000
Present value of funded obligations	2,054	2,109
Fair value of plan assets	(1,233)	(1,130)
	821	979

31 Pensions and other post-retirement benefits (continued)

Changes in the present value of the defined benefit obligations were as follows:

	2022 £'000	2021 £'000
Opening defined benefit obligation	2,109	1,613
Current service cost	54	36
Past service cost	-	-
Interest expense	42	38
Actuarial (gains) / losses	-	-
Change in financial assumptions	(123)	494
Change in demographic assumptions	-	(18)
Experience gain/ loss on defined benefit obligation	5	(23)
Contributions by scheme participants	6	7
(Estimated) benefits paid (net of transfers in)	(39)	(38)
Closing defined benefit obligation	2,054	2,109

Changes in the fair value of the pension plan assets were as follows:

	2022 £'000	2021 £'000
Opening plan assets	1,130	918
Interest income	23	22
Actual return on plan assets (excluding interest income)	91	196
Other actuarial gains / (losses)	-	-
Administration expenses	(1)	(1)
Contributions by charity (included unfunded)	23	26
Contributions by scheme participants	6	7
(Estimated) benefits paid (plus unfunded net of transfers in)	(39)	(38)
Closing plan assets	1,233	1,130

The total return of the fund assets for the year to 31 March 2022 was £114,000 (2021 £218,000).

31 Pensions and other post-retirement benefits (continued)

Defined benefit pension plans (continued)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2022 £'000	2021 £'000
Equity instruments	656	615
Debt instruments (bonds)		
Gilts	153	129
Other bonds	62	65
Property	115	106
Other assets		
Cash	25	26
Diversified Growth Fund	81	56
Infrastructure	84	69
Multi Asset Credit	57	58
Secured Income Funds	-	6
	1,233	1,130

The principal actuarial assumptions used were as follows:

	2022 %	2021 %
Discount rate	2.60	2.00
Expected rates of salary increases	4.20	3.85
Expected rates of pension increases	3.20	2.85
Expected rate of inflation - RPI	n/a	3.20
Expected rate of inflation - CPI	3.20	2.85

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

	2022 years	2021 years
Retiring at the balance sheet date		
- Males	23.1	23.1
- Females	24.7	24.6
Retiring in 20 years		
- Males	24.4	24.4
- Females	26.1	26.0

32 Financial instruments

The carrying amounts of the charity's financial instruments measured at fair value through net income / expenditure are as follows:

	2022	2021
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset investments	427,260	421,881
Measured at amortised cost		
- Debt instruments	203,961	1,442,584
	631,221	1,864,465
Financial liabilities		
Measured at amortised cost	2,306,751	3,279,972

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

Income and expense		
Financial assets measured at fair value through net income / expenditure	4,153	4,150
Financial assets, that are debt instruments, measured at amortised cost	-	-
Financial liabilities measured at amortised cost	-	-
Net gains and losses		
Financial assets measured at fair value through net income / expenditure	7,047	16,807
Financial assets, that are debt instruments, measured at amortised cost	-	-
Financial liabilities measured at amortised cost	-	-

THE DORSET NATURAL HISTORY AND ARCHAEOLOGICAL SOCIETY

England & Wales - Charity number 1062400

Accounts

The Dorset Natural History and Archaeological Society

(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 March 2021

Company Number: 3362107
Charity Registered in England and Wales Number: 1062400

The Dorset Natural History and Archaeological Society
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For the Year Ended 31 March 2021

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The Dorset Natural History and Archaeological Society
Reference and Administrative Details
For the Year Ended 31 March 2021

Charity Name	The Dorset Natural History and Archaeological Society
Other names	Dorset County Museum
Charity Number	1062400
Company Number	3362107
Principal Address and Registered Office	Dorset County Museum 66 High West Street Dorchester Dorset DT1 1XA
President	Lady Susan Bradbury
Vice-Presidents	Mr A J H du Boulay FSA Mr A T J Jaggard FSA FRSA Mr R N R Peers MA FSA FMA Mr G A L-F Pitt Rivers OBE DL Mrs P Seaton Sir P Williams Bt. Mrs G Yarker BEM FSA
Past Presidents	Mr A T J Jaggard FSA FRSA The Countess of Sandwich Mr G A L-F Pitt Rivers OBE DL Captain M Fulford-Dobson CVO OBE RN
Trustee Directors	Prof A J Fleet (Chair) Ms T R Chevalier Mr D J French Ms S James Mrs J M Lang Mrs S Merriott Dr J E Murden (Director) Ms T M Parsons Mr J J R Pope Mr A Walters Mrs S A H Welton
Dorset County Council Board of Trustee Directors Representative	Cllr S Bartlett

Officers and staff

Executive Director	Dr J E Murden
Commercial Director	Mr R Maughan
Director of Collections	Miss E Selby
Secretary and PA to the Directors	Mrs A Butler
Secretarial Support	Miss A Gundry
Curator	Dr J Cripps
Collections Assistants	Ms K Broomfield, Miss C King
Exhibition Development Manager	Ms L Johnston
Head of Education and Learning	Miss E Talbot
Learning and Community Outreach	Ms H Eastwood
Head of Development and Communications	Miss G Crouch (to May 2020)
Head of Development	Mrs A Buzza-Blackwell (May 2020 to March 2021)
Head of Marketing	Mr D Goulden (from September 2020)
Marketing Assistant	Mr M North
Head of Visitor Services	Mrs G Hurlstone, Miss M Broadbent
Retail Manager	Mrs A Smith
Visitor Services Assistants	Miss C Backhouse, Mrs S Kenyon Mrs C McLaren, Mr K Nash
Museum Technician	Mr M Pettit
Finance Officers	Mrs L Cartwright
Membership Officer	Mrs P Harding

Auditors

Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Bankers

Lloyds Bank plc
1-2 High West Street
Dorchester
Dorset
DT1 3BJ

Solicitors

Blanchards Bailey
3 Queen Mother Square
Poundbury
Dorchester
Dorset
DT1 3BJ

Trowers & Hamlins
10 Colmore Row
Birmingham
B3 2QD

Investment Advisors

Charles Stanley & Co Ltd
Mey House
Bridport Road
Poundbury
Dorchester
Dorset
DT1 3QY

INTRODUCTION

The Trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the Charity for the year ended 31 March 2021, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Reference and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Dorset Natural History and Archaeological Society ("the Society", "DNHAS") is an educational charity which is an incorporated charitable trust and a company limited by guarantee (Charity number: 1062400 Company number: 3362107). The Society and its Museum, the Dorset County Museum, is owned by its members. The members elect a Board of Trustees who are responsible for the overall strategy of the Society and its Museum. The Charity is variously referred to throughout this report as either "the Charity", "the Society" or "the Company".

The governance of the Society and its Museum is set out in Articles of Association approved by Companies House and the Charity Commissioners and registered on 7 December 2012. In addition, there is a set of 'Regulations' which were adopted by the Board of Trustees of the Society at a meeting held in July 2014 and further updated in February 2020 and January 2021. They are a revised version of the 'Rules of the DNHAS' adopted in March 1998. They reflect the Board's current understanding of the governing Articles of Association and provide supplementary details relevant to their practical application in the operation of the Society.

Directors and Trustees

The Directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:

- Prof A J Fleet (Chair)
- Ms T R Chevalier (appointed 1 May 2021)
- Mr D J French (appointed 1 May 2021)
- Mr M G Hebditch (resigned 20 April 2021)
- Ms S James (appointed 1 May 2021)
- Mrs J M Lang (appointed 1 May 2021)
- Mrs S E Merriott
- Mrs M J Minchin (resigned 20 April 2021)
- Dr J E Murden (executive Director & CEO)
- Mr D J Norris (resigned 20 April 2021)
- Ms T M Parsons (appointed 1 May 2021)
- Mr J J R Pope
- Dr C E Randall (resigned 20 April 2021)
- Prof J P Vaughan (resigned 20 April 2021)
- Mr A H Walters
- Mrs S A H Welton

Dorset Council Board of Trustee Directors Representative

- Cllr S Bartlett

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.

Ten of the Trustees are elected by members of the Society at the Society's Annual General Meeting following a call for nomination to members and external advertisement. These ten Trustees serve a three-year term with the option of offering themselves for a second, three-year term. (Trustees who have served for six years are not eligible to stand for re-election without a period of at least one year out of office). The remaining two Trustees are the Executive Director and a Trustee appointed by the Dorset Council. New Trustees are introduced to the governance, objectives and activities of the Society by the Executive Director and Board Chairman and provided with Charity Commission advisory documents.

The Board of Trustees has ultimate responsibility for the Society and its Museum. The Board sets overall strategy and makes decisions on all major policy and constitutional issues. It is responsible for the final approval of the annual budget and accounts, ensuring the solvency of the Society and safety of its assets. All Trustees sign a declaration of their eligibility to stand and record relevant details in a Conflict of Interest Register which is updated annually. The Board meets quarterly but keeps the frequency and effectiveness of its meetings under review. The regular subcommittees and working groups of the Board are:

• The Personnel Committee of the Board, which keeps pay and remuneration for staff under review and proposes changes to the Board for its approval. The Committee uses publicly available pay data within the museum sector as a benchmark for this.

