

THE AMERICAN MUSEUM AND GARDENS
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

Charity number 1106989
Company registration number 05282777

THE AMERICAN MUSEUM AND GARDENS

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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Registered charity name:	The American Museum and Gardens
Charity number	1106989
Company registration number	05282777
Registered office	Claverton Manor Bath BA2 7BD
Trustees	Mr G Thomas Mr E Bayntun-Coward Mr R Bernays Mrs B Bovender Mrs E Scott (Formerly De Forest Scott) Mr M E Haranzo Lady C Manning Mrs Lynne Sayer Dr R H Wendorf
Auditor	Moore Chartered Accountants & Statutory Auditor 30 Gay Street Bath BA1 2PA
Bankers	NatWest Bank Plc 24-25 Stall Street Bath BA1 1QF
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ
Investment Advisors	Rothschild Asset Management 1 King William Street London EC4N 7AR Hamlin Capital Management LLC 640 5 th Avenue New York NY 10019

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

GOVERNING DOCUMENT

The American Museum and Gardens (formerly American Museum in Britain) was established by Deed of Trust on 5 February 1959. The deed was amended in 1964 so as to establish the John Judkyn Memorial. On 10 November 2004 the Museum became an incorporated charity. The Museum is governed by its Memorandum and Articles of Association as amended by Special Resolution dated 13 October 2008.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of Members of the board and professional advisers in these financial statements.

THE TRUSTEES

The Trustees who served the charity during the year and at the date of approval of these financial statements were as follows:

Mr E Bayntun-Coward
Mr R Bernays
Mrs B Bovondor
Mrs E Scott (formerly known as De Forest Scott)
Mr M E Haranzo
Lady C Manning
Mrs Lynne Sayer
Mr G Thomas
Dr R H Wendorf

RECRUITMENT AND INDUCTION OF TRUSTEES

The Halcyon Foundation in the United States of America has approval duties to board members of the American Museum and Gardens. This is a not-for-profit organisation under section 501 (c) 3 of the US Internal Revenue Code.

Trustees are generally recruited from the two Museum councils. These councils act as advisors and fund raising organisations. Outside of these councils, board members are recruited from Museum supporters and colleagues of current board members. Most new trustees have an extensive knowledge of the Museum and its objectives.

Newly elected Trustees will meet with the Chief Executive on site (American Museum and Gardens) and will be introduced to the projects currently underway. Each new board member will be assigned a senior board member for consultation.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Training materials and an induction pack were developed and adopted by the board in 2006. This package will be offered to Trustees' elect who will be inducted by the Director of the Museum, along with a one-day workshop held at the Museum.

CHIEF EXECUTIVE

Dr Richard Wendorf served as the chief executive throughout the year.

THE CHARITIES AIMS AND MISSION STATEMENT

The mission of the American Museum is to educate, stimulate, and inspire its visitors in order to further the understanding of American history and culture. The Museum carries out this mission through the presentation of its historic rooms, its decorative art and folk art collections, and its special exhibitions, publications, educational programmes, and gardens.

THE CHARITY'S STRATEGIES FOR ACHIEVING OUR STATED OBJECTIVES

The Museum strategies for achieving our objectives involved staff development, publications, exhibitions, and facilities improvement for better public services. Our functional Education Centre has increased our ability to present public programs.

VOLUNTEER CONTRIBUTIONS TO MUSEUM OPERATIONS

The Museum has a roll call of some 100 volunteers who in principle provide a room guide service facilitating security and visitor interpretation when open to the public. To a lesser extent some volunteers offer support to the curatorial and retail departments. During the year in the order of 3,000 hours were offered by 175 volunteers.

REVIEW OF CHARITABLE ACTIVITIES UNDERTAKEN

The American Museum and Gardens is an educational institution that serves the regional community of the UK and a small number of visitors from the EU. Its focus is on the education of the British public about the culture and decorative arts of the United States. As such, all of its activities in some way support this mission – whether it is the improvement of the physical plant, increased educational programming, or better exhibitions. The following list reflects some of the activities of the Museum during 2021.

Major activities in 2021:

- The Museum hosted a major exhibition on the 1970s, 'Shooting Stars,' featuring the photography of Carinthia West
- The Museum held its first major outdoor light show during the Christmas season, drawing approximately 20,000 visitors to the Museum
- During the summer the Museum mounted an outdoor exhibition and trail for children
- The Museum enhanced its offerings for major holidays, including Easter, Mother's Day, and the 4th of July
- The Museum continued to raise significant funds through its annual appeals in the US and the UK
- The Museum continued to build its visibility through public-relations efforts and marketing, including the appointment of a new Marketing Manager and the use of a freelance PR specialist
- The Museum's membership grew dramatically during the year, reaching a figure three times higher than in pre-pandemic 2019
- The Museum's attendance reached its highest level in recent years: 62,800 visitors
- The Museum hired two senior members of the staff: Estate Manager and Head Gardener
- The Museum revised all of its human-resource policies and procedures
- The Museum opened its gardens and other sites according to government guidelines during the pandemic and the third lockdown
- The Museum took full advantage of the government's furlough scheme in order to keep business losses at a minimum
- The Museum ran a river cruise in America in May
- The Museum celebrated its 60th anniversary in July with a concert for the institution's supporters

PUBLIC BENEFIT

The board has regard to the Charity Commission guidance on public benefit. The American Museum and Gardens is open to all and encourages participation from all sections of society in order to further the understanding of American culture and history and to deepen and strengthen lasting ties between the two nations.

The Museum's care and interpretation of the collection, special exhibitions, and its education, culture, and events programmes are designed for mass appeal as well as facilitating scholars.

In pursuit of its mission, the Museum supports the local community, provides work experience, and engages some 100 volunteers. It also continues to provide resources for offenders involved in the Pay Back scheme.

FINANCIAL REVIEW

Reserves policy. The charity has unrestricted reserves of approximately £6 million, predominantly in the form of investments. The investments generate income that helps to compensate for the operational deficit of the Museum. It is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility for the future.

Factors outside the Charity's control

Fluctuations in the exchange rate between the UK and the US continued to have a mild effect on budgeting. The unrealised gain or loss on foreign exchange is shown in the financial statement and notes.

Covid and Going Concern.

The notes to the accounts record the effects of the Coronavirus pandemic on the operations of the Museum and trading subsidiary. The Museum started to open on March 24th 2021 for Mother's day with the gardens and a takeaway service only. The Museum then opened its Gallery exhibition and its permanent exhibition in the Museum on the 21st May 2021. Measures were taken by trustees in early 2021 to cut costs and restructure the senior management team. The Government furlough job retention grant has continued into 2021 and the Charity has taken advantage of this where applicable. The Trustees are confident of the ability of the charity to continue as a going concern because of the large investment portfolio.

Principal funding sources

The primary source of funding came from ticket sales charged to visitors to the Museum, together with management fees charged and surplus generated from catering and retail activity.

The secondary sources of funding came from donations via the Halcyon Foundation and interest earned from endowments invested with UK & USA professional fund managers, together with interest earned from deposit accounts.

In addition annual membership fees, gifts, donations, and grants made a contribution to the year's total income.

Investment policy and objectives

The investment policy and objectives are established by the Trustees of the American Museum and Gardens as directed under a Declaration of Trust dated 5 February 1959.

Nominees for Rothschild Asset Management Limited in London hold all the investments in the United Kingdom apart from certain cash deposits. In addition, nominees of the Deutsche Bank hold certain investments in the United States of America.

