

Petersfield Museum and Art Gallery Limited

England & Wales · Charity number 1108817

Details

Other names	PETERSFIELD MUSEUM LIMITED, Petersfield Museum, Petersfield Museum and Art Gallery Limited
Status	Registered
Legal form	Charitable company
Company number	05370758
Registered	2005-04-04
Register	View on the Charity Commission register

Contact

Address	Petersfield Museum St Peter's Road Petersfield Hampshire GU32 3HX
Phone	01730262601
Email	finance@petersfieldmuseum.co.uk
Website	www.petersfieldmuseum.co.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC BY THE ESTABLISHMENT AND MAINTENANCE OF A MUSEUM FOR ITEMS OF HISTORICAL AND ARCHAEOLOGICAL INTEREST, ARCHIVES, PHOTOGRAPHS, FLORA AND FAUNA AND ARTS AND CRAFTS ESPECIALLY THOSE RELATING TO THE TOWN OF PETERSFIELD AND THE SURROUNDING AREA

Activities: The charity seeks to educate the public by the establishment and maintenance of a museum for items of historical and archaeological interest, archives, photographs, flora and fauna and arts and crafts especially those relating to the town of Petersfield and the surrounding area.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** PETERSFIELD AND THE SURROUNDING AREA
- Hampshire
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£341,009	£623,930	-	-
2024-03-31	£113,279	£498,579	-	-
2023-03-31	£183,015	£490,440	-	-
2022-03-31	£404,194	£484,412	-	-
2021-03-31	£950,163	£316,823	£4,455,691	7

Trustees

Name	Role	Appointed
ALAN DOUGLAS JONES		2017-09-05
Alice Margot Shaw		2024-10-08
Benedick Swann		2026-04-21
Elizabeth Ann Courtenay Brooks		2023-01-10
Frances Cook		2015-07-28
Isabel Hughes		2026-04-21
Jaane Rowehl		2026-04-21
Jeremy David Mitchell FRSA		
Jonathan Joseph Allen		2026-04-21
Lady Winifred Anne Charlotte Normington CBE		2020-05-26
Luc Blais		2023-07-11
PAUL Anthony MARTIN		2015-07-28
Richard Edward Joseph Foster		2023-04-11

Petersfield Museum and Art Gallery Limited

England & Wales - Charity number 1108817

Accounts

REGISTERED COMPANY NUMBER: 05370758 (England and Wales)
REGISTERED CHARITY NUMBER: 1108817

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
PETERSFIELD MUSEUM & ART GALLERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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COMPANIES HOUSE

PETERSFIELD MUSEUM & ART GALLERY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2025**

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PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum of Association, the Companies Act 2006 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).

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Petersfield Museum and Art Gallery is a registered charity and company limited by guarantee. It is an independent, accredited museum and receives no regular statutory funding beyond a small annual grant from Petersfield Town Council. All running costs, including staff salaries and collections care, are met from income raised via admissions, trading, and voluntary fundraising.

The charity exists to advance the education of the public through the establishment and maintenance of a museum for items of historical, archaeological, artistic, and literary interest-especially those relating to Petersfield and its surrounding area.

Success is measured by public engagement: visitor numbers, educational activities, and public programming.

Significant activities

2024/25 marked the most ambitious exhibition year in the Museum's history, led by the international success of Peggy Guggenheim: Petersfield to Palazzo, which ran from June to October 2024. The exhibition attracted exceptional visitor numbers and national attention, linking Petersfield to one of the 20th century's most iconic figures in modern art. The exhibition was developed in partnership with the Peggy Guggenheim Collection, Venice, and included loans from Tate, The Hepworth Wakefield, and the National Trust.

Other exhibition highlights included:

- South Downs Open - our first open exhibition, of works inspired by the national park.
- A range of temporary exhibitions in the Flora Twort Gallery and Edward Thomas Study Centre.

Our public programming flourished with events ranging from artist-led workshops and themed walks to outdoor cinema and curator-led tours. However, the poor weather during summer 2024 impacted several planned outdoor events linked to the Guggenheim exhibition, affecting overall participation and secondary income.

Public benefit

In line with the Charity Commission's guidance, the Museum continues to serve public benefit by:

- Maintaining a high-quality public museum and gallery experience.
- Offering educational activities for schools and community groups.
- Preserving and interpreting local history and archaeology.
- Providing public access to the Edward Thomas Study Centre.
- Offering free entry to Under-18s from December 2023 onwards.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENT AND PERFORMANCE

Strategic Review

The Peggy Guggenheim: Petersfield to Palazzo exhibition was an extraordinary success, exceeding all expectations:

- Over 8,900 visitors attended during the exhibition period (a 575% increase on comparable 2023).
- Income from admissions, retail, and catering saw increases of 438%, 290%, and 52%, respectively.
- National press coverage included The Observer, The Sunday Times, and The Spectator, with The i naming it one of the UK's top ten exhibitions of 2024.

Volunteers played a crucial role, increasing from 39 to 72 during the exhibition, and the associated engagement programme reached over 2,500 participants.

Overall annual museum admissions rose by 117% to 10,770, with a 42% increase in total users to 30,039.

The Trustees wish to publicly record their thanks also to the Staff team who worked so hard to make this exhibition such a success and making visitors so welcome despite managing visitor numbers that far exceeded expectations.

Thanks also go to Arts Council England, the Art Fund Weston Loan Programme and the Henry Moore Foundation, together with many other donors, who made this exhibition possible. Without their financial support this intriguing story of Peggy Guggenheim's life in Petersfield between 1934 - 1939 would not have been told so well, if at all.

However, a major concern, arising late in the financial period, has been the decision by Arts Council England to ask the Department for Culture and Media Studies to defer the next round of National Portfolio Organisation (NPO) applications by 12 months. This delay may result in significant financial pressure in 2025/26, depending upon the outcome of other fundraising and income generating activities. As a result, the Trustees will carry out a strategic review during 2025 and place renewed focus on increasing voluntary income through trusts, individual giving, and legacy campaigns whilst also managing costs.

FINANCIAL REVIEW

Financial position

There is no doubt that 2024 / 2025 was the best year ever for generated income, with admission income alone standing at £56,156 (£21,188) and from other activities at £14,768 (£11,385). This latter figure excludes activity, including events income, that passes through the trading subsidiary.

The year was also notable for an increase in donated income, including grants, to £213,637 (£75,002), although a significant portion of the grant income (£115,750) was for the Peggy Guggenheim exhibition.

There was a net increase in expenditure (including depreciation) of £125,351 to £623,930 (£498,579), again largely due to the Guggenheim exhibition costs and associated additional activities, resulting in an overall deficit for the year of £282,921 (£139,256 before depreciation and amortization).

Although the headline figures show a deficit for a fourth consecutive year there is a degree of 'catch up' as accumulated surpluses are 'spent out' and the Museum's liquidity position remains manageable, but increasingly fragile. The Board has therefore approved a full strategic and financial review to be undertaken in 2025.

Fundraising efforts-focused during 2024/25 on the Guggenheim exhibition-will now be expanded to include core operational support, regular giving, and exploring endowment options.

Reserves policy

The Trustees aim to hold unrestricted, undesignated, reserves equivalent to six months of running costs (approx. £200,000). As of 31 March 2025, these free reserves were below target, and Trustees continue to work towards rebuilding these over the next 3-5 years.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

FUTURE PLANS

2025/26 will focus on:

- Continuing to deliver an ambitious programme of exhibitions and events, including the next South Downs Open and a new community-curated exhibition.
- Increasing fundraising capacity to support financial resilience.
- Undertaking full Strategic and Governance reviews to secure the Museum's future amid continuing funding uncertainty.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Petersfield Museum and Art Gallery Limited is a charitable company limited by guarantee, incorporated on 21 February 2005 (registration number 05370758) and registered as a charity on 4 April 2005 (registration number 1108817). The company's Memorandum of Association established the objectives and powers of the charitable company, which is governed under its Articles of Association. In the event of the company being wound up subscribing members are required to contribute to an amount not exceeding £10.

The only Voting Members now are the Trustees and Directors of Petersfield Museum and Art Gallery Limited.

Under the requirements of the Memorandum and Articles of Association, at each annual general meeting one third of the directors must retire from office. Retiring directors may offer themselves for re-election. Directors are recruited for the mix of skills and talents required for a company and charity of this nature. The Company is the sole trustee of the Flora Twort charity, which has a separate Charity Commission registration.

The board has overall responsibility for policy, for finance and for the provision of facilities needed to enable the Museum and Gallery to fulfill its objects. Whilst many aspects of day-to-day management have evolved towards the Museum and Gallery Director, the Board remains the ultimate decision-making body, taking into account information provided by the Museum and Gallery Director and their team. The board and staff are responsible for the displays, collections of archive and artifact material and the education programme.

Surplus funds are placed either on deposit with the company's bankers or with licensed deposit takers in order to obtain the best return commensurate with security of funds and the need to retain cashflow. Currently all funds are held with licensed deposit takers.

Staff

The trend of staff gaining valuable sector experience with the organisation and then moving on has continued this year, although on both occasions for personal reasons.

Molly Schmidt, Marketing and Communications Officer (Aug 2023 - Mar 2025), relocated away from the area.

Emily Langrish, Customer Engagement Officer (from Nov 2023) is relocating abroad and will leave in April 2025.

They are being succeeded by Annabelle Bonnar, who joined us from February 2025, and Maya Bakhshov, who joins us from April 2025.

We thank Molly and Emily for their contributions and wish them well in their future careers whilst welcoming Annabelle and Maya to the team.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees

With the likelihood of Trustee retirements over the next year or so, in the interests of succession planning two new Trustees were recruited during the year and we are pleased to welcome Ellora Sutton and Alice Shaw to the Trustee Board, joining in July and October respectively.

Ellora is an award-winning, published poet who has previously been a poet-in-residence both with ourselves and also the nearby Jane Austen House. Ellora brings to the Board her close affinity with literature and experience of hosting literature-related events.

