

THE AMERICAN MUSEUM AND GARDENS
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

Charity number 1106989

Company registration number 05282777

THE AMERICAN MUSEUM AND GARDENS

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

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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 V Richard Mrs E De Forest Scott Mr M Haranzo Lady C Manning Mrs L Sayer Mr A Tinniswood Mr D Galbreath Ms J Kingsley Mr A Comba Ms A Millman Ms K Pennington
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 5th 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 2023. 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 E De Forest Scott
Mr M Haranzo
Lady C Manning
Mrs L Sayer
Mr G Thomas

Ms J Kingsley
Ms A Millman
Mr A Comba
Ms K Pennington
Mr D Galbraith
Mr A Tinniswood
Mrs V Richard

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.

Proposed new Trustees will be interviewed by the Executive Chair alongside at least two existing Trustees. Each new board member will go through a thorough induction package and will meet all members of the Museum's leadership team, and spend time with each of them, as part of their induction. All new Trustees will also participate in relevant workshops and presentations, and will be brought up to date with the Museum's vision, strategy and development plans for the future.

CHIEF EXECUTIVE

Gareth Thomas served as the Executive Chairman 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 increases our ability to present public and schools educational programs, while the Exhibition Gallery enables us to put on one or two temporary exhibitions each year.

VOLUNTEER CONTRIBUTIONS TO MUSEUM OPERATIONS

The Museum has a roll call of some 195 volunteers who in principle provide a room guide service facilitating security and visitor interpretation when open to the public. Volunteers are also used for support to the curatorial and retail departments, while over 40 volunteers work in the gardens. During the year in the order of 17,250 hours were offered by 195 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 2023.

Major activities in 2023:

- The Museum held two temporary exhibitions, the first featuring a photographic exhibition of American in Crisis, while the second focused on Brick America Lego models and was designed to attract the younger families to the Museum.
- The Museum held a number of holiday events including Easter, July and Halloween in October, which were very well attended.
- The footfall of the Museum was increased to just under 72,000. This was the highest annual footfall for many years, and it is hoped to continue this into 2024.
- The Museum has undertaken extensive small capital works on security, alarm and fire prevention as well as some well overdue repairs to roofs and windows. Other projects such as the renovation of the Conestoga Wagon and woodland maintenance with Ash die back have been started.

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 UK and USA.

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 study.

In pursuit of its mission, the Museum supports the local community, provides work experience, learning opportunities and engages almost 200 volunteers.

FINANCIAL REVIEW

Reserves policy. The charity has unrestricted reserves of approximately £3.4 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.

Principal funding sources

The primary sources of funding came from ticket sales charged to visitors to the Museum during normal opening and for special events and membership sales, together with any reclaimed Gift Aid.

The secondary sources of funding are private and corporate hire, major donations from a number of sources including via the Halcyon Foundation, interest earned from endowments invested with UK & USA professional fund managers. Increasingly, the secondary sources of income include the American Deli and retail operation.

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

Investment policy and objectives

The main fund is managed on a total return basis. It is invested through the New Court Fund which has approximately 65% invested in return-seeking assets and 35% invested in diversifying assets. The restricted funds are invested in the Targeted Income Shares of the New Court Fund which aims to distribute dividend income of 3% per annum.

In addition, nominees of the Deutsche Bank hold certain investments in the United States of America. 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 worth 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 is given in the Notes to these financial statements.

RISK ASSESSMENT

The Trustees have examined the major risks to which the Museum is exposed and have developed a detailed Risk Register, which identifies the major risks to which the Museum and the Trustees are exposed. This register is a live document and is considered by the Trustees at every Board meeting (four times a year).

The table below sets out the key financial risks, which have been identified:

KEY RISKS IDENTIFIED	RISK MITIGATION
1. Inability to raise funds for the redevelopment of the exhibition gallery, Manor House and Coach-house repairs.	The Museum board have appointed a fund raiser in the USA to make contact with major US funders and Foundations.
2. Current planned attractions do not attract the required footfall to support the outgoing expenditure for the Museum as a whole	Greater use of internal resources in the development of the family attractions and holiday events
3. Due to cash flow, drawdowns deplete the investment portfolio so dividends received decrease	Senior team will modify both pay and non-pay expenditure levels and take steps to increase income generation in order to reduce cash need and reduce the operational deficit.
4. Prices rise more than the predicted rise in admission and membership rates, leading to a reduction in profits.	Senior team will modify admission and membership rates accordingly. This review will also include the modification of catering and retail prices.