• The Finance Committee of the Board, which monitors and helps set both revenue and capital budgets for the Society and its Museum. It also oversees and scrutinises matters relating to the Society's investments, pensions, reserves and financial policies.

• The Dorset Archaeological Committee, which oversees archaeological academic research and fieldwork taking place across the county.

The Society and its Museum are managed and developed by the Executive Director and the staff in accordance with the strategy, and within the budget, set by the Board. The Executive Director and staff are supported in delivering these activities by a large number of volunteers.

The Board and staff use the Museum Accreditation rules of the Arts Council of England (ACE) and the policies of the Museums' Association and Association of Independent Museums as guidelines in operating and developing the Museum. As a result of the ongoing development as part of the Tomorrow's Museum for Dorset project and its temporary closure due to building work between October 2018 and May 2021, the Museum currently has Provisional Accreditation status with ACE.

The Museum is a member of the Wessex Museums Trust, which has been recognised as an ACE National Portfolio Organisation for the period 2018-2022. The Society is represented on the Wessex Museums Trust's board by the Executive Director.

OBJECTIVES AND ACTIVITIES

The objectives of the Society are:

- the advancement of education for the general benefit of the public in the areas of archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset;

- the acquisition, preservation, conservation, exhibition and development (as far as possible) of collections relating to archaeology, the natural sciences, natural history, literature, music, the fine and decorative arts, antiquities and local history relating more especially to the County of Dorset.

To achieve these objectives for the public benefit the Society maintains and develops the Dorset Museum and provides learning, teaching, information (including through public lectures, performances, and publications) and is a forum for debate about Dorset. The development of the collections over 150 years has provided a record of the story of Dorset from its geological roots 250 million years ago to the present. Continuing acquisition and management of the collections augments this rich heritage.

The Society uses its collections to curate permanent exhibitions in the Museum and so tell the story of Dorset and its people, explaining why it is like it is and its possible future. Together with activities for educational and other groups these exhibitions provide an accessible, inclusive and entertaining gateway to the natural and cultural heritage of Dorset for all. In addition, the collections are made available to researchers and other scholars for study and investigation either at the Museum or through loans. Items from the collections are also loaned to other museums for exhibition.

The success of these activities in achieving the Society's objectives is assessed in terms of numbers of visitors and of the users of the collections, and the qualitative feedback they give. The numbers of educational and other groups, the individuals involved and the feedback they provide, gives the Museum further quantitative and qualitative data, as does evaluation of the numbers attending events, such as lectures, and using publications. Where achievable, economic and other impacts on the community are assessed through targeted studies. The income generated from the activities compared with the expenditure needed to undertake them provides critical measures of financial short-term viability and long-term sustainability.

The Tomorrow's Museum for Dorset project

To enhance these activities and enable a full range of sustainable operations, the Society has been delivering a major re-development project - the Tomorrow's Museum for Dorset (TMD) project – which will cost £16.3m. The project, has secured £12.4 million of support from the National Lottery Heritage Fund, is delivering new permanent displays, a temporary exhibition gallery, learning resources, collections storage facilities, a renewed public face with additional capacity for income generation from retail and catering activities, as well as a strengthened and improved staff and volunteer structure. The Society has four key strategic aims for the project which are planned to deliver a range of outcomes and outputs:

Strategic aims	***Outcomes***	***Outputs***
1) To reach a larger and broader audience – from local communities to tourist visitors – and encourage deeper engagement with the collections	To double visitor numbers to a baseline figure of 100,000 per annum. A broader visitor demographic, including families and those from more difficult to reach backgrounds. Increased levels of satisfaction, enjoyment and engagement among our audiences, more repeat visits. A reputation for great temporary exhibitions, which will show Dorset to the world and the world to Dorset.	A wider, more diverse range of high quality heritage learning experiences. A new learning centre and enhanced education offer. Using the collections to provide new resources for the teaching of prehistory and science as part of the national curriculum. Increased access for adults and community groups, and long-term learning partnerships with local health and wellbeing agencies.
2) To own Dorset's stories and tell them in bigger and bolder ways	Increased awareness and understanding of our collections and stories. Wider recognition of Dorset's 250 million year history and its international importance in palaeontology, geology, literature and social history. Heritage becomes an essential part of any visit to Dorset.	New galleries that showcase the Museum's nationally and international collections in an inspiring and accessible way, catering for varying levels of prior knowledge. Interpretation that celebrates and promotes understanding of the most important and fundamental principles of natural and human history
3) To care for the collections to the highest standards and enable their development for the future, and to enable visitors to understand the work done with the collections.	An engaging interface between the traditionally separated public and private spheres of the Museum. A safe conservation environment and sustainable future for the heritage our collection represents. A sustainable level of appropriately skilled and knowledgeable remunerated staff and volunteers to care for the collections.	Visitors able to see the stored collections and have the opportunity to get involved with the everyday conservation and collections management of the museum as part of their visit. All the collections in a fit for purpose home. Additional collecting capacity for Dorset's strategically important collections, including storage space, conservation and research facilities.
4) To be a financially and operationally sustainable museum.	An operating model (including trading subsidiaries) that generates the level of income required for the successful operation of the museum. Contribution to the physical and economic regeneration of Dorchester's urban conservation area. An exemplar model of volunteering at the heart of a modern museum.	Facilities and a public programme that maximizes self-sustaining income from admissions, trading, membership and support in-kind from volunteers. Forward facing retail and catering operations, which appeal to visitors and non-visitors alike. A programme of events and opportunities for use of our venue by others that will both generate income and encourage the widest possible use of the museum.

In undertaking all these activities and the *Tomorrow's Museum for Dorset* project the Trustees have paid due regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

Overview

Prof Andrew Fleet, Chair
Dr Jon Murden, Executive Director

We are writing this overview not long after Dorset Museum re-opened on 28 May 2021 after 22 months of major re-building and refurbishment. The re-opening marks delivery of the construction phase of our 'Tomorrow's Museum for Dorset' project. This has sought to transform the Museum itself and how we manage, use and develop it and its collections. A significant phase of this work took place over 2020-2021 so it is appropriate to record now what was achieved.

A completely new building, the Weston Building, nestles in the crook of the Victorian Gallery and the Crickmay and Williams Buildings. It provides a basement collections storage and conservation facility, the Collections Discovery Centre, which will allow our vulnerable and most significant collections to be stored under appropriate conditions for the first time, and three floors of new permanent galleries. The 'Lulworth: Natural Dorset' Gallery occupies the ground floor and takes the tale of Dorset from 250 million years ago to evidence of the first human inhabitants and today's varied landscapes, fauna and flora. The 'People's Dorset' Gallery on the first floor picks up the tale of Dorset through to the present. The top floor gallery, 'Artist's Dorset', celebrates artists and writers who have worked in Dorset.

Beyond the Weston Building is a dedicated gallery for special exhibitions, the John White Learning Centre and an outdoor Sculpture Courtyard. The former provides secure and environmentally stable conditions that will meet the requirements of national and international touring exhibitions and loan objects. The Learning Centre, constructed around the refurbished building that was once John White's rectory, provides integrated facilities for schools and other learning activities.

The Victorian Gallery has become a refreshed, clear and open space that properly celebrates the Roman mosaic pavements as its centrepiece and is available for events of all kinds. In the Crickmay Building a café, accessible from the street and operated by Taste of Dorchester, now occupies the ground floor and the new Peter and Maddy Down Library the first floor. The first floor of the Williams Building celebrates the life of Thomas Hardy, while the Fine Foundation Story Space is a reflective area that explores other authors' approaches to Dorset. On the ground floor there are a new welcome desk, Museum shop and the Cooper-Dean Community Space for meetings and community activities, which also doubles as a second, small, special exhibition space.

Together the new and transformed buildings offer a more inviting entrance that opens up from the front doors into an imposing atrium. The changes mean that the ground floor from the street is all on one level and each other floor, connected by a lift, is on a single level allowing unhindered access throughout the museum. Among the other new facilities to improve access, engagement and ease of use of the new Museum are: a dedicated baby changing facility; accessible toilets on every floor; a Changing Places Toilet for people with complex care needs; a Calm Space for visitors of all ages who need a quiet five minutes; sensory backpacks for younger Museum explorers; tactile and Braille trails sited throughout all the galleries; large print and Braille guides available at the Welcome Desk; and the use of both subtitles and BSL on every permanent audio-visual display or digital interactive.

The Roman mosaic pavements of the Victorian Hall have been joined by the Fordington mosaic on the east wall of the new Acheson Atrium and mosaics in stairwell of the Crickmay Building - including the recently acquired Leopard and Gazelle mosaic from the Dewlish Roman Villa. Together with the mosaics of the Roman Town House in Colliton Park, cared for and recently refurbished by Dorset Council, these represent a fine and varied collection of mosaics for the county. To make the most of this resource the Museum is working in partnership with Dorset Council to plan and arrange visits to the Dorchester Roman Town House following the completion of its refurbishment in Summer 2021.