In this section "fixed interest investments" means Government Stock and prime investment grade stock and "equities" means equity shares quoted on the major equity markets of the world and equity based collective investment schemes.

The investment policy laid down by the Trustees for Rothschild Asset Management is:

- a) Funds in support of the John Judkyn Memorial are subject to the overriding requirement that so far as possible sufficient income shall be generated in any year to balance the operating deficit of the John Judkyn Memorial during that year. Funds should be invested between 50% and 70% in fixed interest investments and cash and the remainder in equities.
- b) Funds in support of the American Museum and Gardens should generate sufficient income to balance the operating deficit of the Museum when taken into account with other investment and non-operational income available to the Trustees during the year. The Funds should be invested between 50% and 70% in equities and the remainder in fixed interest investments and cash.

The more precise proportion in which funds are from time to time invested between fixed interest investments and cash (on the one hand) and equities on the other is determined by at least two of the Trustees in consultation with the investment managers. Funds held by Deutsche Bank have been given a balanced (capital and income) objective.

Investment powers

Any trust monies from time to time in the hands of the Trustees that are not subject to express directions as to investment, may, in their discretion, be invested in the purchase of such stocks, funds, shares, securities or other investments or property of whatsoever nature and whatsoever as the Trustees shall in their absolute discretion think fit.

Restricted funds

The Museum has approximately £0.5 million of monies held in 32 active restricted funds. The restricted funds include exhibition and conservation projects, and more recently funding for publications, educational outreach and garden redevelopment. Further detail on each restricted fund are given in the Notes to these financial statements.

RISK ASSESSMENT

The Trustees have examined the major risks to which the Museum is exposed and are developing a detailed Risk Register, which identifies the major risks to which the Museum and the Trustees are exposed. This register is maintained by the Head of Estates and will be reviewed by the senior management and the Trustees every year. This will bring the risks to the attention of the Trustees and enables them to establish strategies for dealing with them.

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. There have been no changes to the Group's exposures to risk or the methods used to measure and manage these risks during the year. The Group manages liquidity risk by forecast cash flows. The Group has no significant concentration of credit risk, with exposure spread over a number of major institutions. The main risks so far considered are:

KEY RISKS IDENTIFIED	RISK MITIGATION
1. Inability to raise funds for the redevelopment of the café and exhibition gallery	Senior team are visiting the USA to share the fit for future vision.
2. Current planned attractions do not attract the required footfall to support the outgoing expenditure for the Museum as a whole	Greater development of family attractions relating to the main exhibitions
3. Due to cash flow, drawdowns deplete the investment portfolio so dividends received decrease	Senior team will modify expenditure levels to reduce cash need
4. Prices rise more than predicted rise in admission and membership rates, leading to a reduction in profits.	Senior team will modify admission and membership rates accordingly

FUTURE PLANS

The following are considered to be significant future plans for the Museum:

- The Museum's Chair, Gareth Thomas, will begin serving as Executive Chair in January 2022
- The Museum will open two temporary exhibitions, the first featuring Native American material culture, the second focusing on dinosaurs and American palaeontology.
- The Museum will build on the success of the holiday events in 2021, particularly the outdoor light show at Christmas
- The most significant development will be a three-day Americana Festival over the 4th of July period, featuring American comedy and music
- The Museum will develop plans for the renovation and possible expansion of the Exhibition Gallery, period rooms, and kitchen and café offering, and will explore alternative energy solutions.
- The Museum will host a trip to Prague and Dresden

TRADING COMPANY

American Museum Enterprises Limited (formerly known as HH Estates Limited) is a wholly owned subsidiary that operates the three museum shops and the café. The trading company transfers any taxable profits via Dividends to the Museum. The results of American Museum Enterprises Limited (formerly known as HH Estates Limited) are disclosed in the Notes to these financial statements.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

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

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity'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.

AUDITOR

Moore are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

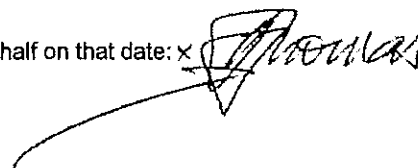
SMALL COMPANY PROVISIONS

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

Approved by the Trustees on the 13th September 2022 and signed on their behalf on that date: x

Gareth Thomas
Chairman

Registered office:
Claverton Manor
Claverton
Bath
BA2 7BD



Independent Auditor's Report to the Trustees of The American Museum in Britain

Opinion

We have audited the financial statements of The American Museum and Gardens (formerly known as The American Museum in Britain) (the 'charity') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, Charity and Consolidated Balance Sheets, Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 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 directors with respect to going concern are described in the relevant sections of this

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; 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 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence

regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK Financial Reporting Standards, Charities Act and UK taxation legislation.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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 Report of the Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Powell (Senior Statutory Auditor)
For and on behalf of Moore
Chartered Accountants and Statutory Auditor
30 Gay Street
Bath, Somerset, BA1 2PA

Date: 27/9/2022

THE AMERICAN MUSEUM AND GARDENS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST DECEMBER 2021


	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Income and endowments						
Donations and legacies	3	9,103	494,131	-	503,234	710,398
Charitable activities	2	631,467	-	-	631,467	109,198
Other trading activities	3	327,379	-	-	327,379	148,264
Investment income	3	115,857	68,427	25,975	210,259	236,289
Total income		1,083,806	562,558	25,975	1,672,339	1,204,149
Expenditure						
Raising funds	4	81,021	-	-	81,021	77,289
Charitable activities	4 & 5	1,640,288	526,641	25,957	2,192,886	1,600,623
Other trading activities (HH)	4	285,599	-	-	285,599	158,513
Other trading activities (Charity)	4	41,502	-	-	41,502	67,564
Total expenditure		2,048,410	526,641	25,957	2,601,008	1,903,989
Net gains/(losses) on investments	8 & 9	907,159	-	-	907,159	724,480
Net income/(expenditure)		(57,445)	35,917	18	(21,510)	24,640
Transfers between funds	14	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	6	(126,000)	-	-	(126,000)	71,000
Foreign exchange gains/(losses)		25,517	-	-	25,517	(46,977)
Net movement in funds		(157,928)	35,917	18	(121,993)	48,663
Reconciliation of funds						
Total funds brought forward		6,091,346	512,927	15,385,937	21,990,210	21,941,547
Total funds carried forward		5,933,418	548,844	15,385,955	21,868,217	21,990,210