FUTURE PLANS

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

- The Museum is utilising investment funds to rebuild and restore the retaining wall, which is near the Coach-house. This will be ready mid-season in 2024, but has meant that full use of the area for private hire cannot be achieved. Full use of the Coach-house and stables will be possible in 2025, when revenue from private hire will be increased.
- The Museum is putting on a single exhibition called "American Road Trip". This will be flexible enough to allow smaller events to be formed around the road trip idea.

TRADING COMPANY

American Museum Enterprises Limited (formerly known as HH Estates Limited) is a wholly owned subsidiary that operates the museum shop 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 XX September 2024 and signed on their behalf on that date:

Gareth Thomas
Executive 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 2023 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 2022 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.

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

Date: _____

THE AMERICAN MUSEUM AND GARDENS

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

FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Income and endowments						
Donations and legacies	3	281,935	572,717	-	854,652	286,065
Charitable activities	2	559,115	-	-	559,115	758,739
Other trading activities (AME)	3	462,053	-	-	462,053	348,082
Investment income	3	124,235	103,167	30,205	257,607	206,286
Total income		1,427,338	675,884	30,205	2,133,427	1,599,172
Expenditure						
Raising funds	4	93,726	-	-	93,726	57,899
Charitable activities	4 & 5	1,616,229	548,835	30,193	2,195,257	2,415,509
Other trading activities (AME)	4	458,887	-	-	458,887	411,355
Other trading activities (Charity)	4	55,374	-	-	55,374	53,572
Total expenditure		2,224,216	548,835	30,193	2,803,244	2,938,335
Net gains/(losses) on investments	8 & 9	770,860	-	-	770,860	(877,448)
Net income/(expenditure)		(26,018)	127,049	12	101,043	(2,216,611)
Transfers between funds	14	-	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	6	(44,000)	-	-	(44,000)	(155,000)
Foreign exchange gains/(losses)		(83,528)	-	-	(83,528)	182,746
Net movement in funds		(153,546)	127,049	12	(26,485)	(2,188,865)
Reconciliation of funds						
Total funds brought forward		3,753,479	539,891	15,385,982	19,679,352	21,868,217
Total funds carried forward		3,599,933	666,940	15,385,994	19,652,867	19,679,352

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 2023

	Note	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed Assets					
Tangible assets	7	11,066,179	11,050,955	11,253,836	11,234,428
Heritage assets	7a	25,750	25,750	25,750	25,750
Investment assets in the UK	8	6,197,146	6,128,547	6,278,079	6,213,314
Investment assets outside the UK	9	1,746,555	1,746,555	1,887,602	1,887,602
		19,035,630	18,951,807	19,445,267	19,361,094
Current Assets					
Stocks	10	30,259	5,302	35,573	5,576
Debtors	11	215,923	296,894	237,642	342,508
Cash at bank and in hand		381,515	351,241	164,374	138,600
		627,697	653,437	437,589	486,684
Creditors - amounts falling due within one year	12	(219,460)	(161,377)	(444,504)	(409,425)
Net Current Assets		408,237	492,060	(6,915)	77,258
Total assets less current liabilities excluding pension asset		19,443,867	19,443,867	19,438,352	19,438,352
Creditors: Amounts falling due after more than 1 year		-	-	-	-
Defined benefit pension scheme asset	6	209,000	209,000	241,000	241,000
Net assets including pension asset/(liability)		19,652,867	19,652,867	19,679,352	19,679,352
The funds of the charity					
Endowment funds	14				
Endowment funds (group and charity)		11,614,201	11,614,189		
Revaluation reserve (group and charity)		3,771,793	3,771,793		
		15,385,994	15,385,994	15,385,982	15,385,982
Restricted income funds	14	666,940	666,940	539,891	539,891
Unrestricted income funds					
Unrestricted income funds (group and charity)		3,390,933	3,512,479		
Pension reserve (group and charity)	6	209,000	241,000		
		3,599,933	3,599,933	3,753,479	3,753,479
Total charity funds	13	19,652,867	19,652,867	19,679,352	19,679,352

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.