The Society has been fortunate to receive a major collection from the estate of Dame Elisabeth Frink who worked for a significant part of her life in Woolland. This consists of 28 sculptures and over 200 drawings and works on paper. Part of the 'Artists' Dorset' Gallery is devoted to this collection and significant pieces feature in both the Peter and Maddy Down Library and the Sculpture Courtyard.

All this major achievement during 2020-21 builds on planning and preparatory work over the last eight years and has only been possible because of generous funding, support and persistent hard work. We are extremely grateful to the National Heritage Lottery Fund, Arts Council England, the Garfield Weston Foundation, Dorset Council, many other trusts and foundations, private individuals and numerous members of the Society for the funds they provided. True collaboration between our main building contractors Acheson Construction, their sub- contractors, our architects, Boon Brown, Project Managers PG&P, quantity surveyors MDA Consulting, and the exhibition fit-out team lead by The Hub and Real Studios, all ensured the Museum could open despite delays and supply shortages imposed upon the project by the various phases of Covid-19 restrictions. These were in place in some form most of the time that the Museum was closed during 2020/21. Unable to draw upon the support of its dedicated and talented volunteer teams due to the risks posed by Covid-19, the staff team worked throughout creatively and effectively dealing with the cumulative impacts of the closure, lockdowns and, in some cases, furloughing. This achievement represents a host of individual contributions.

A number of staff also played key roles in the Society ending 2020-21 in an encouraging financial position, achieved despite the problems of closure and Covid-19. Delivering financial sustainability, along with surpluses for investment and the fulfilments of liabilities and commitments, represents the key challenge for coming years. The newly refurbished Museum, and the enhanced organisation behind it, offer a very strong base for achieving this even in the face of continuing uncertainty.

Collections Management

Elizabeth Selby, Director of Collections and Public Engagement

Tomorrow's Museum for Dorset delivery

The financial year began with the collections team furloughed and unable to physically access the Museum's collection and storage sites, although Facilities Manager and Technician, Mark Petit, continued to be on site to ensure the collections were secure.

For the first few months of lockdown, the collections team were able to continue working at home on exhibition development, giving us some much needed time to focus on finalising exhibition graphics, audio-visual displays and interactives.

In early summer 2020 the first objects going on display in the new Museum were transferred on to site. The early 20th century Dorset box wagon from Yetminster, previously on display in the Rural Dorset gallery, and the William Beetham painting of Reverend Nathaniel Bond and his family, which previously hung on the Museum's staircase, were too large to go through the doors of the new People's Dorset gallery so needed to be crane-lifted in to the new gallery before it was closed off. The objects were specially crated for the task to ensure their protection both during the lift into the new Museum, and before the walls of the new gallery were finally closed up.

In early 2020 Cliveden Conservation started working on the installation of the Fordington High Street mosaic on the wall of the Museum's Atrium, following a period of conservation in the organisation's studio. This was later nominated for a Museum + Heritage Award.

From July 2020 some of the Collections team started to work back on site again, organising a number of photography sessions of highlight objects for the Museum's Guide book, graphic displays and marketing. We also started the process of collating all of the objects going on display by gallery and showcase, and carrying out final condition checks to ensure there were no additional conservation needs. In September we engaged on a one month funded work placement a recently qualified Conservator, Riva Boutylkova. With expertise in archaeological conservation, Riva was able to carry out any small remedial work required for objects, and also carried out object cleaning to ensure objects were looking their best for the new displays. We realised how vital this work was moving forward for the team, and Riva's time with us was extended through to the Museum's reopening. In September we also began working with Colin Lindley, who was contracted to create mounts of objects going on display and work with us on the installation of the new galleries.

In late October/early November the team began working on the installation of the Hardy's Dorset gallery, and a programme of gallery installation continued throughout the winter and early Spring. This was a challenging time for the team, due to the changing restrictions which had caused delays to other parts of the project, and the need to work alongside the construction and exhibition build team on site. In January the exhibition installation team remained at home due to the third lockdown, but were back on site in February to work through to the Museum's reopening in May.

Acquisitions
The Elisabeth Frink collection of over 300 items (including over 30 sculptures) was officially transferred to the Museum in April 2020.

In February 2021 the Museum purchased – following a fundraising campaign and public appeal – a mosaic from Dewlish Roman villa depicting a leopard attacking a gazelle. Considered one of the finest examples of Roman mosaic art ever found in Britain, the panel dates to the 4th century CE. The panel was purchased with the support of Arts Council England/V&A Purchase Fund, the Headley Trust and the Art Fund, with the Association for Roman archaeology contributing to the public and learning programme for the mosaic.

In June 2020, the Museum launched a contemporary collecting appeal for objects relating to the experience of people in Dorset during the first national lockdown. The Museum had a good response to this appeal and a number of objects have been added to the collection, with two going on display in the new People's Dorset gallery.

Loans
In November 2020, Elisabeth Frink's *Plant Head* sculpture was loaned to Gerhard Marcks Haus Museum in Bremen, Germany for their major exhibition *Elisabeth Frink: Man is an Animal*. Unfortunately, the exhibition had to close one day after opening due to the autumn lockdown in Germany, but we were able to agree to an extension of the loan so that the exhibition could be lengthened until July 2021.
The Museum also received a number of significant loans in for the new galleries, including an early medieval gold pointer from the British Museum known as the 'Knowlton jewel', a chair made by and on loan from John Makepeace, a Roman inscription on Purbeck marble from an anonymous lender, and the original bronze of Elizabeth Muntz's *Erda* from Manchester Art Gallery.

Museum database
The Collections team continued to work on the implementation of the new Museum Index Plus database, which incorporates the access databases for individual collections. The database is now accessible to volunteers and staff but still needs much work to improve and standardise data.

Learning and Outreach
Emma Talbot, Head of Learning

The Head of Learning was furloughed full-time during April 2020 to September 2020, returning briefly during June 2020 to focus on the development of the schools programme. Part-time furlough then continued during September 2020 to January 2021. The Community and Outreach Learning Coordinator worked full time from home during period April 2020 – March 2021.

Community Engagement and Outreach during lockdown – our digital offer
Various community groups were contacted with regards to outreach work while their clients were at home during lockdown and a digital offer was developed which included online sessions.
Content included 'behind the scenes at the museum' and 'a closer look at collections' zoom sessions for:

- Dorset Carers hub
- BCP Carers Support Service
- START (Support, transition, recovery, team) NHS, Dorset Health Care, Dorchester who support adults with mental health needs.

An online session with Dorset Blind association was developed and delivered in partnership with Wessex Museum.

A series of Mindfulness and Art sessions were developed for the START recovery group and video content was also produced for Cast View Care home in Poundbury.
Museum at Home resources were made available on the Museum website for parents and schools to access during lockdown.

Events programme development
The opening six months events programme, including the family craft activities, were developed in preparation for the museum opening.

Town House redevelopment
The Learning Team worked with the Town House project team during the redevelopment of the site.

Formal Schools Programme
The development of the new formal schools programme continued during this period in preparation for opening. A pilot series and ongoing teacher consultation was also in progress helping to inform the future formal schools programme.

Formal Schools outreach programme
Themed loan boxes containing handling objects and resources for schools to use in the classroom were developed and piloted by a number of schools. The pilot helped inform the development of further loan boxes for schools.

Preparation for Elmer and Friends exhibition
Preparation took place for the Elmer and Friends exhibition, to be hired from Seven Stories from October 2021 and included relationship building with Dorset Reading Partners and Dorset Libraries. The events programme was also shaped to include a relaxed opening event for families, facilitated art-based workshops and an outreach programme including a sculpture of Elmer, decorated by a school and subsequent tour of Dorset Libraries.

Successful grant from Mansel-Pleydell
The Learning team acquired £4,895 from the Mansel-Pleydell trust to support a number of initiatives related to the Elmer and Friends exhibition programme.

Natural History Museum, Urban Nature Project
Dorset Museum is one of 11 museums across the UK involved in the National Learning Programme strand of the Urban Nature Project, Real World Science Network with the Natural History Museum. The project aims to inspire the next generation, create new opportunities for young people and help everyone to learn about humanity's impact on the natural world.

During the period March 2020 – March 2021 the Learning team took part in the development phase of the Urban Nature Project with the Natural History Museum.

Sensory Backpacks
Sensory backpacks were developed containing different items to help support the experience of visitors with sensory needs during their visit to the museum.

Trails
Paper based trails aimed at a family audience and available for purchase at the Welcome desk were written and produced. The themes of the trails are Natural Dorset, Hardy's Dorset and Mosaics.

APPROACH TO FUNDRAISING

The Society retained Development Partners LLP throughout 2020/21 as a consultant to advise on fundraising strategy and to support the staff team with expertise on making applications to specific trusts and foundations. The demands of the Tomorrow's Museum for Dorset project meant that fundraising towards the capital project remained the Society's priority. Despite the impact of Covid-19 in increasing the costs of the capital elements of the project and restricting our ability to carry out public campaigns, by the end of the 2020-21 Financial Year sufficient funds had been pledged to the campaign to allow the successful completion of the project. This was the result of successful fundraising appeals and funding applications secured from a wide range of trusts and foundations, local authority sources, private donations, public contributions and corporate sponsorship.