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

THE AMERICAN MUSEUM AND GARDENS
CONSOLIDATED AND CHARITY BALANCE SHEETS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Fixed Assets					
Tangible assets	7	11,385,281	11,366,276	11,583,062	11,573,245
Heritage assets	7a	25,750	25,750	25,750	25,750
Investment assets in the UK	8 & 20	8,039,753	8,045,261	8,312,886	8,283,614
Investment assets outside the UK	9	1,912,846	1,912,846	1,168,958	1,168,958
		<u>21,363,630</u>	<u>21,350,133</u>	<u>21,090,656</u>	<u>21,051,667</u>
Current Assets					
Stocks	10	36,191	9,897	35,429	10,568
Debtors	11	175,021	233,707	265,344	343,266
Cash at bank and in hand		273,916	203,447	303,249	264,852
		<u>485,128</u>	<u>447,051</u>	<u>604,022</u>	<u>618,686</u>
Creditors - amounts falling due within one year	12	(369,541)	(317,967)	(212,468)	(188,043)
Net Current Assets		<u>115,587</u>	<u>129,084</u>	<u>391,554</u>	<u>430,643</u>
Total assets less current liabilities excluding pension asset		<u>21,479,217</u>	<u>21,479,217</u>	<u>21,482,210</u>	<u>21,482,210</u>
Creditors: Amounts falling due after more than 1 year		-	-	-	-
Defined benefit pension scheme asset	6	389,000	389,000	508,000	508,000
Net assets including pension asset/(liability)		<u>21,868,217</u>	<u>21,868,217</u>	<u>21,990,210</u>	<u>21,990,210</u>
The funds of the charity					
Endowment funds	14				
Endowment funds (group and charity)		11,614,162		11,614,144	
Revaluation reserve (group and charity)		<u>3,771,793</u>		<u>3,771,793</u>	
		15,385,955	15,385,955	15,385,937	15,385,937
Restricted income funds	14	548,844	548,844	512,927	512,927
Unrestricted income funds					
Unrestricted income funds (group and charity)		5,544,418		5,583,346	
Pension reserve (group and charity)	6	<u>389,000</u>		<u>508,000</u>	
		5,933,418	5,933,418	6,091,346	6,091,346
Total charity funds	13	<u>21,868,217</u>	<u>21,868,217</u>	<u>21,990,210</u>	<u>21,990,210</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company. The notes form part of these accounts.

 (G. V. THOMAS).
Trustee

Approved by the trustees on 13 September 2022

THE AMERICAN MUSEUM AND GARDENS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	Group 2021 £	Group 2020 £
Cash used in operations	21	<u>247,552</u>	<u>(3,785,210)</u>
Cash flows from investing activities			
Investment income		210,259	236,289
Purchases of investments		(5,622,379)	(13,868,290)
Proceeds from sale of investments		5,165,966	16,666,002
Purchase net of disposals of tangible fixed assets		<u>(30,731)</u>	<u>(4,556)</u>
Cash provided by (used in) investing activities		<u>(276,886)</u>	<u>3,029,446</u>
Increase in cash and cash equivalents during the year		(29,333)	(755,765)
Cash and cash equivalents at the beginning of the year		303,249	1,059,014
Total cash and cash equivalents at the end of the year		<u>273,916</u>	<u>303,249</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES

(a) Basis of preparation

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.

The American Museum and Gardens 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). The basis for preparation of the accounts is that the Museum is a going concern. The effects of the covid pandemic has been significant in 2021. The Museum opened on the 24th March for Mother's day, with the gardens and a takeaway service only. The remainder of the Museum, Gallery and house were opened on the 21st May 2021. In order to make the Museum fit for the future the senior team has been restructured to give the most effective creative and development management of the Museum into 2023 and beyond. This is believed to be the only way that the Museum can increase its income and become sustainable into the future.

(b) Donations, legacies and other voluntary income

All receipts unless restricted will be applied towards operating expenses.

General funds are unrestricted funds which 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.

Investment income and gains are allocated to the appropriate fund.

(c) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

(d) Resources expended & creditors

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs have been allocated between the different activities depending on their nature, see Note 4.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. Governance costs comprise staff and related costs that are deemed to be incurred in the course of the general governance of the Charity.

Creditors are recognised where the charity has a liability as the result of a past transaction or event.

(e) Investment assets and the income arising

Quoted investment assets are stated at market value in the financial statements.

Investments in unquoted companies are stated at the net asset value of that company.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Investment income is treated as income when receivable.

The investment property of St Mark's Road was sold in the year 2021.

1. ACCOUNTING POLICIES (CONTINUED)

(f) Trading stock

Trading stock is stated at the lower of cost and net realisable value.

(g) Tangible assets

All tangible fixed assets are measured at cost less accumulated depreciation, except the charity's land and buildings, which the charity has elected to use the most recent valuation as its deemed cost. There is no lower limit for capitalisation of fixed assets.

The depreciation rates used are as follows:

Buildings	-	2% on a straight line basis
Motor vehicles	-	25% on a reducing balance basis
Furniture and equipment	-	various rates including 6-25% straight line and 25% reducing balance

(h) Heritage assets

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

Under previous accounting policies these assets were not capitalised and therefore are not represented by any figures in these financial statements. There is no reliable cost information and a conventional valuation approach will lack sufficient reliability.

Significant costs would be involved in the reconstruction or analysis of past accounting records or valuations, which are onerous compared to the additional benefit derived by users of the accounts.

Further details on Heritage assets is given in the Note 7a to these financial statements. In 2017 a bust portrait of Churchill was accessioned into the heritage collection (cost of £25,000). This will be shown on the balance sheet as a heritage asset

The very long expected lives of the heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is therefore, not provided. In addition many of the artefacts could actually rise in value as time goes on, thus making depreciation less applicable.

(i) Realised and unrealised gains and losses on investment assets

Realised gains and losses are calculated by reference to the disposal proceeds less any disposal costs compared with the original cost or the market value at the last balance sheet date, whichever is later.

Unrealised gains and losses are calculated by comparing the market value at the beginning of the year with that at the end of the year for assets held at both dates and by comparing the cost with the market value at the end of the year for assets acquired during the year and held at the year end.

(j) Pension costs

The museum operates 2 pension schemes, a defined benefit scheme which is now closed to new members and a defined contribution scheme for new members.

The cost of providing pension and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. Any difference between the charge to the statement of financial activities and the contributions payable to the scheme is shown as an asset or a liability in the balance sheet.

The assets of the defined contribution scheme are held separately from those of the charity. The annual contributions payable are charged to the SOFA.

(k) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into the statement of financial activities for the year.

(m) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

(n) Funds

The Charity has numerous restricted, endowment and designated funds. The Charity does not have an established policy to make transfers between funds to or from the designated fund, instead transfers are made from time to time as the Trustees consider appropriate.

Each fund is determined by reference to the original donation and restrictions applied at that time. All funds are shown separately in the Note to the Accounts and comprise of a mixture of tangible fixed assets, investments, cash and sundry assets.

(o) Preparation of the accounts on a going concern basis

In the year to 31 December 2021 the Group made an operational loss of £928,669. This was offset by the growth of the investments.

At the date of this report it held net assets of £21.868m a reduction of £122,000 from 2020 (due to pensions adjustment)

Throughout 2021 and into 2022, the Group has been impacted by the global pandemic and the many repercussions arising from this. For the Museum these have included an enforced suspension of activities and the subsequent loss of income.

As a result of the measures taken by the Group, the trustees believe that the company has sufficient cash reserves to enable it to continue to meet its liabilities as they arise. The group has undertaken a restructure of the management team so as to position its operations in 2022 for maximum effect. This has entailed doing away with the position of Deputy Director and recruiting two new senior Directors.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

(p) Legal status of the Museum

The Museum is a company limited by guarantee and has no share capital. Each member promises to contribute up to £1 in the event of the charity being dissolved. The Museum was incorporated in England & Wales. The registered office address is Claverton Manor, Claverton, Bath, BA2 7BD.

(q) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary American Museum Enterprises Limited formerly known as HH Estates Limited on a line by line basis. The subsidiary changed its name in 2021.

(r) Post Balance Sheet Events

There were no significant post balance sheet events in 2022 which would impact on the ability of the Museum to continue successfully trading into the future.