Trustee

Approved by the trustees on _____

THE AMERICAN MUSEUM AND GARDENS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	Group 2023 £	Group 2022 £
Cash used in operations	20	<u>(920,022)</u>	<u>(1,045,442)</u>
Cash flows from investing activities			
Investment income		257,607	206,286
Purchases of investments		(283,367)	(367,105)
Proceeds from sale of investments		1,187,655	1,165,027
Purchase net of disposals of tangible fixed assets		<u>(24,731)</u>	<u>(68,308)</u>
Cash provided by (used in) investing activities		<u>1,137,163</u>	<u>935,900</u>
Increase in cash and cash equivalents during the year		217,141	(109,542)
Cash and cash equivalents at the beginning of the year		164,374	273,916
Total cash and cash equivalents at the end of the year		<u>381,515</u>	<u>164,374</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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 Standards 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 2022 and 2023 cost of living increases has been significant. The additional heating, catering and retail costs have contributed to a squeeze on the gross margin in AM Enterprises and overspend in estate costs.

A process has been implemented in 2023 to have regular meetings on costs cutting including (a) cut staff and non-pay costs (b) to increase the income in venue and corporate hire and (c) to continue to develop efficiency within the catering operation. 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.

However properties within the Museum boundary are being let out for commercial rent.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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 (current value £25,750)

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.

It is the intention of the Trustees to implement the buying out of the defined benefit scheme run by Scottish Widows.

(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.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

1. ACCOUNTING POLICIES (CONTINUED)

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

In the year to 31 December 2023 the Group made an operational loss of £0.669m. This was largely offset by the growth of the investments. At the date of this report it held net assets of £19.652m a reduction of £0,027m from 2022 (£19.679m).

Throughout 2022 and into 2023, the Group has been impacted by the global cost of living and rises in fuel costs and the many repercussions arising from this.

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 instituted and regular review of all staff and non-pay costs with a view to making efficiencies. In addition there are ambitious revenue generating targets which will be worked on in year.

(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 2023/2024 which would impact on the ability of the Museum to continue successfully trading into the future

As confirmed in note (o) 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

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Admissions	382,710	-	382,710	525,071
Membership	106,921	-	106,921	90,237
Other	69,484	-	69,484	143,431
	<u>559,115</u>	<u>-</u>	<u>559,115</u>	<u>758,739</u>

3. INCOMING RESOURCES FROM GENERATED FUNDS

	2023 Unrestricted £	2023 Restricted £	2023 Endowment £	2023 Total £	2022 Total £
Voluntary income					
Gifts and donations	281,935	572,717	-	854,652	286,065
Job retention scheme				-	-
	<u>281,935</u>	<u>572,717</u>	<u>-</u>	<u>854,652</u>	<u>286,065</u>
Activities for generating funds					
Retail and catering income	462,053	-	-	462,053	348,082
	<u>462,053</u>	<u>-</u>	<u>-</u>	<u>462,053</u>	<u>348,082</u>
Investment income					
UK income					
Investments listed on a recognised stock exchange	53,200	103,167	30,205	186,572	131,552
Investment properties income	25,708	-	-	25,708	11,792
	<u>78,908</u>	<u>103,167</u>	<u>30,205</u>	<u>212,280</u>	<u>143,344</u>
US income					
Investments listed on a recognised stock exchange	45,327	-	-	45,327	62,942
Total	<u>124,235</u>	<u>103,167</u>	<u>30,205</u>	<u>257,607</u>	<u>206,286</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

4. CHARITABLE EXPENDITURE ANALYSED BY CHARITABLE ACTIVITY

	Basis of Allocation	Collections Management & Exhibitions	Public Programme (Education)	Fund Raising	Investments	Governance	Total 2022	2022
Staff & related costs	Per capita	382,497	571,679	78,326	5,943	-	1,038,443	994,805
Property costs	Usage	578,237	483,241	-	-	8,257	1,069,735	824,341
Office costs	Usage	89,685	89,919	15,401	21,133	20,041	236,179	707,834
Trading costs	Nature	-	-	-	458,887	-	458,887	411,355
Total		1,050,419	1,144,839	93,726	485,963	28,298	2,803,244	2,938,335

	2023 £	2022 £
Included within the above amounts are the following resources expended:		
Audit fees	18,000	17,000
Other services provided by the external auditor: (not yet confirmed)		2,750
Profit/(loss) on foreign exchange	(83,528)	182,746

5. STAFF COSTS

	2023 £	2022 £
Wages and salaries	834,469	769,302
Social security costs	76,961	71,380
Pension costs (including defined benefit adjustments)	41,023	33,429
	952,453	874,111

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	2023 Number	2022 Number
£70,000 - £80,000	1	1

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

	2023 Number	2022 Number
Museum staff	26	28
Management and administration	8	11
AM Enterprises Limited	24	28
	58	67

Mr Gareth Thomas held the positions of both; Executive Chairman and Trustee of The American Museum and Gardens. Mr G Thomas received both remuneration and reimbursements for expenses in his role as Executive Chairman 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 Executive Chairman, Director of Development Director of Collections and Public Engagement, Head Curator, Head of Finance, Head of Estates and Head Gardener. The total remuneration for the key management personnel of the group and charity were £418,575 (2022: £404,188).