The importance of this priority, and the size of the fundraising target set, meant that active fundraising to make a contribution towards day-to-day Society and Museum activities and expenses remained suspended. The exceptions to this were in relation to the purchase of a mosaic pavement from Dewlish Roman Villa following the refusal by DCMS to grant it an Export Purchase Licence; and the purchase of archaeological objects discovered within Dorset and declared Treasure under the auspices of the 1996 Treasure Act. In both cases funds towards these acquisitions were raised from applications to the V&A Purchase Grant Fund, the Headley Trust Archaeological Fund and from Society members / private individuals.

FINANCIAL REVIEW

Through good governance by the management, staff and trustees, the Society has successfully managed to improve on the accounts initially projected as a result of the Museum's temporary closure to enable the construction phases of the Tomorrow's Museum for Dorset and the impact of Covid 19.

Total income received for the year ending 31st March 2021 was £6,341,322 compared with £6,274,985 in 2020. Total unrestricted income including investment gains for the year ending 31st March 2021 was £462,266 with expenditure at £432,580 thus showing a small surplus of £29,686 before transfers and the inclusion of the pension scheme deficit. The charity has unrestricted funds at the year end of £175,075 (excluding the pension scheme). In the year to 31 March 2022, the net book value of the building will be transferred out to unrestricted funds. Forecasts developed additionally indicate that the fund will return to surplus without these assets following reopening of the museum. Restricted fund income for the year ending 31st March 2021 was £5,895,863 with expenditure of £634,661. This is due to the income for the museum project being included within this figure, with the cost of the works being capitalised on the balance sheet. Total net movement in funds for the year (including defined pension scheme) was £5,033,888.

The balance sheet shows net assets including the pension scheme liability of £14,506,686 (£15,485,686 without with the pension scheme liability). Included within this total is the museum development and other fixed assets of £16,913,463. Taking into account the reprofiled loan with Dorset County Council, the charity has net current assets of £407,223 at the year end. As noted elsewhere in the report and in the accounting policies, the charity has developed forecasts and budgets that demonstrate its ability to repay the loans that are classified as due in more than one year from 31st March 2021.

COVID-19

Following the Government announcements regarding the Covid-19 (Coronavirus) pandemic in March 2021, the Society has taken all precautions to ensure the safety and wellbeing of its staff, volunteers, visitors and other personnel.

Permission was granted by government for work to continue on the Museum construction site in April 2021, but with Construction Industry Council guidelines on working with social distancing in force. This drastically reduced the number of construction staff on site with significant impacts on the overall build and fit-out programme. These delays were them worsened by supply chain difficulties and shortages caused by the overall impact of the Covid-19 pandemic on manufacturing and transport sectors. Further delays to the planned re-opening were caused by the second full national lockdown imposed in January 2021. This prohibited all Museums in England from opening to the public until mid-May 2021

In regard to the ongoing operational financial stability of the charity, four scenarios of differing annual visitor numbers due to the unknown impact of the Covid-19 on visitor attendance were developed, so that key income and cost budgets along-with forecasts can be managed. The Charity's loan agreement was renegotiated due to the impact of Covid-19 and in-line with our revised business expectations, our investment portfolio which is managed by our agent Charles Stanley is continually monitored under strict guidelines therefore protecting our investments and reserves during this volatile time caused by the pandemic.

Full advantage was sought from the financial support available for businesses and charities from a wide range of sources, including the local authority, UK Government, Arts Council England, National Lottery Heritage Fund and other trusts and foundations. The government-backed furlough scheme to protect staff was also used where it was felt appropriate in terms of employees working in the visitor services, learning and administrative teams.
The Visit England 'Good to Go' mark, denoting a covid-secure tourism experience, was achieved in February 2021, in advance of the Museum's eventual re-opening planned for 28 May 2021.

RISKS

Risk logs for the Society and the *Tomorrow's Museum for Dorset* project are maintained and kept under regular review. The main risks for each that were managed during 2020-2021, along with their status at the final year end, were as follows:

Society / Museum Risks	Risk Management Status		Tomorrow's Museum Project Risks	Risk Management Status
Prolonged closure of Museum due to capital works	Ongoing monitoring and action as required		Increased scope / cost of work in historic buildings	Ongoing monitoring and action as required
Further delays and impacts due to Covid-19	Ongoing monitoring and action as required		Failure to secure pledged match-funding / cashflow support	Ongoing monitoring and action as required
Failure to achieve visitor targets / decline in membership	Ongoing monitoring and action as required		Poor contractor performance	Ongoing monitoring and action as required
Energy / Insurance price rises	Ongoing monitoring and action as required		Restricted site access	Closed
Major building / infrastructure failure	Ongoing monitoring and action as required		Damaged relationships with neighbours / local community	Ongoing monitoring and action as required
Major catastrophe	Ongoing monitoring and action as required		Developed design exceeds available budget	Ongoing monitoring and action as required
Loss of key staff	Ongoing monitoring and action as required		Failure to renegotiate cashflow loan support in light of Covid-19 delays	Ongoing monitoring and action as required
Failure to address operational readiness planning	Ongoing monitoring and action as required		Failure to sell surplus property holdings	Ongoing monitoring and action as required
Theft / vandalism to buildings / collections	Ongoing monitoring and action as required			

RESERVES

The reserves of the Society are those unrestricted funds which are not tied up in fixed assets or otherwise committed and are therefore reduced by the pension fund deficit. The Trustees continue to monitor the pension liabilities and the reserves of the Society closely and are aware of the need to match variable income against fixed commitments, day-to-day working needs being met by careful management of short-term liquid resources.

The Trustees consider the free reserves to be £742k consisting of the unrestricted net current assets (£320k), investments (£172k) and the market value of 3 Colliton Street which equates to approximately twelve months projected running costs for the Society and its Museum which the Trustees consider to be reasonable.

PLANS FOR FUTURE PERIODS

The focus of the Society's plans in the immediate future remains the final delivery of the Tomorrow's Museum for Dorset project. Following re-profiling to take into account the impact of the Covid-19 pandemic, the main elements of the project which must be achieved over the coming years are:

- Main build works (January 2020 – February 2021)
- Interior fit out (September 2021 – April 2021)
- Exhibition fit out and object installation (October 2021 to April 2021)
- Opening of the new museum (May 2021). Completion of outstanding snagging tasks / defect rectification (June 2021-March 2022)
- Relocation of stored collections to new home locations (2021 – 2023)
- Final embedding of new staff / volunteer structure (January – April 2021)
- Establishment of new operational procedures (January – April 2021)
- Summative evaluation and submission of final reports to funders (January – October 2022)
- Roll out of new activities and exhibition programme (2021 – 2023)

The project's programme of construction, formal Project Management Plan, Business Plan, Management and Maintenance Plan and Activity Plan are set out in detail in the written project plans and documents managed by the Trustees.

Statement of Trustees responsibilities

The Trustees (who are also Directors of The Dorset Natural History and Archaeological Society for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the Directors' report) and the financial statements in accordance with 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that 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 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which 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.

Statement as to disclosure to our auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Auditors

~~The auditors, Albert Goodman LLP, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.~~ A. J. Fleet

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

By order of the Trustees.

A. J. Fleet
.....
Prof. A J Fleet
Trustee (Chair)

Date: 24-11-2021

Opinion

We have audited the financial statements of The Dorset Natural History and Archaeological Society (the 'charitable company') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, 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 2021 and of its incoming resources and application of resources 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

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

Opinion on other matter 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, which includes the Directors' Report prepared for the purposes of company law 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 have been prepared in accordance with applicable legal requirements.

In the light of our 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 included within the Trustees' Report.

Matters on which we are required to report by exception
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 and proper 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.
- 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 Trustee Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities set out on pages 15-16, 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:

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity SORP FRS 2019, employment, data protection and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation, claims and breaches of relevant legislation; and
- reviewing correspondence with the Charity Commission and other relevant regulators including the company's legal advisors and insurers.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report
This report is made solely to the 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 and 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 charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THESE ACCOUNTS ARE NOT FINAL UNTIL SIGNED BY ALBERT GOODMAN

.....
Michelle Ferris BSc (Hons) FCA DChA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP
Chartered Accountants
Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: .....