Alice joined the Board has 15 years experience in the Museum sector, having worked previously at the British Museum, V&A, Science Museum and with ourselves as Project Manager during our redevelopment between 2018-2021. Alice brings all those skills, and local connections to the Board.

Together they help strengthen the diversity of our organisation with a Board that now has a 57% / 43% Male / Female split as we move towards a 50/50 balance.

Finally, long-standing Chair, Vaughan Clarke stepped down from the role in October after some 19 years, having had the privilege of watching the organisation grow from a purely amateur group to a fully professional outfit. He has been succeeded by Jeremy Mitchell, who also has a long-standing connection with the organisation, for whom he has been volunteer fundraiser for over 15 years.

Vaughan will remain as a Trustee for a further 12 months when it is hoped he will take on a form of 'ambassadorial' role.

Induction and training of new trustees

All newly appointed trustees are provided with a full introduction to the charity, including meeting with existing trustees to ask any questions they may have. They are also given access to the Charities Commission's guidance (The Essential Trustee) what you need to know, what you need to do'.

New trustees are required to meet with the board as a whole before their appointment is confirmed and are offered the opportunity to attend training for their role as trustee.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05370758 (England and Wales)

Registered Charity number

1108817

Registered office

St Peters Road
Petersfield
Hants
GU32 3HX

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees

J Mitchell – Chairman

L Blais

V R Clarke

F M E Cook

R E J Foster

W E Gosney

E A Brooks

A Jones

P Martin

S Murfitt

W A C Normington

J A Sinclair

E R Sutton (appointed 16.7.2024)

A M Shaw (appointed 8.10.2024)

Company Secretary

S Murfitt

Auditors

MC Audit Limited

Statutory Auditors

Station House

North Street

Havant

Hampshire

PO9 1QU

Museum and Gallery Director

Dan McWilliam

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Petersfield Museum Limited (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

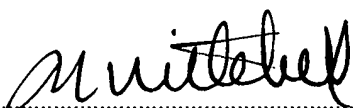
In so far as the trustees are aware:

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

AUDITORS

The auditors, MC Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 15 July 2025 and signed on its behalf by:



J Mitchell - Chairman

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETERSFIELD MUSEUM & ART GALLERY LIMITED

Opinion

We have audited the financial statements of Petersfield Museum & Art Gallery Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PETERSFIELD MUSEUM & ART GALLERY LIMITED**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PETERSFIELD MUSEUM & ART GALLERY LIMITED**

Our 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 Independent 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.

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

From discussion with management and those charged with governance, information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud, and going concern.

Based on these discussions and our own assessments, we determined that the key risk areas were income recognition in respect of cut-off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of fixed assets. Given that the charitable company has a large balance sheet and a relatively small income statement, fixed assets were considered a more appropriate benchmark than income. As a not-for-profit entity, the stewardship and safeguarding of fixed assets are of primary importance to the charity's stakeholders. This makes fixed assets a more relevant and stable base for determining materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error, and which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

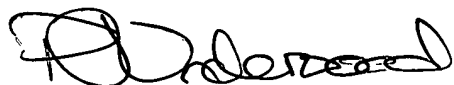
Management assessed there is no going concern risk.

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 Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PETERSFIELD MUSEUM & ART GALLERY LIMITED**

Use of our report

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



P Underwood (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 13 August 2025 .

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	89,020	124,617	213,637	75,002
Other trading activities	3	68,872	2,052	70,924	32,573
Investment income	4	21,518	1,712	23,230	5,704
Other income		<u>33,218</u>	<u>-</u>	<u>33,218</u>	<u>-</u>
Total		<u>212,628</u>	<u>128,381</u>	<u>341,009</u>	<u>113,279</u>
 EXPENDITURE ON					
Raising funds	5	262	880	1,142	403
Charitable activities	6				
Museum activities		<u>538,520</u>	<u>84,268</u>	<u>622,788</u>	<u>498,176</u>
Total		<u>538,782</u>	<u>85,148</u>	<u>623,930</u>	<u>498,579</u>
 NET INCOME/(EXPENDITURE)		 (326,154)	 43,233	 (282,921)	 (385,300)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>620,958</u>	<u>3,198,644</u>	<u>3,819,602</u>	<u>4,204,902</u>
 TOTAL FUNDS CARRIED FORWARD		 <u>294,804</u>	 <u>3,241,877</u>	 <u>3,536,681</u>	 <u>3,819,602</u>

The notes form part of these financial statements


PETERSFIELD MUSEUM & ART GALLERY LIMITED

**BALANCE SHEET
31 MARCH 2025**

	Notes	2025 £	2024 £
FIXED ASSETS			
Intangible assets	12	12,330	17,222
Tangible assets	13	2,797,228	2,932,538
Heritage assets	14	279,951	278,700
Investments	15	<u>36,690</u>	<u>77,945</u>
		3,126,199	3,306,405
CURRENT ASSETS			
Debtors	16	35,970	124,782
Cash at bank		<u>437,652</u>	<u>505,590</u>
		473,622	630,372
CREDITORS			
Amounts falling due within one year	17	(36,979)	(84,992)
		<u>436,643</u>	<u>545,380</u>
NET CURRENT ASSETS			
		3,562,842	3,851,785
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	18	(26,161)	(32,183)
		<u>3,536,681</u>	<u>3,819,602</u>
NET ASSETS			
FUNDS	21		
Unrestricted funds		294,803	620,958
Restricted funds		<u>3,241,878</u>	<u>3,198,644</u>
TOTAL FUNDS		<u>3,536,681</u>	<u>3,819,602</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15 Feb 2025 and were signed on its behalf by:


.....
J Mitchell - Chairman

The notes form part of these financial statements

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have assessed the charity's ability to continue as a going concern and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of the financial statements.

In making this assessment, the trustees have considered the charity's financial position, cash flows, and future funding commitments. The charity has prepared forecasts and projections which demonstrate that it is able to meet its liabilities as they fall due. These forecasts include reasonable assumptions about the level of income expected from donations, grants, and other funding sources.

The trustees are aware of the ongoing economic uncertainties and have considered the potential impact on income levels and expenditure. Mitigating actions have been identified, including cost controls and securing diversified sources of funding. Based on this review, the trustees believe that there are no material uncertainties that cast significant doubt on the charity's ability to continue as a going concern.

Accordingly, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Preparation of consolidated financial statements

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

Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements of the charitable company, the trustees are required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditure.

After careful review, the trustees confirm that there are no critical accounting judgements or key sources of estimation uncertainty that have had a material impact on the charitable company's financial statements for the year.

Income

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

Income from general donations is recognised on receipt or once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES - continued

Income

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. Income from fixed interest investments is recognised when received. Dividend income is recognised as the charity's right to receive payment is established.

Annual membership and life membership subscriptions are recognised in full on receipt as this income is in the nature of a gift.

No accrual is included for the cost of providing annual or life members with future publications as, whilst the Trustees expect to continue to provide this service, they believe there is no contractual requirement or expectation to do so.

Admissions and gift shop income is recognised at the time of the receipt.

Government grants are accounted for when receivable and any conditions attached to the grant have been met.

Expenditure

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The website is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Individual fixed assets costing more than £500 have been capitalised, unless covered by specific grant or donation income.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	- not provided
Buildings	- 2% on cost
Plant and equipment	- 25% on cost

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

Impairment of fixed assets

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

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES - continued

Heritage assets

Over many years, the charity has been given or has acquired the artefacts on display at Petersfield Museum, including items previously exhibited in the Flora Twort Gallery.

Artefacts are acquired where there is a connection to Petersfield and the surrounding area, and where the trustees believe such acquisitions will enhance the collection.

The charity has a clear duty of care for these assets and aims to make them available for the enjoyment and education of the public as far as possible, consistent with their long-term care and preservation. The highest possible standards of collection management are applied by the charity.

Historically, the trustees' policy was to include heritage assets in the accounts at their insurance value. This policy was revised in 2020. Heritage assets acquired before 2020 are recorded at their 2019 insurance valuation. Acquisitions of heritage assets from 2020 onwards are included at cost.

A register of heritage assets is maintained by the curatorial staff.

The museum also receives donations of heritage assets that are of relatively minor value. Where individual items are assessed by curatorial staff to have a value of less than £500, these are not recognised in the accounts. The trustees consider that such items have a negligible impact on the overall value of the charity's heritage assets.

Following the reopening of the museum to the public, the charity aims to display as much of the collection as is compatible with the proper care and preservation of the artefacts. Where detailed access is requested for research purposes, each request is considered on its individual merits.

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties and investments in non-puttable ordinary shares.

Trade and other debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES - continued

Financial instruments

Cash and cash equivalents comprise cash at bank and on hand, deposits with banks and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Gifts	7,867	9,676
Donations	61,547	32,416
Grants	135,599	26,750
Fees	<u>8,624</u>	<u>6,160</u>
	<u>213,637</u>	<u>75,002</u>

3. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Clubs	1,703	2,112
Talks	13,065	9,273
Museum admissions	<u>56,156</u>	<u>21,188</u>
	<u>70,924</u>	<u>32,573</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Income from listed investments	22,636	5,128
Deposit account interest	<u>594</u>	<u>576</u>
	<u>23,230</u>	<u>5,704</u>

All investment income is derived from assets held in the United Kingdom.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

5. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Portfolio management	262	257
Loss on revaluation	<u>880</u>	<u>146</u>
	<u>1,142</u>	<u>403</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Museum activities	<u>601,555</u>	<u>21,233</u>	<u>622,788</u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Museum activities	<u>2,622</u>	<u>18,611</u>	<u>21,233</u>

Support costs, included in the above, are as follows:

Finance

	2025 Museum activities £	2024 Total activities £
Finance costs	879	1,020
Health and safety	<u>1,743</u>	<u>1,522</u>
	<u>2,622</u>	<u>2,542</u>

Governance costs

	2025 Museum activities £	2024 Total activities £
Auditors' remuneration	6,700	6,380
Accountancy and legal fees	11,245	6,755
Professional fees	<u>666</u>	<u>2,521</u>
	<u>18,611</u>	<u>15,656</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

8. NET INCOME/(EXPENDITURE)

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

	2025	2024
	£	£
Auditors' remuneration	6,700	6,380
Depreciation - owned assets	136,408	138,009
Website amortisation	<u>7,257</u>	<u>2,778</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the period ended 31 March 2024.