Severance payments were made in the year as follows £2,918

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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 (2022 Nil)

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

	2023	2022
Discount rate	4.8%	5.1%
Retail price inflation	3.2%	3.3%
Salary increase rate	3.8%	3.9%
Allowance for revaluation of deferred pensions of RPI or 5% if less	3.3%	3.3%
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 2023 £000's	Proportion at 2023	Assets at 2022 £000's	Proportion at 2022
Bonds	603	45%	603	45%
Insured pensions	745	55%	745	55%
Total	<u>1,307</u>		<u>1,348</u>	
	2023 £000's		2022 £000's	
Fair value of plan assets	1,307		1,348	
Value of funded obligations	(1,098)		(1,107)	
Surplus in the scheme	<u>209</u>		<u>241</u>	

Analysis of the amount charged to operating profit

	2023 £000's	2022 £000's
Current service cost	0	0
Net interest expense	(12)	(7)
Total operating charge/(credit)	<u>(12)</u>	<u>(7)</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

6. PENSION COSTS (CONTINUED)

Analysis of amount recognised in statement of other comprehensive income

	2023	2022
	£000's	£000's
Asset return less interest income recognised in the SOFA	(19)	(621)
Experience gains/losses on benefit obligation	4	(62)
Effect of assumptions changes on benefit obligation	(29)	528
Total operating (charge) or credit from above	12	7
Total to be recognised in the SOFA	<u>(32)</u>	<u>(148)</u>

History of experience gains and losses

	2023	2022
	£000's	£000's
Difference between the asset return and the interest income	(19)	(621)
% of scheme assets	1.5%	46.1%
Experience gains and losses on liabilities (£000's)	4	(62)
% of scheme liabilities	-0.4%	6.6%
Total amount recognised in OCI (£000's)	(29)	528
% of scheme liabilities	-2.6%	47.7%

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

	2023	2022
	£000's	£000's
Opening defined benefit obligation	1,107	1,624
Current service cost	-	-
Interest cost	54	29
Actuarial (gains)/losses	25	(466)
Benefits paid	(88)	(80)
Closing defined benefit obligation	<u>1,098</u>	<u>1,107</u>

Analysis of the change in the fair value of plan assets

	2023	2022
	£000's	£000's
Opening fair value of plan assets	1,348	2,013
Interest income	66	36
Asset gain/(losses)	(19)	(621)
Contributions	-	-
Benefits paid	(88)	(80)
Closing fair value of plan assets	<u>1,307</u>	<u>1,348</u>

Life expectancy based on mortality assumptions

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

	2023	2022
	Years	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	10	10

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

7 FIXED ASSETS - TANGIBLE ASSETS

Charity

	Freehold Property £	Motor vehicles £	Equipment & fixtures £	Total £
COST/VALUATION				
At 1 January 2023	12,807,926	15,399	1,250,647	14,073,972
Additions	-	-	23,298	23,298
Disposals	-	-	-	-
At 31st December 2023	12,807,926	15,399	1,273,945	14,097,270
DEPRECIATION				
At 1 January 2023	1,715,200	15,399	1,108,946	2,839,545
Disposals	-	-	-	-
Charge for the year	171,679	-	35,091	206,770
At 31st December 2023	1,886,879	15,399	1,144,037	3,046,315
NET BOOK VALUE				
At 31st December 2023	10,921,047	-	129,908	11,050,955
At 31st December 2022	11,092,726	-	141,701	11,234,427

Heritage assets have been insured to a value of £21,000,000 in the recent insurance valuation.

The freehold property was valued by A Bowyer RCIS, of Jones Lang LaSalle, on 31 December 2012 at £12,800,000.