The Dorset Natural History and Archaeological Society
Statement of Financial Activities (including an Income and Expenditure Account)
For the Year Ended 31 March 2021

	Notes	Unres-tricted £	Res-tricted £	End-owment £	Total 2021 £	(As restated) Total 2020 £
Income:						
Donations and legacies	2	415,778	5,895,863	-	6,311,641	6,238,540
Charitable activities	3	12,283	-	-	12,283	21,783
Other trading activities	4	13,158	-	-	13,158	1,668
Investments	5	4,240	-	-	4,240	12,994
Total income		445,459	5,895,863	-	6,341,322	6,274,985
Expenditure:						
Raising funds	6	7,552	37,936	-	45,488	29,486
Charitable activities	7	425,028	596,725	-	1,021,753	938,848
Interest payable		-	-	-	-	-
Total expenditure		432,580	634,661	-	1,067,241	968,334
Net income/(expenditure) before gains/(losses) on investments		12,879	5,261,202	-	5,274,081	5,306,651
Net (loss)/gain on investments	12	16,807	-	-	16,807	(15,486)
Net income/(expenditure) for the year		29,686	5,261,202	-	5,290,888	5,291,165
Transfers between funds	20	(814,190)	814,190	-	-	-
Corporation tax		-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme		(257,000)	-	-	(257,000)	39,000
Net movement in funds for the year		(1,041,504)	6,075,392	-	5,033,888	5,330,165
Reconciliation of funds						
Total funds brought forward		237,579	9,234,719	500	9,472,798	4,142,633
Total funds carried forward		(803,925)	15,310,111	500	14,506,686	9,472,798

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities for the prior year is shown in Note 26.

Balance Sheet
As at 31 March 2021

	Notes	2021 £	2021 £	(As restated) 2020 £	(As restated) 2020 £
Fixed assets					
Tangible fixed assets	10		15,708,943		9,608,508
Heritage assets	11		1,032,639		896,369
Investments	12		171,881		156,454
			16,913,463		10,661,331
Non current assets					
Investment property	13		250,000		250,000
Current assets					
Stock	14	-		-	
Debtors	15	1,154,884		1,518,687	
Cash at bank and in hand		457,505		886,387	
		1,612,389		2,405,074	
Liabilities:					
Creditors falling due within one year	16	(1,205,166)		(1,183,607)	
Net current assets			407,223		1,221,467
Creditors falling due in more than one year	17		(2,085,000)		(1,965,000)
Net assets excluding pension liability			15,485,686		10,167,798
Defined benefit pension scheme liability	24		(979,000)		(695,000)
Total net assets including pension liability			**14,506,686**		**9,472,798**
Unrestricted funds	20		175,075		932,579
Pension reserve	20		(979,000)		(695,000)
Revaluation reserve	20		-		-
Total unrestricted funds			(803,925)		237,579
Restricted income funds	20		15,310,111		9,234,719
Endowment funds	20		500		500
Total charity funds			**14,506,686**		**9,472,798**

These financial statements have been prepared and delivered in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

The notes on pages 25 – 54 form part of these accounts.

Approved by the Board for issue on ..... and signed on their behalf by:

A. J. Fleet
.....
Prof A J Fleet
Trustee (Chair)

The Dorset Natural History and Archaeological Society
Statement of Cash Flows
For the Year Ended 31 March 2021

	Notes	Total 2021 £	(As restated) Total 2020 £
Cash flows from operating activities			
Net income for the year		5,290,888	5,291,165
Adjustments to cash flows from non-cash items			
Post employment benefits less payments		27,000	41,000
Depreciation and loss on disposal of fixed assets	10	18,026	13,020
Dividends and interest from investments, and rental income	5	(4,240)	(12,994)
Interest payable		-	-
Losses / (gains) on investments	12	(16,807)	15,486
		5,314,867	5,347,677
Working capital adjustments			
(Increase)/decrease in stocks	14	-	1,846
(Increase)/decrease in debtors	15	363,803	(800,346)
Increase/(decrease) in creditors	16	(133,441)	938,525
Net cash flow from operating activities		5,545,229	5,487,702
Cash flows from investing activities			
Interest payable		-	-
Interest and dividends received and rental income	5	4,240	12,994
Purchase of heritage assets	11	(136,270)	(27,405)
Purchase of tangible fixed assets	10	(6,118,461)	(6,859,398)
Acquisition of investments	12	(67,299)	(41,065)
Investment disposals	12	64,375	45,763
Acquisition of investment property	13	-	(250,000)
Net cash flows from investing activities		(6,253,415)	(7,119,111)
Cash flows from financing activities			
Loans advanced		275,000	1,700,000
Loans repaid		-	-
Net cash flows from financing activities		275,000	1,700,000
Net increase/(decrease) in cash and cash equivalents		(433,186)	68,592
Cash and cash equivalents at the beginning of reporting period		893,619	825,027
Cash and cash equivalents at the end of the reporting period		460,433	893,619
Cash & Cash equivalents reconciliation:			
Cash at bank		457,505	886,387
Cash held by brokers		2,928	7,232
Total cash & cash equivalents at the end of the reporting period		460,433	893,619

1 Accounting Policies

1.1 Basis of accounting

The Dorset Natural History and Archaeological Society is a company limited by guarantee incorporated in the United Kingdom under the Companies Act. The maximum liability of each member of limited to £1. The address of the registered office is given on page 1. The nature of the charity's operations and its principal activities are set out in the Trustees Report on pages 3-16.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) and all amounts are presented in £ sterling.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Prior period adjustment

A prior period adjustment has been made to recognise £175,543 received from Dorset County Council as a grant received rather than in long term loans as previously recognised. This income has been recognised as restricted income in the prior year, and then transferred to unrestricted funds in line with the building project.

The effect of the prior year adjustment is as follows:

	2020 £	Correction 2020 £	(As restated) 2020 £
Donations and legacies (restricted)	5,977,285	175,543	6,152,828
Creditors falling due in more than one year:			
Loans	(2,140,543)	175,543	(1,965,000)
Unrestricted funds	(757,036)	(175,543)	(932,579)
Total charity funds	(9,297,255)	(175,543)	(9,472,798)

1.2 **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 Trust 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 Trust has adequate resources to continue in operational existence, thus they continue to adopt the going concern basis of accounting when preparing the financial statements.

The Covid-19 pandemic has had a significant impact on the charity. Whilst building work was delayed slightly, the economic situation has resulted in a more difficult environment in which to raise funds, and has delayed the opening of the new museum.

However, the funders of the charity and the wider museum project have remained supportive and the charity has been able to access additional funding source available from many national donors, as well as receiving local support in the form of donations, grants and loan facilities, including a loan facility from Dorset County Council, for which the charity is very grateful. The trustees have developed cashflow forecasts which demonstrate the charity's ability to repay the loan facility within the terms. The charity has also been able to take advantage of government backed programmes such as the Coronavirus Job Retention Scheme.

Four scenarios of differing annual visitor numbers due to the unknown impact of the Covid-19 on visitor attendance were developed, so that key income and cost budgets along-with forecasts can be managed. These projections and forecasts (which have been closely monitored by trustees), provide assurance that the charity remains a going concern. A key factor behind the forecasts is visitor numbers, and initial indications from the data received since re-opening the museum suggest that visitor numbers remain strong. With the current Government Guidelines not suggesting a return to a lockdown situation, the trustees consider that the forecasted visitor numbers provide a reasonable range of assessments. All of the forecasts developed show the charity repaying the loans in line with the repayment schedule and continuing to generate sufficient working capital.

On this basis the trustees have concluded that the charity is a going concern. The financial statements do not include any adjustments that would result from the charity not being able to meet its liabilities as they fall due.

1.3 **Income**

Income from donations and legacies is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from government grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where no conditions are attached to the grant income they are recognised within donations and legacies and where conditions relating to performance of services are attached, grant income is recognised in income from charitable activities within the Statement of Financial Activities.

Income from charitable activities includes membership and admissions income. Membership income is accounted for in full in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income from other trading activities, including rental income, is included in the period in which the group is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured.

Income relating to sales booked online is recognised in the period in which the customer visits the museum. Any income received where the customer has not yet visited is deferred.

1.4 **Interest receivable**
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.5 **Expenditure**
Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Raising funds is expenditure incurred in respect of trading activities carried out by the trust.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to general running of the charity as opposed to those costs associated with charitable activities.

1.6 **Tangible and heritage assets**
Tangible fixed assets and heritage assets held for continuing use by the charitable company are recorded at original cost, or in the case of donated assets, at a valuation. Heritage assets are not revalued as it is considered that any valuation would be very subjective and the cost of valuation would outweigh any benefit received.

No depreciation is charged on collection held within heritage assets as it is the intention of the trustees to ensure these are maintained to the highest of standard and their residual value will be in excess of cost. No depreciation is charged on freehold land and buildings as the trustees have a policy of regular repair and maintenance to ensure they are maintained to the highest of standard and their residual value will be in excess of cost, meaning any depreciation charge would be immaterial. Depreciation of other fixed assets is provided in order to write off the cost valuation less residual value of each evenly over its estimated useful life as follows:

Freehold property	Not depreciated
Land and buildings	10 years straight line once complete
Fixture, fittings and equipment	15% reducing balance/25% straight line
Collections	Not depreciated

1.7 **Investments**
Investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs.) Subsequently, investments are held at market value, with all realised and unrealised gains passing through the SOFA.

1.8 **Investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the directors. The directors use observable market prices where possible, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised through the SOFA.

1.9 **Debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due to according to the original terms of the receivables.