Trustees' expenses

During the year a total of £2,990 (2024 - £3,166) was paid to 2 trustees (2024 - 5 trustees) in respect of the reimbursement of payments made on behalf of the charity.

10. STAFF COSTS

The key management personnel of the charity comprise the museum curator, the museum director and the head of engagement. The total employee benefits, comprising salary, pension contributions and Employers National Insurance contributions of the key management personnel of the charity were £113,290 (2024: £107,430).

No employee received emoluments in excess of £60,000 (2024: none)

The average number of employees during the year was 13 (2024 - 11).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	54,399	20,603	75,002
Other trading activities	32,560	13	32,573
Investment income	<u>4,960</u>	<u>744</u>	<u>5,704</u>
Total	<u>91,919</u>	<u>21,360</u>	<u>113,279</u>
EXPENDITURE ON			
Raising funds	403	-	403
Charitable activities			
Museum activities	<u>430,175</u>	<u>68,001</u>	<u>498,176</u>
Total	<u>430,578</u>	<u>68,001</u>	<u>498,579</u>
NET INCOME/(EXPENDITURE)	(338,659)	(46,641)	(385,300)
Transfers between funds	14,228	(14,228)	-

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	(324,431)	(60,869)	(385,300)
RECONCILIATION OF FUNDS			
Total funds brought forward	945,389	3,259,513	4,204,902
TOTAL FUNDS CARRIED FORWARD	<u>620,958</u>	<u>3,198,644</u>	<u>3,819,602</u>

12. INTANGIBLE FIXED ASSETS

	Website £
COST	
At 1 April 2024	20,000
Additions	<u>2,365</u>
At 31 March 2025	<u>22,365</u>
AMORTISATION	
At 1 April 2024	2,778
Charge for year	<u>7,257</u>
At 31 March 2025	<u>10,035</u>
NET BOOK VALUE	
At 31 March 2025	<u>12,330</u>
At 31 March 2024	<u>17,222</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2024	2,903,117	321,575	3,224,692
Additions	-	<u>1,098</u>	<u>1,098</u>
At 31 March 2025	<u>2,903,117</u>	<u>322,673</u>	<u>3,225,790</u>
DEPRECIATION			
At 1 April 2024	58,062	234,092	292,154
Charge for year	<u>58,063</u>	<u>78,345</u>	<u>136,408</u>
At 31 March 2025	<u>116,125</u>	<u>312,437</u>	<u>428,562</u>
NET BOOK VALUE			
At 31 March 2025	<u>2,786,992</u>	<u>10,236</u>	<u>2,797,228</u>
At 31 March 2024	<u>2,845,055</u>	<u>87,483</u>	<u>2,932,538</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

13. TANGIBLE FIXED ASSETS - continued

The land and buildings were valued by the trustees at an estimate of their market value based on current use. In the case of the former Court House in Petersfield this represents the market value of £145,000 in accordance with the valuation carried out in the year ended 28 February 2014. The Charitable Company changed their year end to 31 March within their 2020 financial year.

14. HERITAGE ASSETS

	Restricted £	Unrestricted £	Total £
At 1 April 2024	168,450	110,250	278,700
Additions	<u> </u>	1,251	<u>1,251</u>
At 31 March 2025	<u>168,450</u>	<u>111,501</u>	<u>279,951</u>
NET BOOK VALUE			
At 31 March 2025	<u>168,450</u>	<u>111,501</u>	<u>279,951</u>
At 31 March 2024	<u>168,450</u>	<u>110,250</u>	<u>278,700</u>

Prior to 28 February 2018 heritage assets were not recognised in the accounts, from that date, however, all heritage assets owned by the charity, whether acquired by purchase or donation, are shown on the balance sheet, subject to the exclusion for small items acquired by donation as set out in accounting policies.

There was no disposals, recapitulations or impairments to Heritage Assets.

The charity continues to acquire new heritage assets in accordance with its acquisitions policy. In the last five years, acquisitions have been made as follows:

	Cost £
Cost as at 1 April 2020	272,002
Additions for the year ended:	
2021	-
2022	5,848
2023	850
2024	-
2025	<u>1,251</u>
Cost as at at 31 March 2025	<u>279,951</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

15. FIXED ASSET INVESTMENTS

	Cash and settlements pending £
MARKET VALUE	
At 1 April 2024	77,945
Disposals	(40,374)
Revaluations	<u>(881)</u>
At 31 March 2025	<u>36,690</u>
NET BOOK VALUE	
At 31 March 2025	<u>36,690</u>
At 31 March 2024	<u>77,945</u>

There were no investment assets outside the UK.

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

PMAG (Trading) Ltd

Registered office: Petersfield Museum, St Peters Road, Petersfield, Hants, GU32 3HX
Nature of business: Gift and coffee shop within the Museum

The charity holds an investment in its wholly-owned subsidiary, PMAG (Trading) Ltd. This investment is not represented by share capital, as PMAG (Trading) Ltd is a company limited by guarantee and does not have any issued share capital.

PMAG (Trading) Ltd was established to undertake the commercial trading activities of the charity, including the operation of the gift shop and coffee shop within the Museum. Despite the absence of share capital, the charity exercises full control over the subsidiary's activities and finances.

Given that the subsidiary is limited by guarantee, the investment in PMAG (Trading) Ltd is reflected in the charity's accounts as an investment based on the charity's control over the entity, rather than a traditional equity investment.

The following is an extract of the financial statement of PMAG (Trading) Ltd for the period ended 31 March 2025:

	2025	2024
	£	£
TURNOVER	75,037	53,786
Cost of sales	<u>36,315</u>	<u>26,630</u>
GROSS SURPLUS	38,722	27,156
Administrative expenses	<u>27,593</u>	<u>4,750</u>
	11,129	22,406
Other operating income	<u>10,465</u>	<u>4,667</u>
OPERATING SURPLUS	21,594	27,073
Interest receivable and similar income	<u>76</u>	<u>-</u>
SURPLUS BEFORE TAXATION	21,670	27,073

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

15. FIXED ASSET INVESTMENTS - continued

Profits distributed to the charity	<u>21,670</u>	<u>27,073</u>
Retained in subsidiary	<u>-</u>	<u>-</u>
The assets and liabilities of the subsidiary were:		
Current assets	28,177	28,177
Current liabilities	<u>(28,177)</u>	<u>(28,177)</u>
Net assets	<u>-</u>	<u>-</u>
Reserves	<u>-</u>	<u>-</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	-	291
Amounts owed by group undertakings	20,512	13,062
Other debtors	1,922	109,966
Prepayments and accrued income	<u>13,536</u>	<u>1,463</u>
	<u>35,970</u>	<u>124,782</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 19)	8,026	5,598
Trade creditors	11,187	1,958
Social security and other taxes	5,251	4,091
Other creditors	1,243	2,553
Accruals and deferred income	<u>11,272</u>	<u>70,792</u>
	<u>36,979</u>	<u>84,992</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 19)	<u>26,161</u>	<u>32,183</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	2,145	-
Bank loans	<u>5,881</u>	<u>5,598</u>
	<u>8,026</u>	<u>5,598</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>26,161</u>	<u>32,183</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fixed assets	3,089,509	-	3,089,509	3,228,460
Investments	36,690	-	36,690	77,945
Current assets	(2,768,256)	3,241,878	473,622	630,372
Current liabilities	(36,979)	-	(36,979)	(84,992)
Long term liabilities	<u>(26,161)</u>	-	<u>(26,161)</u>	<u>(32,183)</u>
	<u>294,803</u>	<u>3,241,878</u>	<u>3,536,681</u>	<u>3,819,602</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

21. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	(84,860)	(256,662)	(341,522)
Designated Fund	621,345	(69,493)	551,852
Revaluation Reserve	84,473	-	84,473
	<u>620,958</u>	<u>(326,155)</u>	<u>294,803</u>
Restricted funds			
Blackrock	17,031	(380)	16,651
M&G Investments	20,539	(500)	20,039
Flora Twort Fund	348,255	1,712	349,967
Pathways project	2,268,166	-	2,268,166
Edward Thomas Literary Festival	105	12,155	12,260
Edward Thomas Study Centre	107,618	(92)	107,526
Don Eades	17,338	-	17,338
Flora Twort Gallery	400,106	-	400,106
Early Years	1,930	-	1,930
Inside Out	15,177	-	15,177
Other	4,652	-	4,652
Guggenheim Exhibition	(4,273)	30,339	26,066
Kids Go Free	2,000	-	2,000
	<u>3,198,644</u>	<u>43,234</u>	<u>3,241,878</u>
TOTAL FUNDS	<u>3,819,602</u>	<u>(282,921)</u>	<u>3,536,681</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	205,096	(461,758)	(256,662)
Designated Fund	<u>7,532</u>	<u>(77,025)</u>	<u>(69,493)</u>
	212,628	(538,783)	(326,155)
Restricted funds			
Blackrock	-	(380)	(380)
M&G Investments	-	(500)	(500)
Flora Twort Fund	1,712	-	1,712
Edward Thomas Literary Festival	17,812	(5,657)	12,155
Edward Thomas Study Centre	-	(92)	(92)
Guggenheim Exhibition	<u>108,857</u>	<u>(78,518)</u>	<u>30,339</u>
	<u>128,381</u>	<u>(85,147)</u>	<u>43,234</u>
TOTAL FUNDS	<u>341,009</u>	<u>(623,930)</u>	<u>(282,921)</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	217,578	(316,666)	14,228	(84,860)
Designated Fund	643,338	(21,993)	-	621,345
Revaluation Reserve	84,473	-	-	84,473
	<u>945,389</u>	<u>(338,659)</u>	<u>14,228</u>	<u>620,958</u>
Restricted funds				
Blackrock	25,029	-	(7,998)	17,031
M&G Investments	26,025	744	(6,230)	20,539
Flora Twort Fund	348,255	-	-	348,255
Pathways project	2,315,608	(47,442)	-	2,268,166
Edward Thomas Literary Festival	105	-	-	105
Edward Thomas Study Centre	109,869	(2,251)	-	107,618
Don Eades	2,838	14,500	-	17,338
Flora Twort Gallery	408,475	(8,369)	-	400,106
Early Years	3,000	(1,070)	-	1,930
Inside Out	15,657	(480)	-	15,177
Other	4,652	-	-	4,652
Guggenheim Exhibition	-	(4,273)	-	(4,273)
Kids Go Free	-	2,000	-	2,000
	<u>3,259,513</u>	<u>(46,641)</u>	<u>(14,228)</u>	<u>3,198,644</u>
TOTAL FUNDS	<u>4,204,902</u>	<u>(385,300)</u>	<u>-</u>	<u>3,819,602</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	91,919	(408,585)	(316,666)
Designated Fund	-	(21,993)	(21,993)
	91,919	(430,578)	(338,659)
Restricted funds			
M&G Investments	744	-	744
Pathways project	-	(47,442)	(47,442)
Edward Thomas Study Centre	-	(2,251)	(2,251)
Don Eades	14,500	-	14,500
Flora Twort Gallery	-	(8,369)	(8,369)
Early Years	-	(1,070)	(1,070)
Inside Out	1,882	(2,362)	(480)
Guggenheim Exhibition	14	(4,287)	(4,273)
Robert Frost conference	2,220	(2,220)	-
Kids Go Free	2,000	-	2,000
	21,360	(68,001)	(46,641)
TOTAL FUNDS	<u>113,279</u>	<u>(498,579)</u>	<u>(385,300)</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

21. MOVEMENT IN FUNDS - continued

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

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	217,578	(573,328)	14,228	(341,522)
Designated Fund	643,338	(91,486)	-	551,852
Revaluation Reserve	<u>84,473</u>	<u>-</u>	<u>-</u>	<u>84,473</u>
	945,389	(664,814)	14,228	294,803
Restricted funds				
Blackrock	25,029	(380)	(7,998)	16,651
M&G Investments	26,025	244	(6,230)	20,039
Flora Twort Fund	348,255	1,712	-	349,967
Pathways project	2,315,608	(47,442)	-	2,268,166
Edward Thomas Literary Festival	105	12,155	-	12,260
Edward Thomas Study Centre	109,869	(2,343)	-	107,526
Don Eades	2,838	14,500	-	17,338
Flora Twort Gallery	408,475	(8,369)	-	400,106
Early Years	3,000	(1,070)	-	1,930
Inside Out	15,657	(480)	-	15,177
Other	4,652	-	-	4,652
Guggenheim Exhibition	-	26,066	-	26,066
Kids Go Free	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
	<u>3,259,513</u>	<u>(3,407)</u>	<u>(14,228)</u>	<u>3,241,878</u>
TOTAL FUNDS	<u><u>4,204,902</u></u>	<u><u>(668,221)</u></u>	<u><u>-</u></u>	<u><u>3,536,681</u></u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	297,015	(870,343)	(573,328)
Designated Fund	<u>7,532</u>	<u>(99,018)</u>	<u>(91,486)</u>
	304,547	(969,361)	(664,814)
Restricted funds			
Blackrock	-	(380)	(380)
M&G Investments	744	(500)	244
Flora Twort Fund	1,712	-	1,712
Pathways project	-	(47,442)	(47,442)
Edward Thomas Literary Festival	17,812	(5,657)	12,155
Edward Thomas Study Centre	-	(2,343)	(2,343)
Don Eades	14,500	-	14,500
Flora Twort Gallery	-	(8,369)	(8,369)
Early Years	-	(1,070)	(1,070)
Inside Out	1,882	(2,362)	(480)
Guggenheim Exhibition	108,871	(82,805)	26,066
Robert Frost conference	2,220	(2,220)	-
Kids Go Free	<u>2,000</u>	<u>-</u>	<u>2,000</u>
	<u>149,741</u>	<u>(153,148)</u>	<u>(3,407)</u>
TOTAL FUNDS	<u>454,288</u>	<u>(1,122,509)</u>	<u>(668,221)</u>

Unrestricted funds:

The designated curatorial fund is a fund set up by the trustees to hold surplus funds and is represented by an investment portfolio.

The revaluation reserve represents the excess of the current valuation of the Old Courthouse of £145,000 over the original £60,527.

Restricted funds:

The restricted funds from Blackrock and M&G Investments originated from Flora Twort's will and were subsequently transferred to Hampshire County Council, then to the charity. These funds are designated for the Flora Twort gallery building or collections.

The Flora Twort fund represents proceeds from the sale of the gallery building itself and is earmarked for its share of the police station purchase.

The Pathways project (formerly the Capital Project) comprises funds primarily from the Heritage Lottery Fund, along with contributions from trusts, foundations, and individual donors. These funds are allocated for site redevelopment and public engagement activities, recognized only after meeting all funding requirements.

The Edward Thomas Study Centre includes Heritage Assets and books loaned by the Edward Thomas Fellowship to Petersfield Museum for display, insured by the museum.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

21. MOVEMENT IN FUNDS - continued

The Don Eades fund supports the conservation of negatives within the collection, completed during the exhibition period from November 2021 to May 2022.

The Flora Twort Gallery fund is dedicated to constructing an art and temporary exhibition gallery meeting government indemnity scheme standards. This project was funded largely by a £375,000 donation from the HB Allen Charitable Trust, supplemented by several smaller grants, totalling the expected capital cost of £385,000.

Other restricted funds consist of income from grants and donations specifically designated for the charity's projects and associated expenses.

The Guggenheim Exhibition fund is in relation to the Guggenheim exhibition which the museum is running from 15th June to 5th October 2024.

The Robert Frost conference fund was funding received for one of the trustees to travel to a Robert Frost conference in the United States.

The kids go free fund represents donations received for the cost of offering free admissions for under-18s in 2024.

22. EMPLOYEE BENEFIT OBLIGATIONS

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

The charge to profit or loss in respect of defined contribution schemes was £4,616 (2024 - £4,322)

23. CONTINGENT LIABILITIES

In the event of a breach of the terms of the Heritage Lottery Fund grant, the fund may require repayment of all or part of the payments made to the museum to date. As at 31 March 2025 the maximum liability under this provision was £1,522,900 (2024: £1,522,900)

The Heritage Lottery Fund has been granted a first charge over all the assets of the charitable company as in the event of a breach of the conditions of the grant, the Heritage Lottery Fund may require repayment of all or part of the grant paid to date.

Petersfield Town Council has been granted a charge over the freehold property at Petersfield Museum as in the event of a breach of the conditions of the grant, the council may require repayment of all or part of the grant paid to date.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

24. RELATED PARTY DISCLOSURES

During the year, Petersfield Museum and Art Gallery, the parent company, engaged in the following transactions with its trading subsidiary, PMAG (Trading) Ltd:

Donation:

Petersfield Museum and Art Gallery received a donation of £21,670 from PMAG (Trading) Ltd. This amount has been recorded as income in the financial statements of the parent company.

Debtors balance:

As of the reporting date, Petersfield Museum and Art Gallery had a debtors balance of £20,512 with PMAG (Trading) Ltd. This balance is included in the current assets section of the parent company's financial statements.

Nature of the Related Party Relationship:

PMAG (Trading) Ltd is a wholly-owned subsidiary of Petersfield Museum and Art Gallery. Transactions with this related party are carried out on terms agreed upon between the entities.

25. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

Petersfield Museum and Art Gallery Limited

England & Wales - Charity number 1108817

Accounts

REGISTERED COMPANY NUMBER: 05370758 (England and Wales)
REGISTERED CHARITY NUMBER: 1108817

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
PETERSFIELD MUSEUM & ART GALLERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

PETERSFIELD MUSEUM & ART GALLERY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2024**

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Statement of Financial Activities	11
Balance Sheet	12
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PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum of Association, the Companies Act 2006 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Petersfield Museum and Art Gallery is a registered charity and company limited by guarantee. It is an independent, accredited museum and currently receives no statutory or government funding beyond a small, annual grant from Petersfield Town Council. All running costs, including staff salaries and collections care costs, are met from income it raises from admissions, interest on investments and other fundraising activities.

The charity's objects are to advance the education of the public by the establishment and maintenance of a museum for items of historical and archaeological interest, archives, photographs, flora and fauna together with arts and crafts especially those relating to the town of Petersfield and the surrounding area.

The charity measures its success against the above objectives by its level of engagement with the public either by the number of visitors to the museum or attendees at its outreach events.

In all but name, we are still a new museum following the redevelopment and refurbishment of the whole site and, as such, are still building comparative figures against which to measure progress.

We are pleased that our admissions have increased from 4,443 in the previous year to 5,186 this year, a rise of 17%. Non-standard admission engagement (educational activity, outreach, cultural events & venue hire) increased from 5,625 in the previous year to 7,259, a rise of 29%.

The refreshed Museum and Art Gallery Coffee Shop enjoyed its first full year under the direct management of the Museum. We estimate that 8,565 customers have visited the catering facility during the year, compared to 4,938 in the previous year, an increase of 73%.

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

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Significant activities

2023/24 was the second year in which the Museum and Art Gallery had a full year of visits from the public after the major redevelopment, and it was also another year of numerous exhibitions and growth in engagement. The number of visitors to the Museum and Art Gallery increased again, though on a daily basis there is still a great variation in the numbers.