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

NOTE REGARDING THE SECURITY OF ARTIFACTS AND HERITAGE ASSETS

In order to ensure that all the artifacts displayed in the Museum and stored in Museum premises are kept safe, a programme of updating the security systems has taken place in early 2023. These security systems have included CCTV cameras and sensitive electronic alarms. Trustees have been kept informed of these upgrades in the board meetings as part of the capital programme. Trustees are content that the risks of artifacts and heritage assets being stolen or damaged are small.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

7. FIXED ASSETS - TANGIBLE ASSETS (continued)
Group

	Freehold Property £	Motor vehicles £	Furniture & equipment £	Total £
COST/VALUATION				
At 1 January 2023	12,807,926	15,399	1,310,314	14,133,639
Additions	-	-	24,731	24,731
Disposals	-	-	-	-
At 31st December 2023	12,807,926	15,399	1,335,045	14,158,369
DEPRECIATION				
At 1 January 2023	1,715,200	15,399	1,149,205	2,879,804
Disposals	-	-	-	-
Charge for the year	171,679	-	40,709	212,387
At 31st December 2023	1,886,879	15,399	1,189,913	3,092,191
NET BOOK VALUE				
At 31st December 2023	10,921,047	(0)	145,131	11,066,178
At 31st December 2022	11,092,726	(0)	161,109	11,253,835

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

7a. FIXED ASSETS - HERITAGE ASSETS

	2023 Heritage Assets £	2022 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 artifacts.

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 and Gardens 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.

See note above regarding the security of Museum artifacts and heritage assets

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

8. FIXED ASSET INVESTMENTS IN THE UK

	Notes	2023 £	2023 £	2022 £	2022 £
Charity					
Quoted investments					
Brought forward		6,278,079		7,789,753	
Additions		-		-	
Disposals		(708,568)		(695,000)	
Net gains/(losses)		594,638		(816,674)	
Market value 31st December			6,164,149		6,278,079
Unquoted investments					
Brought forward		(64,765)		5,508	
Net gains/(losses)		(3,834)		(70,273)	
Value 31st December			(68,599)		(64,765)
Cash held for investment purposes			32,997		-
Total UK investments			<u>6,128,547</u>		<u>6,213,314</u>

Historical cost of the quoted investments at 31st December 2023 was £5,863,625 (2022 £6,471,273)

The historical cost of the unquoted investment is not known.

Group		2023 £	2023 £	2022 £	2022 £
Quoted investments					
Brought forward		6,278,079		7,789,753	
Additions		-		-	
Disposals		(708,568)		(695,000)	
Net gains/(losses)		594,638		(816,674)	
Market value 31st December			6,164,149		6,278,079
Cash held for investment purposes			32,997		-
Investment Properties			-		-
Total UK investments			<u>6,197,146</u>		<u>6,278,079</u>

Historical cost of the quoted investments at 31st December 2023 was £5,863,625 (2022 £6,471,273)

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

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

9. FIXED ASSET INVESTMENTS OUTSIDE THE UK

Charity and Group	2023	2023	2022	2022
Quoted investments	£	£	£	£
Brought forward	1,843,834		1,837,920	
Additions	283,367		367,105	
Disposals	(479,086)		(470,027)	
Net gains/(losses)	168,440		(69,388)	
Foreign exchange gain/(loss)	(82,860)		178,224	
Market value 31st December		1,733,695		1,843,834
Cash held for investment purposes		12,860		43,768
Total investments held outside the UK		<u>1,746,555</u>		<u>1,887,602</u>

Historical cost of the quoted investments at 31st December 2023 was £1,096,938, (2022 £1,289,219)

10. STOCKS

	2023	2022
	£	£
Charity		
Goods for resale	<u>5,302</u>	<u>5,576</u>
Group		
Goods for resale	<u>30,259</u>	<u>35,573</u>