As confirmed in note (c) of these financial statements, the trustees are confident of the charity's ability to continue to trade through this difficult period.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Admissions	543,073	-	543,073	82,375
Membership	26,877	-	26,877	16,471
Other	61,517	-	61,517	10,352
	<u>631,467</u>	<u>-</u>	<u>631,467</u>	<u>109,198</u>

3. INCOMING RESOURCES FROM GENERATED FUNDS

	2021 Unrestricted £	2021 Restricted £	2021 Endowment £	2021 Total £	2020 Total £
Voluntary income					
Gifts and donations	9,103	478,814	-	487,917	610,355
Job retention scheme		15,317		15,317	100,043
	<u>9,103</u>	<u>494,131</u>	<u>-</u>	<u>503,234</u>	<u>710,398</u>
Activities for generating funds					
Retail and catering income	327,379	-	-	327,379	148,264
	<u>327,379</u>	<u>-</u>	<u>-</u>	<u>327,379</u>	<u>148,264</u>
Investment income					
UK income					
Investments listed on a recognised stock exchange	64,698	68,427	25,975	159,100	197,903
Investment properties income	5,748	-	-	5,748	11,008
	<u>70,446</u>	<u>68,427</u>	<u>25,975</u>	<u>164,848</u>	<u>208,911</u>
US income					
Investments listed on a recognised stock exchange	45,411	-	-	45,411	27,378
Total	<u>115,857</u>	<u>68,427</u>	<u>25,975</u>	<u>210,259</u>	<u>236,289</u>

THE AMERICAN MUSEUM AND GARDENS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

4. CHARITABLE EXPENDITURE ANALYSED BY CHARITABLE ACTIVITY

	Basis of Allocation	Collections Management & Exhibitions	Public Programme (Education)	Fund Raising	Investments	Governance	Total 2021	2020
Staff & related costs	Per capita	349,140	479,977	67,405	4,778	-	901,301	750,377
Property costs	Usage	501,801	486,357	-	-	4,222	992,380	865,730
Office costs	Usage	187,610	188,000	13,616	10,227	22,275	421,728	132,369
Trading costs	Nature	-	-	-	285,599	-	285,599	158,513
Total		1,038,551	1,154,334	81,021	300,604	26,497	2,601,008	1,906,989

	2021 £	2020 £
Included within the above amounts are the following resources expended:		
Audit fees	14,800	14,100
Other services provided by the external auditors	2,750	3,100
Profit/(loss) on foreign exchange	25,517	(46,977)

5. STAFF COSTS

	2021 £	2020 £
Wages and salaries	659,044	585,420
Social security costs	59,015	47,566
Pension costs (including defined benefit adjustments)	67,081	55,580
	785,140	688,566

Included within the pension costs are £3,825 of defined contribution pension cost charges.

The charity employed the following number of people with emoluments falling within the bands as disclosed below:

Salary band	2021 Number	2020 Number
£130,000 - £140,000		1
£120,000 - £130,000	1	-

The average head count of employees, analysed by function, was:

	2021 Number	2020 Number
Museum staff	22	22
Management and administration	9	9
AM Enterprises Limited	17	17
	48	48

Dr R Wendorf held the positions of both; Chief Executive and Trustee of The American Museum in Britain. Dr R Wendorf received both remuneration and reimbursements for expenses in his role as Chief Executive but not as a Trustee. Otherwise, no Trustee received any emoluments or reimbursements for expenses during the year under review.

The key management personnel of the group and charity comprise the trustees, the Museum Director, Deputy Director, Chief Curator, Director of Collections, Development Director, Financial Controller, Head of Visitor Experience (leaving post), Chief Gardener, Head of Estates. The total remuneration for the key management personnel of the group and charity were £465,281 (2020: £314,162).

Redundancy payments were made in the year as follows

John Ducker	£5,000
Julian Blades	£30,000

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

5. STAFF COSTS (CONTINUED)

The pay of the senior managers is reviewed annually and normally increased in accordance with average earnings.

6. DEFINED BENEFIT PENSION SCHEME

Nature of the scheme

The scheme is a UK-based defined benefit scheme, providing benefits at retirement and on death. The most recent full funding assessment was as at 1 January 2015 and the results, benefit structure and data were summarised in a report to the trustees dated June 2017. The benefit structure has not changed since the funding assessment. The scheme is closed to new entrants and the age profile of active members will increase over time. Under the projected unit method used for FRS 102 the current service cost as a percentage of salary will increase as active members of the scheme approach retirement.

Commitments

The actuary has assumed that no constructive obligation exists - an expectation that in the eyes of the members that a practice of granting additional benefits not promised in the benefit structure will continue. The assumptions do not take account of past experience of discretionary practices or information about the exercise of discretion in the future.

Funding requirements

The Trustees estimate that the contributions to the pension scheme for the proceeding year to be Nil (2020 Nil)

The major assumptions used by the actuary at the balance sheet date were:

	2021	2020
Discount rate	1.8%	1.3%
Retail price inflation	3.6%	3.1%
Salary increase rate	4.2%	3.7%
Allowance for revaluation of deferred pensions of RPI or 5% if less	3.6%	3.1%
Allowance for revaluation of deferred pensions of RPI or 2.5% if less	2.5%	2.5%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.1%	3.1%

The assets in the scheme and the expected rate of return were:

	Assets at 2021 £000's	Proportion at 2021	Assets at 2020 £000's	Proportion at 2020
Bonds	1,208	51%	1,070	51%
Insured pensions	805	49%	1,029	49%
Total	<u>2,013</u>		<u>2,099</u>	

	2021 £000's	2020 £000's
Fair value of plan assets prior year	2,013	2,099
Value of funded obligations	(1,624)	(1,591)
Surplus in the scheme	<u>389</u>	<u>508</u>

Analysis of the amount charged to operating profit

	2021 £000's	2020 £000's
Current service cost	0	6
Net interest expense	(7)	(9)
Total operating charge	<u>(7)</u>	<u>(3)</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

6. PENSION COSTS (CONTINUED)

Analysis of amount recognised in statement of other comprehensive income

	2021 £000's	2020 £000's
Asset return less Interest Income recognised in the I&E	(35)	196
Experience gains/losses on benefit obligation	(186)	17
Effect of assumptions changes on benefit obligation	95	(142)
Total operating charge from above	7	3
Total to be recognised in P&L and OCI	(119)	74

History of experience gains and losses

	2021 £000's	2020 £000's
Difference between the asset return and the Interest income	(35)	196
% of scheme assets	0.4%	2.3%
Experience gains and losses on liabilities (£000's)	(186)	17
% of scheme liabilities	0.0%	0.0%
Total amount recognised in OCI (£000's)	95	(142)
% of scheme liabilities	2.0%	2.0%

The Trustees estimate that the contributions to the pension scheme for the proceeding year to be Nil.