In the Flora Twort Gallery, the Museum and Art Gallery continued to programme fresh and interesting temporary exhibitions for visitors to engage with, starting with an exhibition of some of the interesting works of Catherine Knight, an artist from Bristol, entitled Long Shadows. The series of artworks were painted during a stay in Norway by the artist, and the display was the first solo exhibition of this series of paintings.

This was followed by an exhibition of paintings titled Modern Icons by the well-regarded artist, Anita Klein who has, throughout her career, been greatly influenced by her residence and interest in Italy. Following that the Museum and Art Gallery held its first exhibition of ceramics by Nicholas Lees entitled Abstract Vessels. The quality of the work was superb with the result that the V & A Museum purchased one of his works for their collection. The year concluded with Sarah Butterfield, a regionally renowned artist showing a series of paintings titled Dusk and Dawn on the Solent, which showcased views across the Solent at different times and seasons of the year.

In the Petersfield Gallery, which is in the new building connecting the former police station to the old town courthouse, there were temporary displays to celebrate the 50th anniversary of the Petersfield Area Historical Society, who founded the museum back in 1999, some beautiful items from the Edward Barnsley Workshop to illustrate 100 Years of Craft and latterly Life Through a Lens displaying a range of work from the Museum and Art Gallery's large photography archive. The Flora Twort Collection display in the gallery was updated showing a wide range of her work.

In the Standfield Gallery the Museum and Art Gallery was delighted to display two series of Gyles Brandreth's Fun and Fabulous Jumpers which, over the years, he has worn on television and then has had manufactured. Accompanying the jumpers were photographs of celebrities who were wearing the jumpers. As an extra to the exhibition, there was a competition to produce a new design which was then made by one of the Museum and Art Gallery's volunteers. The winner of the competition had the satisfaction of seeing their completed design worn on TV by Gyles Brandreth on Christmas Day 2023. It was also hugely encouraging to note that a sizable proportion of the visitors to the Gyles Brandreth exhibition came from a wide geographical area.

The Engagement side of the Museum and Art Gallery continues to be extremely successful, and has offered a wide variety of output from theatre, live music, cinema, lectures, hands-on activities workshops, art classes, walks and talks that are now very well supported by the public with many of the events being selling-out.

The decision to move the catering operation 'in house' and couple it with providing refreshments for all events at the museum has turned out to be very successful. The hospitality team now have many regular customers as well as visitors to the Museum and Art Gallery, which has helped over the quieter, winter months. In the summer the tables outside in the courtyard have been well utilised. The added advantage of operating a full bar at events at the museum has proved to be a good income source.

The 'Friends' and 'Supporter' schemes have continued to thrive and it is hoped to expand this in the future, as it is a steady form of income.

The Board wishes to thank all the volunteers for their support in various roles; they have done an amazing job during the year. Without their continued help the Museum and Art Gallery could not function as a resource available to the public.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Public benefit

In shaping the objectives for the year and planning the activities, the Board has considered carefully the Charity Commission's guidance on public benefits.

The museum and art gallery provides public benefit through a range of activities, including providing educational activities, by its contribution to historical research regarding the town of Petersfield and the surrounding area and preservation of historical artifacts relating to the local area. The trustees believe that the charity fulfills its objectives and provides public benefit by:

- opening the museum and gallery to the public and providing a high-quality experience.
- caring for the collections in accordance with proper professional standards.
- providing educational activities for schools, colleges and the general public.
- facilitating activities for special interest groups.
- working to the importance of the study of the history and archaeology of Petersfield and the surrounding area.
- making exhibitions of art and other objects with national and international interest accessible to residents of the town and surrounding areas, as well as those who do not live locally.
- providing access, either by appointment or on public open days, to the Edward Thomas Study Centre.
- free entry for Under 18s from December 2023, funded initially by a grant from a local private charitable trust

The cost of entry to the museum and gallery is set at a level which continues to compare well with other local museums and the charges for activities are considered to offer good value for money.

ACHIEVEMENT AND PERFORMANCE

Strategic Review

The description under the headings "Achievement and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Fundraising activities

Once again fundraising activities have been led in house on a voluntary basis by one of our Trustees and, as mentioned elsewhere have focused on successfully raising the funds necessary to stage the Peggy Guggenheim: Petersfield to Palazzo exhibition.

Coupled with other duties, this has meant that other fundraising has not been as active as it might but next year, with a more settled financial team, a strategic review of fundraising will take place and recommendations for strengthening the fundraising resource will be put to the Board.

Fundraising effort will then be concentrated on seeking to raise funds from Charitable Trusts and Foundations, developing a 'Legacy Giving' programme and implementing regular giving and endowment schemes.

As always, the Trustees are grateful to Petersfield Town Council for their perennial grant of £2,500 towards general running costs and occasional, small, project-related grants from East Hampshire District Councillors.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Financial position

The financial statements for the financial period ending 31 March 2024 show a net outflow of £385,300. Whilst this is a significant figure, the actual 'cash' outflow is considerably less owing to:

- (i) Museums and Galleries Exhibition Tax Relief (MGETR) receipts of £134,986, received during this financial period, being accounted for in the preceding financial periods; and
- (ii) The Depreciation charge of £138,009, including a significant increase of £58,062 from our decision to start depreciating our Freeholds assets.
- (iii) receiving £40,875 in grants relating to next year Guggenheim exhibition

The 'actual' cash outflow of £71,430 is largely in line with expectations as the organisations continues to invest in its infrastructure, exhibitions and public programming as it builds up to what is hoped will be a successful application to become an Arts Council England National Portfolio Organisation when the next round opens in either 2025 or 2026.

In addition, grants for the Peggy Guggenheim: Petersfield to Palazzo exhibition totalling £116,860 awarded during the financial period under review will be accounted for in the financial period ending 31 March 2025.

The following statements no longer include trading activities such as retail sales that are not museum operations related, as they are now reported within the different entity of PMAG (Trading) Ltd.

Reserves policy

The trustees remain committed to a policy of professional curatorial direction to achieve the development of the museum and gallery and have maintained the policy of designating part of the capital as a curatorial fund. This policy was temporarily amended to assist with the cost of redeveloping the enlarged site, and this amendment has been extended following the impact on reserves following the Pandemic and, more latterly, the war in Ukraine and its effect on global stock markets.

The policy in respect of undesignated reserves is to aim to hold approximately 6 months' running costs, currently estimated at £200,000. At the year-end our free reserves were below this and it is the Trustees' aim to build the free reserves to the expected level over the next three to five years through fundraising and other income-generating activities.

At present the reserves do not reach the designated level and indeed are being reduced as a result of stock market weakness. Additionally, short-term cashflow constraints may require further draws on invested capital over the next year or so. Accordingly, the Finance and General Purposes committee have asked the new Finance Trustee, Luc Blais, to undertake a review during 2023 of the organisation's investment strategy.

FUTURE PLANS

In the report last year, it was stated that the Museum and Art Gallery hoped to hold an international exhibition to coincide with and celebrate its 25th anniversary. Thanks to the exceptional work of the staff team and the Head of Collections and Exhibitions Louise Weller, this is now in place and 'Peggy Guggenheim: Petersfield to Palazzo' will run from 15 June to 5 October 2024.

Thanks to strong and resilient fundraising activity, a high proportion of the funding required has been provided by Arts Council England, the Henry Moore Foundation and the Weston Loan Programme administered by The Art Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

PETERSFIELD MUSEUM & ART GALLERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Petersfield Museum and Art Gallery Limited is a charitable company limited by guarantee, incorporated on 21 February 2005 (registration number 05370758) and registered as a charity on 4 April 2005 (registration number 1108817). The company's Memorandum of Association established the objectives and powers of the charitable company, which is governed under its Articles of Association. In the event of the company being wound up subscribing members are required to contribute to an amount not exceeding £10.

The only Voting Members now are the Trustees and Directors of Petersfield Museum and Art Gallery Limited.

Under the requirements of the Memorandum and Articles of Association, at each annual general meeting one third of the directors must retire from office. Retiring directors may offer themselves for re-election. Directors are recruited for the mix of skills and talents required for a company and charity of this nature. The Company is the sole trustee of the Flora Twort charity, which has a separate Charity Commission registration.

The board has overall responsibility for policy, for finance and for the provision of facilities needed to enable the Museum and Gallery to fulfill its objects. Whilst many aspects of day-to-day management have evolved towards the Museum and Gallery Director, the Board remains the ultimate decision-making body, taking into account information provided by the Museum and Gallery Director and their team. The board and staff are responsible for the displays, collections of archive and artifact material and the education programme.

Surplus funds are placed either on deposit with the company's bankers or with licensed deposit takers in order to obtain the best return commensurate with security of funds and the need to retain cashflow.

Staff

There have been a number of staff changes during the year.

Lewis Webb who joined in September 2022 from the education sector as our Marketing and Development Officer, and who developed the way that the Museum communicates with the outside world, decided to return to education in August 2023. Molly Hoffman, who joined in July 2022 as Customer Engagement Officer, and who developed the shop offer enormously, continually introducing new and exciting product lines, also left to go back into education in Newcastle. The Museum and Art Gallery wish them both well.

We were joined by Molly Schmidt in August 2023 as Marketing and Communications Officer and Emily Langrish joined in November 2023 as Customer Engagement Officer.

Trustees

It has been a settled year for the Trustees, though the organisation was sad to lose Peter Taylor, who resigned for personal reasons. Peter proved invaluable in helping to obtain funding from outside sources, aided by his valuable personal connections. The Museum and Art Gallery shall certainly miss him.

In June 2023, the Museum and Art Gallery was joined by Luc Blais in the role of Treasurer, taking over from Jeremy Mitchell, who is now concentrating on Fundraising. Luc has wide experience, having been the Finance Director of several major companies.

Finally, long-standing Chair, Vaughan Clarke will be stepping down from the role after some 19 years, having had the privilege of watching the organisation grow from a purely amateur group to a fully professional outfit.