Other debtors comprise amounts due from funders, prepayments and accrued income. Amounts due from funders are recognised when the Trust is entitled to the money, prepayments arise from the payments for services prior to benefit from those services, and accrued income is amounts due for services provided, recognised at the point of provision of the services.

1.10 **Stock**

Stock consists of shop stock for resale and publication stocks. Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock. Any impairments are calculated based on the likely selling value compared to cost.

1.11 **Cash at bank and in hand**

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

1.12 **Creditors**

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

Trade creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Other debtors comprise accruals and taxation amounts. Accruals arise from payments due to suppliers for services from which the charity has already benefited, and taxation arises as a result of the liabilities for social security amounts, which are recognised at the point of payment of the wages that create the liability.

1.13 **Operating leases**

The trust classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

1.14 **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of Trust.

Restricted funds are from donations and grants in which the donor or funder has specified are to be solely used for particular areas of the Trust's work or for specific projects being undertaken by the Trust.

1.15 **Defined contribution pension**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as staff pension expense through the profit and loss when they are due.

1.16 **Defined benefit pension obligation**

The majority of employees of the charity are members of the Local Government Pension Scheme (LGPS) managed by Dorset County Council.

This is a funded defined benefit scheme where the assets are held separately from those of the charity in separate Trustee administered funds. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one of more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the Statement of Financial Activities.

1.17 **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2020 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

1.18 **Taxation**

As a registered charity, the company is not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only.

Value Added Tax (VAT) is partially recoverable by the company. Any irrecoverable VAT is added to the relevant cost and charged as an expense in the Statement of Financial Activities.

1.19 **Financial instruments**

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 25. Investment portfolios and investment property are basic financial instruments measured at fair value through the income and expenditure account. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals, other creditors and loans are financial instruments, and are measured at amortised cost as detailed in note 25. Taxation and social security and the Local Government Pension Scheme are not included in the financial instruments disclosure definition.

2 Donations and legacies

	Unrestricted funds	Restricted funds	2021 Total	Unrestricted funds	(As restated) Restricted funds	(As restated) 2020 Total
Grants	£	£	£	£	£	£
Dorset County Council*	78,994	-	78,994	68,000	-	68,000
West Dorset District Council*	-	-	-	10,994	-	10,994
Arts Council England	52,604	213,121	265,725	-	-	-
Wessex Museum Trust	18,785	-	18,785	-	-	-
Wolfson Foundation	120,000	-	120,000	-	-	-
Foyle Foundation	-	25,000	25,000	-	-	-
John Ellerman Foundation	-	30,057	30,057	-	30,057	30,057
Other	300	-	300	4,444	86,600	91,044
	270,683	268,178	538,861	83,438	116,657	200,095
Development appeal fund						
Headley Trust	-	-	-	-	6,550	6,550
Heritage Lottery Fund*	-	5,322,653	5,322,653	-	5,120,138	5,120,138
Dorset County Council*	-	-	-	-	175,543	175,543
Wolfson Foundation	-	-	-	-	150,000	150,000
Arts Council England	-	-	-	-	293,179	293,179
Department for Culture, Media & Sport	-	-	-	-	175,000	175,000
Roberts Trust	-	-	-	-	30,000	30,000
Art Fund	-	-	-	-	22,500	22,500
Valentine Trust	-	20,000	20,000	-	25,000	25,000
Weld	-	20,000	20,000	-	-	-
J S Coombs	-	-	-	-	10,000	10,000
Garfield Weston	-	100,000	100,000	-	-	-
G F Eure Charitable Trust	-	10,000	10,000	-	-	-
Dannat	-	10,000	10,000	-	-	-
P N Tomlinson	-	-	-	-	5,000	5,000
Other	-	47,272	47,272	-	23,261	23,261
	-	5,529,925	5,529,925	-	6,036,171	6,036,171

2 Donations and legacies (continued)

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	(As restated) Restricted funds £	(As restated) 2020 Total £
Donations	26,765	97,760	124,525	2,274	-	2,274
Legacies	50,000	-	50,000	-	-	-
	76,765	97,760	174,525	2,274	-	2,274
Exceptional government funding						
Coronavirus Job Retention Scheme grant*	58,330	-	58,330	-	-	-
Other Covid grants*	10,000	-	10,000	-	-	-
	68,330	-	68,330	-	-	-
	415,778	5,895,863	6,311,641	85,712	6,152,828	6,238,540

The charity has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The charity furloughed some of its staff under the governments CJRS. The funding received £58,330 relates to staff costs which are included within note 9 as appropriate.

*Donates government grants

3 Charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Membership subscriptions	10,941	-	10,941	20,940	-	20,940
Museum admission fees	-	-	-	510	-	510
Events and exhibitions	1,342	-	1,342	333	-	333
	12,283	-	12,283	21,783	-	21,783

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Shop/ online sales	9,284	-	9,284	1,573	-	1,573
Royalties and sundry income	3,874	-	3,874	95	-	95
	13,158	-	13,158	1,668	-	1,668

5 Investment Income

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Dividends and interest	4,150	-	4,150	5,980	-	5,980
Interest on cash deposits	98	-	98	667	-	667
Rental income	(8)	-	(8)	6,347	-	6,347
	4,240	-	4,240	12,994	-	12,994

6 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Shop/ online purchases	-	1,031	1,031	1,976	792	2,768
Tea room purchases	6,102	-	6,102	19	-	19
Fundraising fees	-	36,905	36,905	12	24,529	24,541
Investment management fees	1,450	-	1,450	2,158	-	2,158
	7,552	37,936	45,488	4,165	25,321	29,486

7 Charitable activities

	Unres-tricted funds £	Restricted funds £	Endowment funds £	2021 Total £	Unres-tricted funds £	Restricted funds £	Endowment funds £	2020 Total £
Exhibitions, events, collections management and other project expenses	3,700	2,517	-	6,217	15,110	9,329	-	24,439
General repairs	5,142	6,316	-	11,458	8,073	2,310	-	10,383
Development costs	-	-	-	-	57	(57)	-	-
Depreciation	18,027	-	-	18,027	13,020	-	-	13,020
Travel and subsistence	2,560	5,450	-	8,010	11,666	6,174	-	17,840
Employment costs	278,678	361,689	-	640,367	192,643	363,129	-	555,772
Establishment costs	45,745	138,517	-	184,262	48,525	117,671	-	166,196
Marketing and promotion	17,049	57,742	-	74,791	14,035	59,373	-	73,408
Support costs:								
Office and administration expenses	20,920	1,721	-	22,641	26,804	7,874	-	34,678
Other finance charges	1,771	674	-	2,445	2,192	190	-	2,382
Printing postage and stationery	18,234	4,175	-	22,409	11,684	1,802	-	13,486
Professional fees	13,202	17,924	-	31,126	16,883	10,361	-	27,244
	425,028	596,725	-	1,021,753	360,692	578,156	-	938,848

8 Net incoming resources/operating surplus

	2021	2020
	£	£
Depreciation of owned assets	18,026	13,020
Loss / (gain) on disposal of investments	(16,829)	15,031
Loss on fair value movement of investments	22	455
Operating lease rentals	35,321	42,379
Impairment of stock	22	1,846
Auditors' remuneration for:		
Audit services	5,000	5,000
Other services	3,784	2,163

9 Employees

Number of employees

The average monthly head count of employees during the year was:

	2021	2020
	22	21
	22	21

Employment costs

	2021	2020
	£	£
Wages and salaries	532,014	442,741
Social security costs	35,948	31,175
Other pension costs	72,405	81,856
	640,367	555,772

No employee earns in excess of £60,000 per annum (excluding pension costs and employers national insurance as required by the Charities SORP FRS102) (2020: none).

9 Employees (cont.)

The key management personnel of the charity are considered to be the Executive Director, the Commercial Director, the Director of Collections and the Finance Manager. The total costs to the charity of employee benefits of key management personnel were £169,964 (2020: £153,851).

No remuneration or expenses were paid to the Board during the year with the exception of the full-time director, Dr J Murden, whose remuneration is in respect of his capacity as a director, not that of a trustee, as permitted under the articles. Details of the director's remuneration are as follows:

	2021	2020
	£	£
Gross salary	53,255	47,510
Employer's national insurance	6,137	5,369
Defined benefit pension scheme costs	11,551	11,212
	70,943	64,091

No charity trustees were reimbursed for business expenses in the year (2020: One trustee reimbursed business expenses of £186). No charity trustee received payment for professional or other services supplied to the charity.

10 Tangible fixed assets

	Freehold properties £	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 April 2020	387,235	9,182,569	253,047	9,822,851
Additions	-	6,070,392	48,069	6,118,461
At 31 March 2021	387,235	15,252,961	301,116	15,941,312
Depreciation				
At 1 April 2020	-	23,443	190,900	214,343
Charge for the year	-	2,987	15,039	18,026
At 31 March 2021	-	26,430	205,939	232,369
Net book value				
At 31 March 2021	387,235	15,226,531	95,177	15,708,943
At 1 April 2020	387,235	9,159,126	62,147	9,608,508

Freehold properties are functional assets insured for £2.1m. These comprise the properties of 4 - 5 Colliton Street, St Peter's Institute, the Craft Market site and Old School. Whilst the trustees consider that their market value is higher than the carrying value of these assets, it is not practicable to quantity the difference.