Analysis of the change in the defined benefit obligation

	2021 £000's	2020 £000's
Opening defined benefit obligation	1,591	1,511
Current service cost	-	6
Interest cost	20	29
Actuarial (gains)/losses	91	125
Benefits paid	(78)	(80)
Closing defined benefit obligation	1,624	1,591

Analysis of the change in the fair value of plan assets

	2021 £000's	2020 £000's
Opening fair value of plan assets	2,099	1,945
Interest income	27	38
Asset gain/(losses)	(35)	196
Contributions	-	-
Benefits paid	(78)	(80)
Closing fair value of plan assets	2,013	2,099

Life expectancy based on mortality assumptions

Assuming a retirement age of 65, the life expectancy in years are as follows:

	2021 Years	2020 Years
For a male aged 65 now	17.3	17.3
At 65 for a male member aged 45 now	21.7	21.7
For a female aged 65 now	17.9	17.9
At 65 for a female member aged 45 now	22.4	22.4
Duration in years	11	13

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

7 FIXED ASSETS - TANGIBLE ASSETS

Charity

	Freehold Property £	Motor vehicles £	Equipment & fixtures £	Total £
COST/VALUATION				
At 1 January 2021	12,807,926	15,398	1,166,891	13,990,215
Additions	-	-	19,628	19,628
Disposals			(3,969)	(3,969)
At 31st December 2021	12,807,926	15,398	1,182,550	14,005,874
DEPRECIATION				
At 1 January 2021	1,372,160	14,965	1,029,845	2,416,970
Disposals	-	-	(3,793)	(3,793)
Charge for the year	171,520	108	54,793	226,421
At 31st December 2021	1,543,680	15,073	1,080,845	2,639,598
NET BOOK VALUE				
At 31st December 2021	11,264,246	325	101,705	11,366,276
At 31st December 2020	11,435,766	433	137,046	11,573,245

Heritage assets have been insured to a value of £11,000,000. This has been raised incrementally from a previous value of £7.9m noted in the accounts of previous years. These are not shown in the balance sheet for reasons given in the accounting policies

The freehold property was valued by A Bowyer RCIS, of Jones Lang LaSalle, on 31 December 2012 at £12,800,000. The valuation is based on depreciated replacement cost. This valuation has been adopted as deemed cost on transition to FRS 102.

The motor vehicle and the furniture and equipment are all used solely for the direct charitable purposes.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

7. FIXED ASSETS - TANGIBLE ASSETS (continued)

Group

	Freehold Property £	Motor vehicles £	Furniture & equipment £	Total £
COST/VALUATION				
At 1 January 2021	12,807,926	15,398	1,211,275	14,034,599
Additions	-	-	34,700	34,700
Disposals			(3,969)	(3,969)
At 31st December 2021	12,807,926	15,398	1,242,006	14,065,330
DEPRECIATION				
At 1 January 2021	1,372,160	14,965	1,064,411	2,451,536
Disposals	-	-	(3,793)	(3,793)
Charge for the year	171,520	108	60,678	232,306
At 31st December 2021	1,543,680	15,073	1,121,296	2,680,049
NET BOOK VALUE				
At 31st December 2021	11,264,246	325	120,710	11,385,281
At 31st December 2020	11,435,766	433	146,864	11,583,063

Please refer to the relevant text given in the 'Charity' part of the Fixed Asset Note.

7a. FIXED ASSETS - HERITAGE ASSETS

	2021 Heritage Assets £	2020 Heritage Assets £
COST/VALUATION		
Group	25,750	25,750
Additions		
At 31st December	25,750	25,750
DEPRECIATION		
Group	-	-
Charge for the year	-	-
At 31st December	-	-
NET BOOK VALUE		
At 31st December	25,750	25,750

The heritage balance is a stone bust of Churchill, which was on the fixed asset register in 2016 and has been transferred to heritage assets in 2017, following its accession to the museum artefacts.

NOTE REGARDING THE UNQUANTIFIED HERITAGE ASSETS

The Museum possesses a large number of Heritage assets that are not included on the Balance Sheet.

The Museum's collection includes 240 historic American quilts, exceptional pieces of Shaker furniture, exuberant folk art paintings and sculptures, native American objects and renaissance maps of the 'New World'.

The Museum's collection ranges in age from the 17th century onwards.

The American Museum in Britain is accredited by the Museums Libraries and Archives Council, which demonstrates how exhibits are cared for, documented, governed and managed together with how these exhibits are presented to those persons visiting the Museum.

The Museum displays a large proportion of the exhibits in its possession, particularly those exhibits which are key to meeting the Museum's objectives (as per the Trustees' Report). The process for cycling assets from storage to display and vice versa is largely driven by the current programme of displays and the conservation and preservation of the exhibits.

The Museum maintains a record of its exhibits on a database supplied by Adlib Information Systems Ltd.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

8. FIXED ASSET INVESTMENTS IN THE UK

	Notes	2021 £	2021 £	2020 £	2020 £
Charity					
Quoted investments					
Brought forward		7,474,635		6,240,235	
Additions		4,858,232		12,984,046	
Disposals		(4,746,095)		(14,152,806)	
Net gains/(losses)		202,981		2,656,310	
Market value 31st December			7,789,753		7,727,785
Unquoted investments					
Brought forward		(29,272)		(14,023)	
Net gains/(losses)		34,780		(15,249)	
Value 31st December			5,508		(29,272)
Cash held for investment purposes			250,000		260,101
Investment Properties	20		-		325,000
Total UK investments			8,045,261		8,283,614

Historical cost of the quoted investments at 31st December 2021 was £7,110,139 (2020 £7,538,161)

The historical cost of the unquoted investment is not known.

Group		2021 £	2021 £	2020 £	2020 £
Quoted investments					
Brought forward		7,474,635		6,240,235	
Additions		4,858,232		12,984,046	
Disposals		(4,746,095)		(14,152,806)	
Net gains/(losses)		202,981		2,656,310	
Market value 31st December			7,789,753		7,727,785
Cash held for investment purposes			250,000		260,101
Investment Properties			-		325,000
Total UK investments			8,039,753		8,312,886

Historical cost of the quoted investments at 31st December 2021 was £7,110,139 (2020 £7,538,161)

The group had no investments that represented more than 5% by value of the total portfolio.

The investment property at St Mark's Gardens was sold for £310,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

9. FIXED ASSET INVESTMENTS OUTSIDE THE UK

Charity and Group	2021	2021	2020	2020
Quoted Investments	£	£	£	£
Brought forward	1,137,269		2,742,432	
Additions	764,147		884,244	
Disposals	(419,871)		(2,513,196)	
Net gains/(losses)	331,901		79,935	
Foreign exchange gain/(loss)	24,474		(46,839)	
Market value 31st December		1,837,921		1,146,576
Cash held for investment purposes		74,925		22,382
Total Investments held outside the UK		<u>1,912,846</u>		<u>1,168,958</u>

Historical cost of the quoted investments at 31st December 2021 was £1,873,991

10. STOCKS

	2021	2020
	£	£
Charity		
Goods for resale	<u>9,897</u>	<u>10,568</u>
Group		
Goods for resale	<u>36,191</u>	<u>35,429</u>