Induction and training of new trustees

All newly appointed trustees are provided with a full introduction to the charity, including meeting with existing trustees to ask any questions they may have. They are also given access to the Charities Commission's guidance 'the essential trustee: what you need to know, what you need to do'.

New trustees are required to meet with the board as a whole before their appointment is confirmed and are offered the opportunity to attend training for their role as trustee.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05370758 (England and Wales)

Registered Charity number

1108817

Registered office

St Peters Road
Petersfield
Hants
GU32 3HX

Trustees

L Blais (appointed 11.7.2023)
V R Clarke
F M E Cook
R E J Foster (appointed 11.4.2023)
W E Gosney
E A Brooks
A Jones
P Martin
J Mitchell
S Murfitt
W A C Normington
J A Sinclair (appointed 11.4.2023)

Company Secretary

S Murfitt

Auditors

Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Museum and Gallery Director

Dan McWilliam

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Petersfield Museum Limited (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

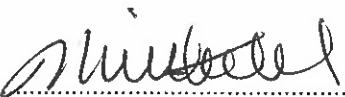
In so far as the trustees are aware:

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

AUDITORS

The auditors, Morris Crocker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 8 October 2024 and signed on its behalf by:


.....

J Mitchell - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETERSFIELD MUSEUM & ART GALLERY LIMITED

Opinion

We have audited the financial statements of Petersfield Museum & Art Gallery Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

We have audited the financial statements of Petersfield Museum and Art Gallery for the year ended 31 March 2024. The financial statements include comparative information for the year ended 31 March 2023 that was not audited by us. Accordingly, we do not express an opinion on those comparative figures.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PETERSFIELD MUSEUM & ART GALLERY LIMITED**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PETERSFIELD MUSEUM & ART GALLERY LIMITED**

Our 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 Independent 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.

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk.

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 Independent Auditors.

Use of our report

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



P Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 21 October 2024

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	54,399	20,603	75,002	97,144
Other trading activities	3	32,560	13	32,573	57,881
Investment income	4	4,960	744	5,704	27,990
Other income		-	-	-	134,986
Total		<u>91,919</u>	<u>21,360</u>	<u>113,279</u>	<u>318,001</u>
 EXPENDITURE ON					
Raising funds	5	403	-	403	9,000
Charitable activities	6				
Museum activities		430,175	68,001	498,176	481,440
Total		<u>430,578</u>	<u>68,001</u>	<u>498,579</u>	<u>490,440</u>
 Net gains/(losses) on investments		-	-	-	(40,477)
 NET INCOME/(EXPENDITURE)		(338,659)	(46,641)	(385,300)	(212,916)
Transfers between funds	22	14,228	(14,228)	-	-
Net movement in funds		<u>(324,431)</u>	<u>(60,869)</u>	<u>(385,300)</u>	<u>(212,916)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		945,389	3,259,513	4,204,902	4,417,818
 TOTAL FUNDS CARRIED FORWARD		<u><u>620,958</u></u>	<u><u>3,198,644</u></u>	<u><u>3,819,602</u></u>	<u><u>4,204,902</u></u>

The notes form part of these financial statements


PETERSFIELD MUSEUM & ART GALLERY LIMITED

**BALANCE SHEET
31 MARCH 2024**

	Notes	2024 £	2023 £
FIXED ASSETS			
Intangible assets	12	17,222	-
Tangible assets	13	2,932,538	3,082,483
Heritage assets	14	278,700	278,700
Investments	15	77,945	681,054
		<hr/>	<hr/>
		3,306,405	4,042,237
 CURRENT ASSETS			
Stocks	16	-	7,029
Debtors	17	124,782	161,619
Cash at bank		505,590	93,580
		<hr/>	<hr/>
		630,372	262,228
 CREDITORS			
Amounts falling due within one year	18	(84,992)	(61,782)
		<hr/>	<hr/>
NET CURRENT ASSETS		545,380	200,446
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,851,785	4,242,683
 CREDITORS			
Amounts falling due after more than one year	19	(32,183)	(37,781)
		<hr/>	<hr/>
NET ASSETS		3,819,602	4,204,902
		<hr/>	<hr/>
FUNDS	22		
Unrestricted funds		620,958	945,389
Restricted funds		3,198,644	3,259,513
		<hr/>	<hr/>
TOTAL FUNDS		3,819,602	4,204,902
		<hr/>	<hr/>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 8 October 2024 and were signed on its behalf by:


.....
J Mitchell - Trustee

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Preparation of consolidated financial statements

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

Income

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

Income from general donations is recognised on receipt or once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. Income from fixed interest investments is recognised when received. Dividend income is recognised as the charity's right to receive payment is established.

Annual membership and life membership subscriptions are recognised in full on receipt as this income is in the nature of a gift.

No accrual is included for the cost of providing annual or life members with future publications as, whilst the Trustees expect to continue to provide this service, they believe there is no contractual requirement or expectation to do so.

Admissions and gift shop income is recognised at the time of the receipt.

Government grants are accounted for when receivable and any conditions attached to the grant have been met.

Expenditure

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The website is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Individual fixed assets costing more than £500 have been capitalised, unless covered by specific grant or donation income.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	- not provided
Buildings	- 2% on cost
Plant and equipment	- 25% on cost

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

Heritage assets

Over many years the charity has been given or has acquired the artifacts on display at the Petersfield Museum, including items previously displayed in the Flora Twort Gallery.

Artifacts are acquired when there is a connection to Petersfield and the surrounding area and the trustees feel that the acquisition of such items will enhance the collection.

The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied by the charity.

The trustees policy was historically to include heritage assets in the accounts at their insurance value. This policy was changed in 2020. Heritage assets acquired prior to 2020 are valued at the 2019 insurance value. Aquisitions of heritage assets from 2020 onwards are included in the accounts at cost.

A register of heritage assets is maintained by the curatorial staff.

The museum also acquires a number of heritage assets through donation which are of a relatively minor value. Where the value of each item is considered by the curatorial staff of the museum to be less than £500 these items are not included in the accounts. The trustees consider that such items will have a minor impact on the overall value of the charity's heritage assets.

With the reopening of the museum to the public, as much of the collection as is commensurate with the care and preservation of the artifacts will be put on public display. Where a request is made for more detailed access to an item for the purpose of research, each such request will be considered on its individual merits.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

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

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

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Impairment of fixed assets

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

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Gifts	9,676	-
Donations	32,416	7,486
Grants	26,750	84,278
Fees	6,160	5,380
	<u>75,002</u>	<u>97,144</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Clubs	2,112	2,203
Shop income	-	25,237
Talks	9,273	11,546
Museum admissions	21,188	18,895
	<u>32,573</u>	<u>57,881</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Income from listed investments	5,128	26,147
Deposit account interest	576	1,843
	<u>5,704</u>	<u>27,990</u>

All investment income is derived from assets held in the United Kingdom.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

5. RAISING FUNDS

Investment management costs

	2024 £	2023 £
Portfolio management	257	9,000
Loss on revaluation	146	-
	<u>403</u>	<u>9,000</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Museum activities	<u>479,978</u>	<u>18,198</u>	<u>498,176</u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Museum activities	<u>2,542</u>	<u>15,656</u>	<u>18,198</u>

Support costs, included in the above, are as follows:

Finance

	2024 Museum activities £	2023 Total activities £
Finance costs	1,020	4,477
Health and safety	1,522	14,815
	<u>2,542</u>	<u>19,292</u>

Governance costs

	2024 Museum activities £	2023 Total activities £
Auditors' remuneration	7,750	8,650
Accountancy and legal fees	5,385	12,678
Professional fees	2,521	7,210
	<u>15,656</u>	<u>28,538</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

8. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Auditors' remuneration	7,750	8,650
Depreciation - owned assets	138,009	83,333
Website amortisation	2,778	-
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the period ended 31 March 2023.

Trustees' expenses

During the year a total of £3,166 (2023 - £1,514) was paid to 5 trustees (2023 - 2 trustees) in respect of the reimbursement of payments made on behalf of the charity.

10. STAFF COSTS

The key management personnel of the charity comprise the museum curator, the museum director and the head of engagement. The total employee benefits, comprising salary, pension contributions and Employers National Insurance contributions of the key management personnel of the charity were £107,430 (2023: £80,586).

No employee received emoluments in excess of £60,000 (2023: none).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	13,342	83,802	97,144
Other trading activities	57,881	-	57,881
Investment income	26,796	1,194	27,990
Other income	134,986	-	134,986
Total	<u>233,005</u>	<u>84,996</u>	<u>318,001</u>
EXPENDITURE ON			
Raising funds	9,000	-	9,000
Charitable activities			
Museum activities	436,637	44,803	481,440
Total	<u>445,637</u>	<u>44,803</u>	<u>490,440</u>
Net gains/(losses) on investments	<u>(36,012)</u>	<u>(4,465)</u>	<u>(40,477)</u>
NET INCOME/(EXPENDITURE)	<u>(248,644)</u>	<u>35,728</u>	<u>(212,916)</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	1,194,033	3,223,785	4,417,818
TOTAL FUNDS CARRIED FORWARD	<u>945,389</u>	<u>3,259,513</u>	<u>4,204,902</u>

12. INTANGIBLE FIXED ASSETS

	Website £
COST	
Additions	<u>20,000</u>
AMORTISATION	
Charge for year	<u>2,778</u>
NET BOOK VALUE	
At 31 March 2024	<u>17,222</u>
At 31 March 2023	<u>-</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2023	2,903,117	375,251	3,278,368
Impairments	-	(53,676)	(53,676)
At 31 March 2024	<u>2,903,117</u>	<u>321,575</u>	<u>3,224,692</u>
DEPRECIATION			
At 1 April 2023	-	195,885	195,885
Charge for year	58,062	79,947	138,009
Impairments	-	(41,740)	(41,740)
At 31 March 2024	<u>58,062</u>	<u>234,092</u>	<u>292,154</u>
NET BOOK VALUE			
At 31 March 2024	<u>2,845,055</u>	<u>87,483</u>	<u>2,932,538</u>
At 31 March 2023	<u>2,903,117</u>	<u>179,366</u>	<u>3,082,483</u>

The land and buildings were valued by the trustees at an estimate of their market value based on current use. In the case of the former Court House in Petersfield this represents the market value of £145,000 in accordance with the valuation carried out in the year ended 28 February 2014.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

13. TANGIBLE FIXED ASSETS - continued

In accordance with the Charities SORP, the entity conducted a comprehensive review of its fixed asset register and identified several assets that are no longer in use. As a result, these assets were assessed for impairment. The Charities SORP requires that an impairment loss be recognized if the carrying amount of an asset exceeds its recoverable amount. The decision to impair these assets ensures that the financial statements present a true and fair view of the entity's financial position, reflecting the actual utility and economic benefits expected from these assets. Consequently, an impairment charge has been recognized in the financial statements to adjust the carrying value of these assets to their recoverable amount, in compliance with the relevant accounting standards outlined in the Charities SORP.