The main Museum buildings, which are made up by the Crickmay Building (including part of the Victoria galleries), Williams House and the Brawne Extension, have not been capitalised in the balance sheet as reliable cost information is not available and it is not considered beneficial to the users of the accounts to attempt to establish an estimated current valuation, however this property is insured for £9.25m.

The charity has provided a fixed charge over the freehold property known as 4 and 5 Colliton Street, the freehold land on the south side of Colliton Street and the freehold property known as St Peter's Institute Colliton Street in favour of National Heritage Memorial Fund.

11 Heritage assets

	Collections	Total
	£	£
Cost and net book value		
At 1 April 2020	896,369	896,369
Additions	136,270	136,270
At 31 March 2021	1,032,639	1,032,639
Net book value		
At 31 March 2021	1,032,639	1,032,639
At 1 April 2020	896,369	896,369

Collections acquired since 1st January 2001 have been capitalised at cost. Where assets have been donated and a reliable estimate cannot be made of the assets fair value or the cost of valuation is likely to exceed the benefit provided by the information, the asset has not been recognised in the accounts. Please see the trustees report for more information on the assets donated in the year.

Heritage assets acquired before 1st January 2001 have not been recognised due to the significant cost that would be involved in valuing the Museum's diverse collections and other assets. This would be onerous compared with the additional benefit that would be derived by the users of the accounts in assessing the trustee's stewardship of these assets.

No depreciation is charged on collections or galleries in the course of construction.

Five year summary of additions and disposals

	2021 £	2020 £	2019 £	2018 £	2017 £
Purchased additions at cost	136,270	27,405	46,670	5,905	592,485
Donated additions at deemed cost	-	-	-	-	-
Total additions	136,270	46,670	5,905	592,485	408,727
Impairment- assets held at cost	-	-	-	-	205,567
Net book value disposals- assets at cost- nil proceeds	-	-	141,178	-	15,000

12 Investments

	2021 £	2020 £
Listed shares	168,953	149,222
Cash held by investment manager	2,928	7,232
	171,881	156,454

Listed shares	2021 £	2020 £
Market value		
At 1 April 2020	149,222	169,406
Additions	67,299	41,065
Disposals	(64,375)	(45,763)
Unrealised gains/(losses)	16,829	(15,031)
Realised losses	(22)	(455)
At 31 March 2021	168,953	149,222
Historical cost		
At 1 April 2020	153,101	157,268
Additions	67,299	41,065
Disposals	(68,204)	(45,232)
At 31 March 2021	152,196	153,101

13 Investment property

	2021 £	2020 £
At 1 April 2020	250,000	-
Additions	-	250,000
At 31 March 2021	250,000	250,000

The investment property consists of 3 Colliton Street which was acquired in 2019/20 as part of the development works.

14 Stocks

	2021 £	2020 £
Goods for resale	-	-

15 Debtors

	2021	2020
	£	£
Trade debtors	394,929	6,792
Other debtors	-	849
Prepayments	196	196
Accrued income	590,150	1,207,450
VAT	169,609	303,400
	1,154,884	1,518,687

16 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Loans	155,000	-
Trade creditors	786,556	937,339
Accruals and deferred income	246,239	227,111
Other creditors	7,177	6,791
Taxation and social security	10,194	12,366
	1,205,166	1,183,607

17 Creditors: Amounts falling due in more than one year

	2021	(As restated) 2020
	£	£
Loans	2,085,000	1,965,000

Loan maturity analysis

In less than one year	155,000	-
In more than one year but not more than five years	1,386,668	1,965,000
In more than five years	698,332	-

17 Creditors: Amounts falling due in more than one year (continued)

Interest is charged on the loans from related parties totalling £65,000, as disclosed in note 22, which are repayable within 5 years, at 0.5% per annum.

Interest is charged on the £475,000 Dorset County Council (previously West Dorset District Council) loan, which is repayable over 7 years to 31 March 2028, at an interest rate equivalent to the Public Work Loans Board 25 year rate, currently 2.81%. The loan is secured against the freehold property known as the Old School House.

Interest is charged on the £1,700,000 Dorset County Council loan, which is repayable over 15 years to 31 March 2037, at an interest rate equivalent to the Public Work Loans Board 25 year rate, currently 2.81%.

The charity has given a floating charge over all property or undertaking of the charity in favour of the National Heritage Memorial Fund.

18 Financial commitments

The future minimal lease payments under non-cancellable operating leases relating to premises and office equipment are as follows:

	2021 £	2020 £
Operating lease which expire:		
Within one year	20,916	40,250
Within two and five years	33,000	45,666
More than five years	24,750	33,000
	78,666	118,916

19 Capital commitments

As at 31 March 2021 the charity had committed to further expenditure totalling £814k in relation to the building development. This amount is expected to be paid in the year to 31 March 2022.

20 Funds

	(As restated) Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
Unrestricted funds					
General fund	20,823	445,459	(405,580)	(933,653)	(872,951)
Designated funds:					
Collections	896,369	-	-	136,270	1,032,639
Life memberships	9,446	-	-	-	9,446
Dugdale Trust	941	-	-	-	941
Lift	5,000	-	-	-	5,000
	932,579	445,459	(405,580)	(797,383)	175,075
Pension reserve	(695,000)	-	(27,000)	(257,000)	(979,000)
Revaluation reserve	-	-	-	-	-
	237,579	445,459	(432,580)	(1,054,383)	(803,925)
Restricted funds					
Tomorrow's Museum for Dorset:					
Heritage Lottery Fund	6,323,008	5,322,653	(366,483)	-	11,279,178
Other funding	2,829,689	207,272	-	906,950	3,943,911
Arts Council England	-	213,121	(213,121)	-	-
Foyle Foundation	-	25,000	(25,000)	-	-
The John Ellerman	-	30,057	(30,057)	-	-
Dewlish Mosaic Public Appeal	-	92,760	-	(92,760)	-
Dorset Archaeological Committe	48,856	-	-	-	48,856
Jurassic Coast Gallery	9,974	-	-	-	9,974
Monograph Fund	8,042	-	-	-	8,042
Museum Makers	(1,207)	-	-	-	(1,207)
Gentleman's Magazine	3,001	-	-	-	3,001
WDDC Social Inclusion	885	-	-	-	885
Funds under £1,000	813	-	-	-	813
Barnes- Dugdale portrait	382	-	-	-	382
Treasure Acquisitions	3,256	5,000	-	-	8,256
Museums Partnership	8,020	-	-	-	8,020
	9,234,719	5,895,863	(634,661)	814,190	15,310,111
Endowment funds					
Charles Hansford fund	500	-	-	-	500
	500	-	-	-	500
Total funds	**9,472,798**	**6,341,322**	**(1,067,241)**	**(240,193)**	**14,506,686**

20 Funds- 2020

	Opening balance £	(As restated) Income £	Expenditure £	(As restated) Transfers & gains £	(As restated) Closing balance £
Unrestricted funds					
General fund	458,123	122,157	(323,857)	(235,600)	20,823
Designated funds:					
Collections	868,964	-	-	27,405	896,369
Life memberships	9,446	-	-	-	9,446
Dugdale Trust	941	-	-	-	941
Lift	5,000	-	-	-	5,000
	1,342,474	122,157	(323,857)	(208,195)	932,579
Pension reserve	(693,000)	-	(41,000)	39,000	(695,000)
Revaluation reserve	12,138	-	-	(12,138)	-
	661,612	122,157	(364,857)	(181,333)	237,579
Restricted funds					
Tomorrow's Museum for Dorset:					
Heritage Lottery Fund	1,724,220	5,120,138	(521,350)	-	6,323,008
Other funding	589,833	-	-	2,239,856	2,829,689
Development Appeal Fund	1,085,503	916,033	(75)	(2,001,461)	-
The John Ellerman	3,092	30,057	(33,149)	-	-
Dorset Archaeological Committe	46,629	-	2,227	-	48,856
Jurassic Coast Gallery	9,974	-	-	-	9,974
Monograph Fund	8,042	-	-	-	8,042
Rebranding Fund	4,562	-	-	(4,562)	-
Museum Makers	(1,207)	-	-	-	(1,207)
Gentleman's Magazine	3,001	-	-	-	3,001
WDDC Social Inclusion	885	-	-	-	885
Funds under £1,000	813	-	-	-	813
Barnes- Dugdale portrait	382	-	-	-	382
Treasure Acquisitions	3,211	27,450	-	(27,405)	3,256
Museums Partnership	-	59,150	(51,130)	-	8,020
	3,480,521	6,152,828	(603,477)	204,847	9,234,719
Endowment funds					
Charles Hansford fund	500	-	-	-	500
	500	-	-	-	500
Total funds	**4,142,633**	**6,274,985**	**(968,334)**	**23,514**	**9,472,798**

20 Funds

Unrestricted funds

- The general fund represents the free funds which are not designated by the Board for particular purposes.
- Designated funds represent money set aside by for specific purposes at the discretion of the Board.
- The collections designated funds represents the net book value of the collections held within heritage assets.
- The pension reserve represents the notional funding deficit calculated under FRS102 in respect of the charitable company's pension scheme advised by the scheme actuary.
- The revaluation reserve is required under the Companies Act 2006 and represents the difference between the historic cost and market value of investments at the balance sheet.