11. DEBTORS

	2021	2020
	£	£
Charity		
Trade debtors	9,419	1,840
Amounts due from Group undertakings	68,743	82,362
VAT	31,559	43,150
Prepayments and other debtors	123,986	216,114
	<u>233,707</u>	<u>343,266</u>
Group		
Trade debtors	9,429	3,900
VAT liability	32,382	44,784
Prepayments and other debtors	133,210	216,660
	<u>175,021</u>	<u>265,344</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Charity		
Trade creditors	193,844	106,722
Taxation and social security	30,118	13,494
Accruals and sundry creditors	94,005	67,827
	<u>317,967</u>	<u>188,043</u>
Group		
Trade creditors	229,685	115,423
Taxation and social security	42,735	24,018
Pension control	316	
Accruals and sundry creditors	96,805	73,027
	<u>369,541</u>	<u>212,468</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Pension scheme £	Total £
Charity					
Endowments					
Map fund	-	333,652	-	-	333,652
Permanent fund	-	1,349,767	-	-	1,349,767
Ian McCallum fund	-	36,264	-	-	36,264
Property fund	10,615,552	695,690	-	-	11,311,242
Education endowment fund	-	525,974	-	-	525,974
Field conservation fund	-	400,013	-	-	400,013
Exhibition fund	-	402,579	-	-	402,579
JJM Main fund	-	246,493	-	-	246,493
JJM Pratt Will fund	-	779,971	-	-	779,971
	<u>10,615,552</u>	<u>4,770,403</u>	<u>-</u>	<u>-</u>	<u>15,385,955</u>
Restricted funds					
Map fund	-	-	240	-	240
Ian McCallum fund	-	-	114	-	114
Education fund	-	-	3	-	3
Field Conservation fund	-	-	114	-	114
Exhibition fund	-	-	212	-	212
JJM Main fund	-	-	299	-	299
JJM Pratt Will fund	-	-	199	-	199
School House fund	-	-	62	-	62
Capital Campaign	-	-	109,752	-	109,752
Top Floor Flat	-	-	1,072	-	1,072
Folk Art Gallery	-	-	25,692	-	25,692
Lincoln Bust	-	-	23,114	-	23,114
Education programme (Burberry)	-	-	3,614	-	3,614
Transportation fund	-	-	-	-	0
New American Garden fund	-	-	-	-	0
UK Appeal	-	-	1,465	-	1,465
ACE marketing fund	-	-	-	-	0
Thanksgiving	-	-	4	-	4
Textile Society	-	-	2,000	-	2,000
Mount Vernon Garden	-	-	0	-	0
Web Site	-	-	2,137	-	2,137
Roof repairs	-	-	20,000	-	20,000
Claverton Theatre club	-	-	1,924	-	1,924
Lecture series fund	-	-	23,754	-	23,754
Childrens play area	-	-	9,677	-	9,677
Period rooms	-	-	125,979	-	125,979
Gardens Gullia & woodlands project	-	-	13,734	-	13,734
Job retention scheme	-	-	-	-	0
Canestoga Wagon appeal	-	-	935	-	935
Gardens endowment (SLIFKA)	-	-	179,960	-	179,960
Audience project	-	-	4,082	-	4,082
Parasols	-	-	1,290	-	(1,290)
	<u>-</u>	<u>-</u>	<u>548,844</u>	<u>-</u>	<u>548,844</u>
Unrestricted funds	<u>776,474</u>	<u>5,187,704</u>	<u>(419,760)</u>	<u>389,000</u>	<u>5,933,418</u>
Total funds	<u>11,392,026</u>	<u>9,958,107</u>	<u>129,084</u>	<u>389,000</u>	<u>21,868,217</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Group	Tangible fixed assets £	Investments £	Net current assets £	Pension scheme £	Total £
Endowments					
Map fund	-	333,652	-	-	333,652
Permanent fund	-	1,349,767	-	-	1,349,767
Ian McCallum fund	-	36,264	-	-	36,264
Property fund	10,615,552	695,890	-	-	11,311,242
Education endowment fund	-	525,974	-	-	525,974
Field conservation fund	-	400,013	-	-	400,013
Exhibition fund	-	402,579	-	-	402,579
JJM Main fund	-	246,493	-	-	246,493
JJM Pratt Will fund	-	779,971	-	-	779,971
	10,615,552	4,770,403	-	-	15,385,955
Restricted funds					
Map fund	-	-	240	-	240
Ian McCallum fund	-	-	114	-	114
Education fund	-	-	3	-	3
Field Conservation fund	-	-	114	-	114
Exhibition fund	-	-	212	-	212
JJM Main fund	-	-	299	-	299
JJM Pratt Will fund	-	-	199	-	199
School House fund	-	-	62	-	62
Capital Campaign	-	-	109,752	-	109,752
Top Floor Flat	-	-	1,072	-	1,072
Folk Art Gallery	-	-	25,692	-	25,692
Lincoln Bust	-	-	23,114	-	23,114
Education programme	-	-	3,614	-	3,614
Transportation fund	-	-	-	-	0
Garden fund	-	-	-	-	0
UK Appeal	-	-	1,465	-	1,465
ACE marketing fund	-	-	-	-	0
Thanksgiving	-	-	4	-	4
Textile Society	-	-	2,000	-	2,000
Mount Vernon Garden	-	-	0	-	0
Web Site	-	-	2,137	-	2,137
Roof repairs	-	-	20,000	-	20,000
Claverton Theatre club	-	-	1,924	-	1,924
Lecture series fund	-	-	23,754	-	23,754
Childrens play area	-	-	9,677	-	9,677
Period rooms	-	-	125,979	-	125,979
Garden Gullia & woodlands project	-	-	13,734	-	13,734
Job retention scheme	-	-	-	-	0
Canestoga Wagon appeal	-	-	935	-	935
Gardens endowment (SLIFKA)	-	-	179,960	-	179,960
Audience project	-	-	4,082	-	4,082
Parasols	-	-	1,290	-	(1,290)
	-	-	548,844	-	548,844
Unrestricted funds	795,479	5,182,196	(433,257)	389,000	5,933,418
Total funds	11,411,031	9,952,599	115,587	389,000	21,868,217

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

14. ENDOWMENTS AND RESTRICTED FUNDS

Charity and Group	Balance b/fwd £	Donations £	Movement in resources		Transfers £	Balance c/fwd £
			Gains/losses £	Other £		
Endowment funds						
Map fund	333,652	-	-	-	-	333,652
Permanent fund	1,349,749	-	25,975	(25,957)	-	1,349,767
Ian McCallum fund	36,264	-	-	-	-	36,264
Property fund	11,311,242	-	-	-	-	11,311,242
Education endowment fund	525,974	-	-	-	-	525,974
Field conservation fund	400,013	-	-	-	-	400,013
Exhibition fund	402,579	-	-	-	-	402,579
JJM Main fund	246,493	-	-	-	-	246,493
JJM Pratt Will fund	779,971	-	-	-	-	779,971
Lecture series fund	-	-	-	-	-	-
	15,385,937	-	25,975	(25,957)	-	15,385,955
	Balance b/fwd £		Movement in resources		Transfers £	Balance c/fwd £
			Incoming £	Outgoing £		
Restricted funds						
Map fund	277	-	10,751	(10,789)	-	240
Ian McCallum fund	422	-	1,930	(2,238)	-	114
Education fund	884	-	13,283	(14,165)	-	3
Field Conservation fund	210	-	9,430	(9,526)	-	114
Exhibition fund	179	-	7,856	(7,823)	-	212
JJM Main fund	155	-	6,657	(6,513)	-	299
JJM Pratt Will fund	490	-	18,520	(18,812)	-	199
School House fund	1,187	-	-	(1,125)	-	62
Capital Campaign	-	-	109,752	-	-	109,752
Top Floor Flat	39,206	-	42,000	(80,134)	-	1,072
Folk Art Gallery	25,692	-	-	-	-	25,692
Lincoln Bust	65,114	-	(42,000)	-	-	23,114
Education programme (Burberry)	4,384	-	-	(770)	-	3,614
Transportation fund	-	-	-	-	-	-
New American Garden	2,744	-	(2,744)	-	-	-
UK Appeal	13	-	2,210	(758)	-	1,465
ACE marketing fund	1,925	-	(1,925)	-	-	-
Thanksgiving	1	-	7,302	(7,298)	-	4
Textile Society	2,000	-	-	-	-	2,000
Mount Vernon Garden	907	-	(671)	(236)	-	0
Web Site	2,137	-	-	-	-	2,137
Roof repairs	244,350	-	81,728	(306,076)	-	20,000
Claverton Theatre club	1,827	-	17,597	(17,500)	-	1,924
Lecture series fund	24,846	-	-	(1,092)	-	23,754
Childrens play area	9,177	-	500	-	-	9,677
Period rooms	74,074	-	53,988	(2,083)	-	125,979
Garden Gullia & woodlands project	10,727	-	5,340	(2,333)	-	13,734
Job retention scheme	-	-	15,317	(15,317)	-	-
Canestoga Wagon appeal	-	-	1,750	(815)	-	935
Gardens endowment (SLIFKA)	-	-	179,960	-	-	179,960
Audience project	-	-	13,500	(9,419)	-	4,082
Parasols	-	-	10,529	(11,819)	-	(1,290)
	512,927		562,558	(526,641)	-	548,844