14. HERITAGE ASSETS

	Restricted £	Unrestricted £	Total £
At 1 April 2023 and 31 March 2024	168,450	110,250	278,700
NET BOOK VALUE			
At 31 March 2024	168,540	110,250	278,700
At 31 March 2023	168,540	110,250	278,700

The only changes to heritage assets as included in the accounts within the last six years are the purchases of £3,050 in the year ended 29 February 2019, £2,790 in the period ended 31 March 2020, £5,848 in the year ended 31 March 2022, and £850 in the year ended 31 March 2023. Prior to 28 February 2018 heritage assets were not recognised in the accounts, from that date, however, all heritage assets owned by the charity, whether acquired by purchase or donation, are shown on the balance sheet, subject to the exclusion for small items acquired by donation as set out in accounting policies.

15. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 April 2023	657,787	23,267	681,054
Additions	-	40,375	40,375
Disposals	(643,338)	-	(643,338)
Revaluations	-	(146)	(146)
Reclassification/transfer	(14,449)	14,449	-
At 31 March 2024	-	77,945	77,945
NET BOOK VALUE			
At 31 March 2024	-	77,945	77,945
At 31 March 2023	657,787	23,267	681,054

There were no investment assets outside the UK.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

15. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2024 is represented by:

	Cash and settlements pending £
Valuation in 2023	23,267
Valuation in 2024	54,678
	<u>77,945</u>

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

PMAG (Trading) Ltd

Registered office: Petersfield Museum, St Peters Road, Petersfield, Hants, GU32 3HX

Nature of business: Gift and coffee shop within the Museum

The charity holds an investment in its wholly-owned subsidiary, PMAG (Trading) Ltd. This investment is not represented by share capital, as PMAG (Trading) Ltd is a company limited by guarantee and does not have any issued share capital.

PMAG (Trading) Ltd was established to undertake the commercial trading activities of the charity, including the operation of the gift shop and coffee shop within the Museum. Despite the absence of share capital, the charity exercises full control over the subsidiary's activities and finances.

Given that the subsidiary is limited by guarantee, the investment in PMAG (Trading) Ltd is reflected in the charity's accounts as an investment based on the charity's control over the entity, rather than a traditional equity investment.

16. STOCKS

	2024	2023
	£	£
Stocks	-	7,029
	<u> </u>	<u> </u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	291	72
Amounts owed by group undertakings	13,062	-
Other debtors	109,966	160,612
Prepayments and accrued income	1,463	935
	<u>124,782</u>	<u>161,619</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 20)	5,598	5,598
Trade creditors	1,958	2,674
Social security and other taxes	4,091	4,650
Other creditors	2,553	2,188
Accruals and deferred income	70,792	46,672
	<u>84,992</u>	<u>61,782</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 20)	<u>32,183</u>	<u>37,781</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>5,598</u>	<u>5,598</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>32,183</u>	<u>37,781</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Fixed assets	3,118,072	110,388	3,228,460	3,361,183
Investments	77,945	-	77,945	681,054
Current assets	(2,498,259)	3,128,631	630,372	262,228
Current liabilities	(44,617)	(40,375)	(84,992)	(61,782)
Long term liabilities	(32,183)	-	(32,183)	(37,781)
	<u>620,958</u>	<u>3,198,644</u>	<u>3,819,602</u>	<u>4,204,902</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	217,578	(316,666)	14,228	(84,860)
Designated Fund	643,338	(21,993)	-	621,345
Revaluation Reserve	84,473	-	-	84,473
	<u>945,389</u>	<u>(338,659)</u>	<u>14,228</u>	<u>620,958</u>
Restricted funds				
Blackrock	25,029	-	(7,998)	17,031
M&G Investments	26,025	744	(6,230)	20,539
Flora Twort Fund	348,255	-	-	348,255
Pathways project	2,315,608	(47,442)	-	2,268,166
Edward Thomas Literary Festival	105	-	-	105
Edward Thomas Study Centre	109,869	(2,251)	-	107,618
Don Eades	2,838	14,500	-	17,338
Flora Twort Gallery	408,475	(8,369)	-	400,106
Early Years	3,000	(1,070)	-	1,930
Inside Out	15,657	(480)	-	15,177
Other	4,652	-	-	4,652
Guggenheim Exhibition	-	(4,273)	-	(4,273)
Kids Go Free	-	2,000	-	2,000
	<u>3,259,513</u>	<u>(46,641)</u>	<u>(14,228)</u>	<u>3,198,644</u>
TOTAL FUNDS	<u>4,204,902</u>	<u>(385,300)</u>	<u>-</u>	<u>3,819,602</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	91,919	(408,585)	(316,666)
Designated Fund	-	(21,993)	(21,993)
	<u>91,919</u>	<u>(430,578)</u>	<u>(338,659)</u>
Restricted funds			
M&G Investments	744	-	744
Pathways project	-	(47,442)	(47,442)
Edward Thomas Study Centre	-	(2,251)	(2,251)
Don Eades	14,500	-	14,500
Flora Twort Gallery	-	(8,369)	(8,369)
Early Years	-	(1,070)	(1,070)
Inside Out	1,882	(2,362)	(480)
Guggenheim Exhibition	14	(4,287)	(4,273)
Robert Frost conference	2,220	(2,220)	-
Kids Go Free	2,000	-	2,000
	<u>21,360</u>	<u>(68,001)</u>	<u>(46,641)</u>
TOTAL FUNDS	<u>113,279</u>	<u>(498,579)</u>	<u>(385,300)</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	398,497	(228,919)	48,000	217,578
Designated Fund	711,063	(19,725)	(48,000)	643,338
Revaluation Reserve	84,473	-	-	84,473
	<u>1,194,033</u>	<u>(248,644)</u>	<u>-</u>	<u>945,389</u>
Restricted funds				
Blackrock	27,216	(2,187)	-	25,029
M&G Investments	27,109	(1,084)	-	26,025
Flora Twort Fund	348,250	5	-	348,255
Pathways project	2,287,473	28,135	-	2,315,608
Edward Thomas Literary Festival	-	105	-	105
Edward Thomas Study Centre	110,499	(630)	-	109,869
Don Eades	8,064	(5,226)	-	2,838
Flora Twort Gallery	412,413	(3,938)	-	408,475
Early Years	-	3,000	-	3,000
Inside Out	-	15,657	-	15,657
Other	2,761	1,891	-	4,652
	<u>3,223,785</u>	<u>35,728</u>	<u>-</u>	<u>3,259,513</u>
TOTAL FUNDS	<u>4,417,818</u>	<u>(212,916)</u>	<u>-</u>	<u>4,204,902</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	207,718	(436,637)	-	(228,919)
Designated Fund	25,287	(9,000)	(36,012)	(19,725)
	<u>233,005</u>	<u>(445,637)</u>	<u>(36,012)</u>	<u>(248,644)</u>
Restricted funds				
Blackrock	701	-	(2,888)	(2,187)
M&G Investments	493	-	(1,577)	(1,084)
Flora Twort Fund	5	-	-	5
Pathways project	48,620	(20,485)	-	28,135
Edward Thomas Literary Festival	305	(200)	-	105
Edward Thomas Study Centre	593	(1,223)	-	(630)
Don Eades	1,500	(6,726)	-	(5,226)
Flora Twort Gallery	-	(3,938)	-	(3,938)
Early Years	3,000	-	-	3,000
Inside Out	26,658	(11,001)	-	15,657
Other	3,121	(1,230)	-	1,891
	<u>84,996</u>	<u>(44,803)</u>	<u>(4,465)</u>	<u>35,728</u>
TOTAL FUNDS	<u>318,001</u>	<u>(490,440)</u>	<u>(40,477)</u>	<u>(212,916)</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

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

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	398,497	(545,585)	62,228	(84,860)
Designated Fund	711,063	(41,718)	(48,000)	621,345
Revaluation Reserve	84,473	-	-	84,473
	<u>1,194,033</u>	<u>(587,303)</u>	<u>14,228</u>	<u>620,958</u>
Restricted funds				
Blackrock	27,216	(2,187)	(7,998)	17,031
M&G Investments	27,109	(340)	(6,230)	20,539
Flora Twort Fund	348,250	5	-	348,255
Pathways project	2,287,473	(19,307)	-	2,268,166
Edward Thomas Literary Festival	-	105	-	105
Edward Thomas Study Centre	110,499	(2,881)	-	107,618
Don Eades	8,064	9,274	-	17,338
Flora Twort Gallery	412,413	(12,307)	-	400,106
Early Years	-	1,930	-	1,930
Inside Out	-	15,177	-	15,177
Other	2,761	1,891	-	4,652
Guggenheim Exhibition	-	(4,273)	-	(4,273)
Kids Go Free	-	2,000	-	2,000
	<u>3,223,785</u>	<u>(10,913)</u>	<u>(14,228)</u>	<u>3,198,644</u>
TOTAL FUNDS	<u>4,417,818</u>	<u>(598,216)</u>	<u>-</u>	<u>3,819,602</u>

PETERSFIELD MUSEUM & ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	299,637	(845,222)	-	(545,585)
Designated Fund	25,287	(30,993)	(36,012)	(41,718)
	<u>324,924</u>	<u>(876,215)</u>	<u>(36,012)</u>	<u>(587,303)</u>
Restricted funds				
Blackrock	701	-	(2,888)	(2,187)
M&G Investments	1,237	-	(1,577)	(340)
Flora Twort Fund	5	-	-	5
Pathways project	48,620	(67,927)	-	(19,307)
Edward Thomas Literary Festival	305	(200)	-	105
Edward Thomas Study Centre	593	(3,474)	-	(2,881)
Don Eades	16,000	(6,726)	-	9,274
Flora Twort Gallery	-	(12,307)	-	(12,307)
Early Years	3,000	(1,070)	-	1,930
Inside Out	28,540	(13,363)	-	15,177
Other	3,121	(1,230)	-	1,891
Guggenheim Exhibition	14	(4,287)	-	(4,273)
Robert Frost conference	2,220	(2,220)	-	-
Kids Go Free	2,000	-	-	2,000
	<u>106,356</u>	<u>(112,804)</u>	<u>(4,465)</u>	<u>(10,913)</u>
TOTAL FUNDS	<u>431,280</u>	<u>(989,019)</u>	<u>(40,477)</u>	<u>(598,216)</u>

Unrestricted funds:

The designated curatorial fund is a fund set up by the trustees to hold surplus funds and is represented by an investment portfolio.