11. DEBTORS

	2023	2022
	£	£
Charity		
Trade debtors	6,154	16,076
Amounts due from Group undertakings	94,929	116,105
VAT	17,102	32,422
Prepayments and other debtors	178,709	177,905
	<u>296,894</u>	<u>342,508</u>
Group		
Trade debtors	17,625	16,076
VAT	17,246	40,338
Prepayments and other debtors	181,052	181,228
	<u>215,923</u>	<u>237,642</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Charity		
Trade creditors	53,080	171,656
Taxation and social security	23,444	18,599
Accruals and sundry creditors	84,853	219,170
	<u>161,377</u>	<u>409,425</u>
Group		
Trade creditors	64,072	176,165
Taxation and social security	66,249	35,150
Pension control	786	472
Accruals and sundry creditors	88,353	232,717
	<u>219,460</u>	<u>444,504</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	-	1,349,806	-	-	1,349,806
Ian McCallum fund	-	36,264	-	-	36,264
Property fund	10,956,114	355,128	-	-	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>10,956,114</u>	<u>4,429,880</u>	<u>-</u>	<u>-</u>	<u>15,385,994</u>
Restricted funds					
Map fund	-	-	10	-	10
Ian McCallum fund	-	-	11	-	11
Education fund	-	-	10	-	10
Field Conservation fund	-	-	9	-	9
Exhibition fund	-	-	41	-	41
JJM Main fund	-	-	18	-	18
JJM Pratt Will fund	-	-	21	-	21
School House fund	-	-	62	-	62
Capital Campaign (essential works)	-	-	119,200	-	119,200
Top Floor Flat (essential capital works)	-	-	-	-	0
Folk Art Gallery (essential capital works)	-	-	-	-	0
Gallery heating	-	-	-	-	0
Travel fund	-	-	2,319	-	2,319
UK Appeal	-	-	-	-	0
Thanksgiving and 60th anniversary	-	-	4	-	4
CRM	-	-	-	-	0
Ash die back	-	-	-	-	0
Claverton Theatre club	-	-	0	-	(0)
Lecture series fund (Claridge)	-	-	22,761	-	22,761
Tree planting	-	-	495	-	495
Period rooms (Fit for the Future)	-	-	291,785	-	291,785
Garden fund (Guillia)	-	-	13,733	-	13,733
Conestoga Wagon	-	-	-	-	0
Gardens endowment (SLIFKA)	-	-	161,960	-	161,960
Audience project	-	-	872	-	872
Damaged wall	-	-	-	-	0
Well project	-	-	24,291	-	24,291
Café project	-	-	-	-	0
Retaining Wall	-	-	-	-	0
Churchill Lecture series (Betty Suchar)	-	-	20,837	-	20,837
Social Enterprises Academy	-	-	7,000	-	7,000
Travelling Together grant	-	-	1,500	-	1,500
	<u>0</u>	<u>-</u>	<u>666,940</u>	<u>0</u>	<u>666,940</u>
Unrestricted funds	323,472	3,445,222	(377,761)	209,000	3,599,933
Total funds	<u>11,279,586</u>	<u>7,875,102</u>	<u>289,179</u>	<u>209,000</u>	<u>19,652,867</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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	-	1,349,806	-	-	1,349,806
Ian McCallum fund	-	36,264	-	-	36,264
Property fund	10,956,114	355,128	-	-	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
	10,956,114	4,429,880	-	-	15,385,994
Restricted funds					
Map fund	-	-	10	-	10
Ian McCallum fund	-	-	11	-	11
Education fund	-	-	10	-	10
Field Conservation fund	-	-	9	-	9
Exhibition fund	-	-	41	-	41
JJM Main fund	-	-	18	-	18
JJM Pratt Will fund	-	-	21	-	21
School House fund	-	-	62	-	62
Capital Campaign (essential works)	-	-	119,200	-	119,200
Top Floor Flat (essential capital works)	-	-	-	-	0
Folk Art Gallery (essential capital works)	-	-	-	-	0
Gallery heating	-	-	-	-	0
Travel fund	-	-	2,319	-	2,319
UK Appeal	-	-	-	-	0
Thanksgiving	-	-	4	-	4
CRM	-	-	-	-	0
Ash die back	-	-	-	-	0
Claverton Theatre club	-	-	0	-	(0)
Lecture series fund (Claridge)	-	-	22,761	-	22,761
Tree planting	-	-	495	-	495
Period rooms (Fit for the Future)	-	-	291,785	-	291,785
Garden fund (Guillia)	-	-	13,733	-	13,733
Canestoga Wagon appeal	-	-	-	-	0
Gardens endowment (SLIFKA)	-	-	161,960	-	161,960
Audience project	-	-	872	-	872
Damaged wall	-	-	-	-	0
Wells project	-	-	24,291	-	24,291
Café project	-	-	-	-	0
Retaining Wall	-	-	-	-	0
Churchill Lecture series (Betty Suchar)	-	-	20,837	-	20,837
Social Enterprises Academy	-	-	7,000	-	7,000
Travelling Together grant	-	-	1,500	-	1,500
	0	0	666,940	0	666,940
Unrestricted funds	135,815	3,513,821	(258,703)	209,000	3,599,933
Total funds	11,091,929	7,943,701	408,237	209,000	19,652,867

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

14. ENDOWMENTS AND RESTRICTED FUNDS

Charity and Group	Balance b/fwd £	Donations £	Movement in resources		Transfers £	Balance c/fwd £
			Incoming £	Outgoing £		
Endowment funds						
Map fund	333,652	-	-	-	-	333,652
Permanent fund	1,349,794	-	30,205	(30,193)	-	1,349,806
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
	15,385,982	-	30,205	(30,193)	-	15,385,994