The Map Fund was established by Article 17.10(a) of Dr Pratt's Will, which reads as follows:-

"a) One third (1/3) to the Trustees at the time of my death under said Declaration of Trust dated the fifth day of February 1959, as amended by the Trustees, to be used by said Trustees in connection with the "Dallas Pratt Collection of Historical Maps" in the following manner: Said Trustees shall hold said share as an endowment fund and may use the income only there from for the purposes of housing, curating, mounting, labelling, cataloguing, maintaining and publicising of said collection, or for new acquisitions thereto. The principal and any unused income shall be invested in such manner as said Trustees shall deem advisable." The fund is represented mainly by fixed asset investments. During 2011 the Field Foundation made a donation for the restoration for the Hajji Ahmed map.

The Permanent Fund represents the proceeds of the legacy given by Clause 7 of the Will of John Neville Judkyn who died on 29th July 1963. The subject matter of the legacy was the Testator's holding of shares in Judkyn's Limited. The terms of the legacy are the subject of two Opinions of Counsel: Mr D A Ziegler on 22nd May 1968 and Mr N Browne Wilkinson on 14th August 1968 (the latter given on behalf of the Attorney General). The result is that the capital of the Permanent Fund is held by the Trustees subject to the terms of the undertaking given by them to the Treasury Solicitor to use only the income of the Fund, and not to expend any of the capital. The income is available for the general purposes of the Museum. The fund is represented mainly by fixed asset investments.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

14. ENDOWMENTS AND RESTRICTED FUNDS (continued)

The Ian McCallum Fund represents gifts in memory of a former Director of the Museum. The income of the fund is to provide Museum guides and staff with bursaries towards the cost of travel to the USA and to fund visits by US based experts to the Museum. The capital is not available. The fund is represented mainly by fixed asset investments.

The Property Fund is the capital invested in the property of the Museum. The fund is represented by tangible fixed assets.

The Education Fund holds the proceeds of the Education Endowment Appeal, including the sums raised during January 1994 at the Christie's Exhibition and subsequent events in the UK and USA. The income is available for defraying the expenses of the Museum's education programme. The capital is not available. The fund is represented mainly by fixed asset investments.

The Field Conservation Fund comprises gifts from the Trustees of the Field Estate (San Francisco). The terms of the gift, contained in a letter dated 2nd October 1996 from the Field Estate Trustee to the Museum Director, are "This is a capital account contribution from which earnings can be used for conservation purposes." The capital is not available. The fund is represented mainly by fixed asset investments.

The Exhibition Fund has been established to provide a permanent endowment whose income will be applied towards the cost of mounting the annual exhibition at the Museum's New Gallery. The capital is not available. The fund is represented mainly by cash held by the trustees.

The JJM Main fund represents the accumulated proceeds of special appeals, legacies and donations specifically for the work of the John Judkyn Memorial. The income and the capital are available for the purposes of the JJM, but not for the general purposes of the American Museum in Britain. The fund is represented mainly by fixed asset investments.

The JJM Pratt Will fund was established by Article 17.10(b) of Dr Pratt's Will, which reads as follows:

"(b) Two thirds (2/3) to the Trustees at the time of my death under said Declaration of Trust dated the fifth day of February 1959, as amended by the Trustees, subject to the provisions of the next succeeding paragraphs hereof - I direct that said gift under this paragraph b) to said Trustees under said Declaration of Trust shall be held as an endowment fund for the maintenance and operation of Freshford Manor, Freshford, Avon, England, to be used - primarily as the headquarters of the project known as the "John Judkyn Memorial" comprising a continuing program of loan exhibits of American interest to be sent out from said Freshford Manor to other parts of Great Britain, or to other countries, as an educational service to schools and other groups, under the auspices of the Trustees of The American Museum in Britain and, secondarily, for other purposes of the American Museum in Britain as directed by the Trustees. The income of said fund shall be used from time to time for the maintenance of the grounds, house, its contents, for permanent improvements and additions, and for other expenses in connection with the support of the said "John Judkyn Memorial" as determined by the Trustees. - If at any time the acting Trustees under said Declaration of Trust shall believe it to be inadvisable for any reason to use or continue to use said Freshford Manor for the aforesaid purposes, or wish to use additional premises, I authorise and empower the said Trustees under said Declaration of Trust to take such action and expend the the principal and income of such fund as they shall deem advisable from time to time, but providing the name of John Judkyn shall always be associated with said project."

Two thirds referred to is 2/3 of 34/100 of the W E Benjamin trust fund.

Following the sale (with the approval of the Charity Commissioners) of Freshford Manor in July 1996, this fund supports the John Judkyn Memorial in its continuing activities. The fund is represented mainly by fixed asset investments.

The School House Fund relates to a donation from Mr & Mrs Stanley DeForest Scott which is to be used on 'refreshing the School House'. The funds are held in cash within the main current account.

The Capital Campaign was set up to fund three projects being: The Basement Exhibition, Orangery and the Education Building. On revaluation of the freehold land and buildings, all building costs have been subsumed into the property endowment fund. Fixtures, plant and equipment originally purchased remain to be represented by this fund.

The American Heritage Exhibition Fund was set up to fund the exhibition in the Basement and the income received was from the Heritage Lottery Fund.

The Top Floor Flat fund represents monies donated to the Museum to renovate the top floor of the museum. The monies have been and are being spent predominantly on renovation. This project continues into 2022.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

14. ENDOWMENTS AND RESTRICTED FUNDS (continued)

The Lecture Room Project (Folk Art Gallery) represents monies donated to the Museum from the Henry Luce Foundation to reinterpret and reinstall the American folk art collection at the Museum. The remainder funds will be used as part of the reinstatement of the electrical and alarm system surrounding the Folk Art Gallery in 2022.

Lincoln Bust: Monies were raised in the United States of America to fund the purchase of an Abraham Lincoln bust in the grounds of the American Museum in Britain. Due to the fact the bust was actually funded from unrestricted monies, originally and because the necessary adjustment to this fund was never made at the time, this money will be utilised for unrestricted projects in 2022.

The Education Programme fund represents monies donated by Burberry to enhance the Educational Outreach operations at the Museum. The **Transportation fund** is for funding the transport for school visits.

New American Garden: The Trustees have commissioned the Garden Project, to significantly build upon the gardens existing at the American Museum. Funding has been raised in the US, out of which the design fees for a Master Plan have been paid. To date the UK aspect of the operations has remained fairly minor.