Restricted funds

- The Dorset Archaeological Committee fund represents money received specifically for the committee.
- The treasure acquisition fund represents monies raised to purchase specific artefacts.
- Where funding is agreed in advance but only paid on receipt of invoices, funds may go into deficit temporarily.
- Where funds are raised for a particular asset, a transfer is made to the relevant fund when the asset is capitalised.
- Archaeology gallery fund represents funds raised from the public, members and trusts towards the archaeology redevelopment.
- The John Ellerman fund represents a grant over 3 years towards the salary of the Director of Collections.
- *Tomorrow's Museum for Dorset*:
    - Heritage Lottery Fund represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
    - Other funding represents the funds received towards the museum redevelopment and equals the net book value of property improvements capitalised using Heritage Lottery Funds.
    - Development appeal fund represents unspent funds raised from the public, members and trusts towards the museum redevelopment.
- Other funds represent monies raised for a particular purchase or project.
- Museums Partnership fund represents a grant towards collections assistants salaries.
- Arts Council England is a Cultural Recovery Fund Grant.
- Foyle Foundation is a grant contribution towards increased operating costs on re-opening due to covid-19 and restrictions.
- Dewlish Mosaic Public Appeal are funds towards the purchase of Dewlish Mosiac which proved to be successful.

Endowment funds

- The Charles Hansford fund, which is permanent endowment fund, represents a bequest made in 1910. Interest arising from the investment, which is unrestricted, is to be utilised towards the maintenance and benefit of the museum and library.
- Heritage assets are capital assets held for conservation and preservation purposes and are therefore shown as expendable endowment. The balance of collections has been transferred to designated funds and the museum and gallery improvements have been transferred to restricted funds during the prior year, as the purposes of the funds did not meet the requirement of an endowment fund.

21 Analysis of net assets between funds

	Unres-tricted funds £	Restricted funds £	Endowment funds £	2021 Total £
Tangible fixed assets	485,854	15,223,089	-	15,708,943
Heritage assets	1,032,639	-	-	1,032,639
Investments	171,881	-	-	171,881
Investment property	250,000	-	-	250,000
Net current assets	319,701	87,022	500	407,223
Long term liabilities	(2,085,000)	-	-	(2,085,000)
Pension scheme funding deficit	(979,000)	-	-	(979,000)
	(803,925)	15,310,111	500	14,506,686

	(As restated) Unres-tricted funds £	(As restated) Restricted funds £	Endowment funds £	(As restated) 2020 Total £
Tangible fixed assets	455,811	9,152,697	-	9,608,508
Heritage assets	896,369	-	-	896,369
Investments	156,454	-	-	156,454
Investment property	250,000	-	-	250,000
Net current assets	1,138,945	82,022	500	1,221,467
Long term liabilities	(1,965,000)	-	-	(1,965,000)
Pension scheme funding deficit	(695,000)	-	-	(695,000)
	237,579	9,234,719	500	9,472,798

22 Related party transactions

During 2017, loans totalling £75,000 were received from J J R Pope (trustee) and S Fleet, W Hilton, C Atterbury and F Hebditch (wives of trustees). Since the loans were advanced, the husbands of W Hilton, C Atterbury and F Hebditch have resigned as trustees.

During the year ended 31 March 2021 £nil of the loans was released to income (31 March 2020 - £nil), leaving £65,000 outstanding as at 31 March 2020 and 31 March 2021 (the balance was repaid in previous years). Interest is charged on the loans, which are repayable within 5 years, at 0.5% per annum.

23 Contingent liability

Grants received from the National Heritage Memorial Fund amounting to £12,537,756 (total amount received so far) as at 31 March 2021 may become subject to partial repayment in the event that the assets built with funds provided are sold. The amounts potentially repayable are secured by a legal charge in favour of the National Heritage Memorial Fund.

24 Pensions

The charitable company participates in a pension scheme for its employees, which is a defined benefits scheme. It is the Dorset County Pension Fund, a Local Government Pension Scheme, which is a contracted-out defined benefit multi-employer pension scheme.

The assets of the defined benefits scheme are held separately from those of the charitable company. The scheme is funded by contributions from the employees and participating employers in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations. The most recent of these valuations was made on 31 March 2020.

At the year end there were contributions due to the scheme totalling £2,699 which are included in creditors.

The scheme is a funded defined benefit pension scheme, with assets held in separate Trustee-administrated fund. The total contributions made for the year ended 31 March 2021 were £33,000, of which employer contributions totalled £26,000 and employee's contributions totalled £7,000. The current rates for future years are 24%.

The total cost recognised in the year was as follows:-

	Year to 31 March 2021 £'000	Year to 31 March 2020 £'000
Service cost	36	49
Net interest on the defined liability	16	16
Administration expenses	1	1
Total cost recognised	53	66

Amounts recognised in the balance sheet were as follows:-

	At 31 March 2021 £'000	At 31 March 2020 £'000
Present value of the defined benefit obligation	2,109	1,613
Fair value of pension fund assets	(1,130)	(918)
Net defined benefit liability	979	695

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	Year to 31 March 2021 £'000	Year to 31 March 2020 £'000
Equity instruments	615	458
Gilts	129	104
Cash	26	19
Other bonds	65	75
Diversified Growth Fund	56	52
Property	106	106
Infrastructure	69	63
Multi Asset Credit	58	41
Secured Income Funds	6	-
Total market value of assets	1,130	918

The principal actuarial assumptions used were as follows:

	2021 %	2020 %
Discount rate	2.00	2.35
Expected rates of pension increases	2.85	1.85
Expected rates of salary increases	3.85	2.85
Expected rate of inflation - RPI	3.20	2.65
Expected rate of inflation - CPI	2.85	1.85

The mortality assumptions used for longevity in years on retirement at age 65 are:

	2021 years	2020 years
Retiring at the balance sheet date:		
- Males	23.1	23.3
- Females	24.6	24.7
Retiring in 20 years		
- Males	24.4	24.7
- Females	26.0	26.2

Sensitivity analysis

	£'000's	£000"s	£'000's
Adjustment to discount rate	0.10%	0.00%	-0.10%
Present value of total obligation	2,064	2,109	2,155
Projected service cost	60	63	65
Adjustment to long term salary increase	0.10%	0.00%	-0.10%
Present value of total obligation	2,111	2,109	2,107
Projected service cost	63	63	63
Adjustment to pension increases and deferred revaluation	0.10%	0.00%	-0.10%
Present value of total obligation	2,152	2,109	2,067
Projected service cost	66	63	60
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	2,211	2,109	2,012
Projected service cost	65	63	60

25 Financial instruments

Categorisation of financial instruments

	2021	(As restated) 2020
	£	£
Financial assets measured at fair value through income and expenditure account	421,881	406,454
Financial assets that are debt instruments measured at amortised cost	1,442,584	2,101,478
	1,864,465	2,508,112
Financial liabilities measured at amortised cost	3,279,972	3,136,241

Item of income, expenditure, gain or losses

2021	Income	Expense	Net gains	Net losses
	£	£	£	£
Financial assets measured at fair value through income and expenditure account	4,150	-	16,807	-
Financial assets that are debt instruments measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	4,150	-	-	-

2020	Income	Expense	Net gains	Net losses
	£	£	£	£
Financial assets measured at fair value through income and expenditure account	5,980	-	-	(15,486)
Financial assets that are debt instruments measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	5,980	-	-	(15,486)

26 Prior year statement of financial activities

	(As restated) Unres-tricted £	(As restated) Res-tricted £	End-owment £	(As restated) Total 2020 £
Income:				
Donations and legacies	85,712	6,152,828	-	6,238,540
Charitable activities	21,783	-	-	21,783
Other trading activities	1,668	-	-	1,668
Investments	12,994	-	-	12,994
Total income	122,157	6,152,828	-	6,274,985
Expenditure:				
Raising funds	4,165	25,321	-	29,486
Charitable activities	360,692	578,156	-	938,848
Interest payable	-	-	-	-
Total expenditure	364,857	603,477	-	968,334
Net income before gains on investments	(242,700)	5,549,351	-	5,306,651
Net gain on investments	(15,486)	-	-	(15,486)
Net income/(expenditure) for the year	(258,186)	5,549,351	-	5,291,165
Transfers between funds	(204,847)	204,847	-	-
Corporation tax	-	-	-	-
Actuarial losses on defined benefit pension scheme	39,000	-	-	39,000
Net movement in funds for the year	(424,033)	5,754,198	-	5,330,165
Reconciliation of funds				
Total funds brought forward	661,612	3,480,521	500	4,142,633
Total funds carried forward	237,579	9,234,719	500	9,472,798