	Balance b/fwd £	Movement in resources		Transfers £	Balance c/fwd £
		Incoming £	Outgoing £		
Restricted funds					
Map fund	335	12,503	(12,828)	-	10
Ian McCallum fund	120	2,244	(2,353)	-	11
Education fund	98	15,447	(15,535)	-	10
Field Conservation fund	169	10,966	(11,126)	-	9
Exhibition fund	333	9,135	(9,428)	-	41
JJM Main fund	319	7,741	(8,042)	-	18
JJM Pratt Will fund	285	21,537	(21,801)	-	21
School House fund	62	-	-	-	62
Capital Campaign (essential capital work	29,752	433,020	(57,557)	(286,015)	119,200
Top Floor Flat (essential capital works	1,187	-	(1,765)	578	-
Folk Art Gallery (essential capital works)	-	-	-	-	-
Gallery Heating	-	59,876	(73,875)	13,999	-
Travel Fund (Burberry)	814	3,000	(1,495)	-	2,319
UK Appeal	-	-	-	-	-
Thanksgiving	4	-	-	-	4
CRM	-	-	(45,490)	45,490	-
Ash die back	-	-	(24,378)	24,378	-
Claverton Theatre club	(2,499)	2,499	-	-	(0)
Lecture series fund (Claridge)	23,753	-	(992)	-	22,761
Tree planting	-	495	-	-	495
Period rooms (F4F)	234,215	80,420	(22,851)	-	291,785
Garden fund (Gullia)	13,733	-	-	-	13,733
Canestoga Wagon appeal	9,408	3,645	(26,081)	13,028	-
Gardens endowment (SLIFKA)	170,960	-	(9,000)	-	161,960
Audience project	872	-	-	-	872
Damaged wall	4,614	-	(16,177)	11,563	-
Wells project	24,291	-	-	-	24,291
Café project	2,982	1,855	(159,890)	155,053	-
Retaining Wall	-	-	(21,927)	21,927	-
Churchill Lecture series (Betty Suchar)	24,080	-	(3,243)	-	20,837
Social Enterprises Academy	-	10,000	(3,000)	-	7,000
Travelling Together grant	-	1,500	-	-	1,500
	539,891	675,884	(548,835)	-	666,940

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 of the Hajji Ahmed map.

14. ENDOWMENTS AND RESTRICTED FUNDS (continued)

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 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.

After legal advice it is the intention of the Trustees to transfer this fund to the unrestricted portfolio in 2024.

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 Top Floor Flat fund represents monies donated to the Museum to renovate the top floor of the museum. These monies are being used for the renovation of the top floor flat and recent necessary works on the alarm and intruder systems..

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

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 have been used as part of the reinstatement of the electrical and alarm system surrounding the Folk Art Gallery in 2022 and 2023.

Gallery Heating. This was set up to receive specific funds towards the heating system of the Gallery. This project is now complete.

The Education Programme Travel fund represents monies donated by Burberry to enhance the Educational Outreach operations of the Museum. More recently this has been topped up by £5,000 to help with transport costs of school visits

The UK Appeal. The balance on this fund has been redirected towards the Conestoga Wagon appeal

The Thanksgiving dinner held at the Museum is under-written by a generous gift, which was received in 2022 only..

CRM. This project was the installation and set up of the sales information system using the Salesforce and Veeva companies. This project is complete as far as the restricted funding is concerned, but there are some residue costs likely in 2024.

Ash Die Back. This project has been incorporated into the essential works programme. Expenditure in 2023 has been covered by the essential works restricted funding. Further work will be done in 2024 for which funds will be made available from donations.

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 Lectures.

Tree Planting. This has been set up to receive restricted funding for the Tree planting in the Museum grounds..

Period Rooms fund (Fit for the Future): 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.

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

Gardens endowment (SLIFKA). This 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

Damaged wall. The wall beside the kitchen was damaged and a successful claim was made which will be spent in 2023.

Wells Project. This is money given for the drilling of a well on the property. More money has been made available and the scheme will go ahead

Café project. This project was completed in the first quarter of 2023..

Retaining Wall. Money has now been received to complete this project in 2024.

Churchill Lecture series (Betty Suchar). This fund is given as an endowment for the Churchill lecture each year at the Museum.

Social Enterprise Academy.

The American Museum & Gardens was awarded £10,000 by the Social Enterprise Academy through a scheme called Steps to Sustainability, which was funded by National Lottery Heritage Fund. The funds have been used to purchase a catering trailer, which will be used on busy days to serve hot & cold beverages and snacks generating additional funds for the Museum and improving the visitor experience.