The UK Appeal has recently raised funds for Garden projects.

The **Arts Council England "ACE"** funding project is a joint market research campaign which began in 2014. This project is now complete. At the time of the survey the necessary adjustment to this fund was never made and so it was funded from unrestricted money. In the light of this this fund will be used in 2022 for unrestricted projects.

The Thanksgiving dinner held at the Museum is under-written by a generous gift, which has been received each year.

The **Mount Vernon Garden Fund** is represented by donations from the Field Foundation towards the renovation of our interpretation of the George Washington's Mount Vernon Garden.

Roof Repairs. This was a fund set up to repair the roof and was primarily made up of a grant from English Heritage. This project is now complete.

The **Claverton Theatre Club fund** is used for specific purposes as determined by the club each year.

The **Lecture series fund** was a generous gift to contribute towards guest speakers at the Museum for the Claridge and Churchill Lectures.

The **Children's play area** has been funded in 2020 and was finally completed in 2021. Specific fundraising has taken place.

Period Rooms fund: this has been set up to start fundraising towards the new period rooms

Garden Gullia and woodlands project The garden project has been generously funded by A Gullia to support a part time gardener. The woodlands project has been funded from the Woodlands Trust to maintain and improve the woodlands.

Job retention scheme. This was government funding of staff on furlough throughout the covid lockdowns of 2021

Canestoga Wagon Appeal. This has been set up as a separate appeal to restore and house the Canestoga wagon

Gardens endowment (SLIFKA) This is an endowment gift from SLIFKA to support the New American Garden. The Museum is allowed to utilise 5% of the endowed capital each year.

Audience project This is a project to survey visitors to the Museum and is funded by the Arts Council of England

Parasols. This fund has been set up to fund large parasols for the café seating at the rear of the Museum. Some of this money has come from the Claverton Theatre Club

15. DESIGNATED FUNDS

There were no designated funds throughout the period under review.

16. TRANSACTIONS WITH TRUSTEES

The Trustees did not receive any remuneration during the year. R Wendorf (Trustee) received remuneration only in his capacity as Museum Director.

The charity has in the past procured professional services from Withers LLP, an entity which Mr M Haranzo (Trustee) is a Partner. All transactions were conducted at the market rate applicable to the services provided by the firm. During the year the Charity incurred no fees.

The charity rented property from George Bayntun, an entity which Mr E Bayntun-Coward (Trustee) is the owner. All transactions were conducted at the market rate. During the year the Charity paid rent in the sum of £13,000 (2020: £13,000).

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

17. LEASING COMMITMENTS

The charity and group's future minimum operating lease payments in respect of office equipment are as follows:

	2021 £	2020 £
Within one year	2,144	2,307
Within one and five years	4,408	3,919
	<u>6,552</u>	<u>6,226</u>
Lease amounts paid in the year	<u>2,266</u>	<u>2,260</u>

18. SUBSIDIARY COMPANY

The charity owns 100% of the issued ordinary share capital of American Museum Enterprises Limited, a company registered in England (00486293). The subsidiary's principal activity is to operate the retail shops at the Museum. All activities have been consolidated on a line by line basis in the SOFA.

	2021 £	2020 £
Turnover	318,833	148,264
Cost of sales	(266,534)	(147,936)
	<u>52,299</u>	<u>328</u>
Administrative expenses and finance costs	(26,065)	(15,577)
JRS scheme	8,546	
	<u>34,780</u>	<u>(15,249)</u>
(Loss)/Profit on ordinary activities before taxation	<u>34,780</u>	<u>(15,249)</u>
Tax on loss on ordinary activities	-	-
(Loss)/Profit on ordinary activities after taxation	<u>34,780</u>	<u>(15,249)</u>
	<u>34,780</u>	<u>(15,249)</u>
The aggregate of the assets, liabilities and funds was:		
Assets	125,825	77,516
Liabilities, share capital and retained earnings	(120,317)	(106,788)
	<u>5,508</u>	<u>(29,272)</u>

19. ULTIMATE PARENT COMPANY

The Museum recognises the Halcyon Foundation, a corporation incorporated under the Law of the State of New York as its ultimate controlling party.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

20. INVESTMENT PROPERTIES

	3 St Mark's Gardens
	£
VALUATION	
Brought forward 1 January 2021	325,000
Additions / disposals	(310,000)
Revaluations	(15,000)
At 31st December 2021	-

The revaluation in 2014 was based on the asking price of the equivalent buildings on sale within a quarter mile radius of the investment property.

The property was sold in June 2021 at a reduced price of £310,000 from the brought forward book value of £325,000

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

	Group 2021 £	Group 2020 £
Net movement in funds	(121,993)	48,663
Add back depreciation	232,306	227,672
Deduct investment income shown in investing activities	(210,259)	(236,289)
Decrease/(Increase) in stock	(762)	3,918
Decrease/(Increase) in debtors	90,323	(140,519)
Increase/(Decrease) in creditors	157,073	75,838
Investments non cash adjustment	(18,224)	(3,690,491)
Decrease/(Increase) in defined benefit pension scheme	119,000	(74,000)
Add back loss on disposal of asset	88	0
Net cash used in operating activities	<u>247,552</u>	<u>(3,785,210)</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

22. COMPARATIVE INFORMATION ON THE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £
Income and endowments				
Donations and legacies	5,862	704,536	-	710,398
Charitable activities	109,198	-	-	109,198
Other trading activities	148,264	-	-	148,264
Investments	169,707	48,262	18,320	236,289
Total income	433,031	752,798	18,320	1,204,149
Expenditure				
Raising funds	77,289	-	-	77,289
Charitable activities	1,169,141	416,199	18,283	1,603,623
Other trading activities	158,513	-	-	158,513
Other	67,584	-	-	67,584
Total expenditure	1,472,507	416,199	18,283	1,906,989
Net gains/(losses) on investments	724,480	-	-	724,480
Net income/(expenditure)	(314,996)	336,599	37	21,640
Transfers between funds	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	74,000	-	-	74,000
Foreign exchange gains/(losses)	(46,977)	-	-	(46,977)
Net movement in funds	(287,973)	336,599	37	48,663
Reconciliation of funds				
Total funds brought forward	6,379,319	176,328	15,385,900	21,941,547
Total funds carried forward	6,091,346	512,927	15,385,937	21,990,210

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

23. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary which operates the cafe and retail outlets at the Museum. The summary financial performance of the charity alone is:

	Total 0 £	Total 0 £
Income and endowments		
Donations and legacies	503,234	710,398
Charitable activities	631,467	109,198
Other trading activities	7,000	5,000
Investments	210,259	236,289
Total income	<u>1,351,960</u>	<u>1,060,885</u>
Expenditure		
Raising funds	81,021	77,289
Charitable activities	2,192,886	1,603,623
Other trading activities		
Other	41,502	67,564
Total expenditure	<u>2,315,409</u>	<u>1,748,476</u>
Net gains/(losses) on investments	941,939	709,231
Net income/(expenditure)	(21,510)	21,640
Transfers between funds	-	-
Actuarial gains/(losses) on defined benefit pension scheme	(126,000)	74,000
Foreign exchange gains/(losses)	25,517	(46,977)
Net movement in funds	<u>(121,993)</u>	<u>48,663</u>
Reconciliation of funds		
Total funds brought forward	21,990,210	21,941,547
Total funds carried forward	<u><u>21,868,217</u></u>	<u><u>21,990,210</u></u>

25. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.