Travelling Together Grant

This was a grant given by Bristol City Council to facilitate work on Equity, Diversity and Inclusion.

15. DESIGNATED FUNDS

There were no designated funds throughout the period under review.

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

16. TRANSACTIONS WITH TRUSTEES

The Trustees did not receive any remuneration during the year. Mr G Thomas (Trustee) received remuneration only in his capacity as Executive Chairman.

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 (2022: £13,000).

17. LEASING COMMITMENTS

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

	2023 £	2022 £
Within one year	3,349	1,551
Within two and five years	5,111	4,063
	<u>8,460</u>	<u>5,614</u>
Lease amounts paid in the year	<u>3,540</u>	<u>2,147</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.

	2023 £	2022 £
Turnover	462,053	348,082
Cost of sales	(432,088)	(386,127)
	<u>29,965</u>	<u>(38,045)</u>
Administrative expenses and finance costs	(33,799)	(32,228)
	<u>(3,834)</u>	<u>(70,273)</u>
(Loss)/Profit on ordinary activities before taxation	(3,834)	(70,273)
Tax on loss on ordinary activities	-	-
(Loss)/Profit on ordinary activities after taxation	<u>(3,834)</u>	<u>(70,273)</u>
The aggregate of the assets, liabilities and funds was:		
Assets	84,414	86,419
Liabilities, share capital and retained earnings	(153,012)	(151,184)
Funds	<u>(68,598)</u>	<u>(64,765)</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 2023

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

	Group 2023 £	Group 2022 £
Net movement in funds	(26,485)	(2,188,865)
Add back depreciation	212,387	212,406
Deduct investment income shown in investing activities	(257,607)	(206,286)
Decrease/(Increase) in stock	5,314	618
Decrease/(Increase) in debtors	21,719	(62,621)
Increase/(Decrease) in creditors	(225,044)	74,963
Investments non cash adjustment	(682,306)	967,680
Decrease/(Increase) in defined benefit pension scheme	32,000	148,000
Add back loss on disposal of asset	-	8,663
Net cash used in operating activities	<u>(920,022)</u>	<u>(1,045,442)</u>

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

21. COMPARATIVE INFORMATION ON THE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £
Income and endowments				
Donations and legacies	83,073	202,992	-	286,065
Charitable activities	758,739	-	-	758,739
Other trading activities	348,082	-	-	348,082
Investments	113,797	71,170	21,319	206,286
Total income	1,303,691	274,162	21,319	1,599,172
Expenditure				
Raising funds	57,899	-	-	57,899
Charitable activities	2,111,102	283,115	21,292	2,415,509
Other trading activities	411,355	-	-	411,355
Other	53,572	-	-	53,572
Total expenditure	2,633,928	283,115	21,292	2,938,335
Net gains/(losses) on investments	(877,448)	-	-	(877,448)
Net income/(expenditure)	(2,207,685)	(8,953)	27	(2,216,611)
Transfers between funds	-	-	-	-
Actuarial gains/(losses) on defined benefit pension scheme	(155,000)	-	-	(155,000)
Foreign exchange gains/(losses)	182,746	-	-	182,746
Net movement in funds	(2,179,939)	(8,953)	27	(2,188,865)
Reconciliation of funds				
Total funds brought forward	5,933,418	548,844	15,385,955	21,868,217
Total funds carried forward	3,753,479	539,891	15,385,982	19,679,352

THE AMERICAN MUSEUM AND GARDENS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

22. 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 2023 £	Total 2022 £
Income and endowments		
Donations and legacies	854,652	286,065
Charitable activities	559,115	758,739
Other trading activities	7,000	7,000
Investments	257,607	206,286
Total income	<u>1,678,374</u>	<u>1,258,090</u>
Expenditure		
Raising funds	93,726	57,899
Charitable activities	2,195,257	2,415,509
Other trading activities		0
Other	55,374	53,572
Total expenditure	<u>2,344,357</u>	<u>2,526,980</u>
Net gains/(losses) on investments	767,026	(947,721)
Net income/(expenditure)	101,043	(2,216,611)
Transfers between funds	-	-
Actuarial gains/(losses) on defined benefit pension scheme	(44,000)	(155,000)
Foreign exchange gains/(losses)	(83,528)	182,746
Net movement in funds	<u>(26,485)</u>	<u>(2,188,865)</u>
Reconciliation of funds		
Total funds brought forward	19,679,352	21,868,217
Total funds carried forward	<u><u>19,652,867</u></u>	<u><u>19,679,352</u></u>

23. 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.