The revaluation reserve represents the excess of the current valuation of the Old Courthouse of £145,000 over the original £60,527.

Restricted funds:

The restricted funds from Blackrock and M&G Investments originated from Flora Twort's will and were subsequently transferred to Hampshire County Council, then to the charity. These funds are designated for the Flora Twort gallery building or collections.

The Flora Twort fund represents proceeds from the sale of the gallery building itself and is earmarked for its share of the police station purchase.

The Pathways project (formerly the Capital Project) comprises funds primarily from the Heritage Lottery Fund, along with contributions from trusts, foundations, and individual donors. These funds are allocated for site redevelopment and public engagement activities, recognized only after meeting all funding requirements.

The Edward Thomas Study Centre includes Heritage Assets and books loaned by the Edward Thomas Fellowship to Petersfield Museum for display, insured by the museum.

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

22. MOVEMENT IN FUNDS - continued

The Don Eades fund supports the conservation of negatives within the collection, completed during the exhibition period from November 2021 to May 2022.

The Flora Twort Gallery fund is dedicated to constructing an art and temporary exhibition gallery meeting government indemnity scheme standards. This project was funded largely by a £375,000 donation from the HB Allen Charitable Trust, supplemented by several smaller grants, totalling the expected capital cost of £385,000.

Other restricted funds consist of income from grants and donations specifically designated for the charity's projects and associated expenses.

The Guggenheim Exhibition fund is in relation to the Guggenheim exhibition which the museum is running from 15th June to 5th October 2024.

The Robert Frost conference fund was funding received for one of the trustees to travel to a Robert Frost conference in the United States.

The kids go free fund represents donations received for the cost of offering free admissions for under-18s in 2024.

23. EMPLOYEE BENEFIT OBLIGATIONS

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

The charge to profit or loss in respect of defined contribution schemes was £4,322 (2023 - £3,267)

24. CONTINGENT LIABILITIES

In the event of a breach of the terms of the Heritage Lottery Fund grant, the fund may require repayment of all or part of the payments made to the museum to date. As at 31 March 2024 the maximum liability under this provision was £1,522,900 (2023: £1,522,900)

The Heritage Lottery Fund has been granted a first charge over all the assets of the charitable company as in the event of a breach of the conditions of the grant, the Heritage Lottery Fund may require repayment of all or part of the grant paid to date.

Petersfield Town Council has been granted a charge over the freehold property at Petersfield Museum as in the event of a breach of the conditions of the grant, the council may require repayment of all or part of the grant paid to date.

25. RELATED PARTY DISCLOSURES

During the year, Petersfield Museum and Art Gallery, the parent company, engaged in the following transactions with its trading subsidiary, PMAG (Trading) Ltd:

Sale of Inventory:

Petersfield Museum and Art Gallery sold inventory to PMAG (Trading) Ltd for £12,962. These transactions were conducted on terms that are consistent with those that would be agreed upon in arm's length transactions.

Donation:

Petersfield Museum and Art Gallery received a donation of £27,073 from PMAG (Trading) Ltd. This amount has been recorded as income in the financial statements of the parent company.

Debtors balance:

PETERSFIELD MUSEUM & ART GALLERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

25. RELATED PARTY DISCLOSURES - continued

As of the reporting date, Petersfield Museum and Art Gallery had a creditors balance of £13,062 with PMAG (Trading) Ltd. This balance is included in the current liabilities section of the parent company's financial statements.

Nature of the Related Party Relationship:

PMAG (Trading) Ltd is a wholly-owned subsidiary of Petersfield Museum and Art Gallery. Transactions with this related party are carried out on terms agreed upon between the entities.

26. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

Petersfield Museum and Art Gallery Limited

England & Wales - Charity number 1108817

Accounts

Charity registration number 1108817

Company registration number 05370758 (England and Wales)

PETERSFIELD MUSEUM AND ART GALLERY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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PETERSFIELD MUSEUM AND ART GALLERY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum of Association, the Companies Act 2006 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).

During the course of the year under review, and to recognise the growing importance of its art collections and the impact of exhibitions in the Flora Twort Gallery, the organisation changed its registered name to PETERSFIELD MUSEUM AND ART GALLERY LIMITED, (hereinafter called PMAG) whilst keeping the same registration numbers and constitution with the Charity Commission and at Companies House.

Objectives and aims

Petersfield Museum and Art Gallery is a registered charity and company limited by guarantee. It is an independent, accredited museum and currently receives no statutory or government funding beyond a small, annual, grant from Petersfield Town Council. All running costs, including staff salaries and collections care costs are met from income it raises from admissions, interest on investments and other fundraising activities.

The charity's objects are to advance the education of the public by the establishment and maintenance of a museum for items of historical and archaeological interest, archives, photographs, flora and fauna together with arts and crafts especially those relating to the town of Petersfield and the surrounding area.

The charity measures its success against the above objectives by its level of engagement with the public either by the number of visitors to the museum or attendees at its outreach events.

In all but name we are still a new museum following the redevelopment and refurbishment of the whole site and, as such, are still building comparative figures against which to measure progress.

We are encouraged that our admissions have increased from 4,274 in the previous year to 4,443 this year. Non-standard admission engagement has increased from 2,324 taking part to 5,625 participants this year. This covers educational activity, outreach, attendance at cultural events and venue hire.

The museum café operated on our behalf by a subsidiary of a local catering business was operational until November 2022. Following the closure, we decided to take the catering operation in-house, directly run by the organisation. The refreshed Museum and Art gallery Coffee Shop re-opened after a 4-month temporary closure on 21 March 2023. We estimate 4,938 customers have visited the catering facility on site in this period.

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

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Significant activities

2022/23 was the year in which we had a full year of visits from the public after the re-development and it was also a year of numerous exhibition and staff changes. The number of visitors to the Museum and Gallery has increased, though on a daily basis there is a great variation in the numbers on some days, which is difficult to predict.

In the Petersfield Gallery, which is in the new building connecting the old police station to the courthouse, the Flora Twort display was changed to a new set of paintings, reflecting the wide range of her work and also including more information and photographs of the artist.

In the Flora Twort Gallery, we continued with a display of some of the works of the renowned international artist Paula Rego, accompanied by a full exhibition catalogue which attracted visitors from a large distance from Petersfield. Sadly, Paula Rego died during the time her work was on show. From September until November 2022 the work of Alison Crowther and Kate Boucher, entitled 'Traces in the Landscape' was displayed and this attracted a lot of interest from a wide area. From November until February 2023 we were delighted to exhibit a number of watercolours by Gordon Rushmer, a popular local artist who has a large local following. We finished the year with an interesting display by Catherine Knight, an artist from Bristol, entitled 'Long Shadows'. The series of paintings were painted during a short stay in Norway, and our exhibition was the first solo display of this series of paintings.

In the Standfield Gallery we displayed items relating to Science Fiction, covering works from H.G Wells, John Wyndham and Alec Guinness. Included in the exhibition was an original light sabre from 'Star Wars', on loan from the Royal Armouries Museum in Leeds.

For the first time the Museum and Gallery Learning Space was used for temporary touring exhibition; an exhibition of Space Race Toys and Games, and this attracted a lot of interest, especially from our younger visitors as well as those who could remember the 1960s.

The Engagement side of the Museum and Gallery continues to be most successful, and we have all been encouraged by the variety of offerings, from theatre, live music, films, lectures, hands-on activities and walks that are now on offer and very well supported by the public.

Regarding the catering operation, the operator decided to end the agreement in November 2022 and we decided to move the operation 'in house' and couple it with providing refreshments for all events at the museum. We have been joined for this venture by Jack May, who has a high reputation in the world of coffee.

We are pleased that the 'Friends' scheme has continued to thrive, with more people joining every month, and we hope to expand this in the future, as it is a steady form of income.

The Board wishes to thank all the volunteers for their support in various roles; they have done an amazing job during the year. Without their continued help the Museum could not function as a resource available to the public. This year some 14 sixth formers have joined the volunteer team and we are delighted to be joined by this younger age group.

I would like to thank the Board for their tremendous support during the year, and the way that they have all helped the museum during the year in so many different ways.

Thanks

The Trustees are grateful to everyone who has supported our work during the year, in particular our staff, volunteers and other supporters whose commitment, enthusiasm and many skills have been indispensable.

Strategic Review

The description under the headings "Achievement and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Public benefit

In shaping the objectives for the year and planning the activities, the Board has considered carefully the Charity Commission's guidance on public benefits.

The museum and art gallery provides public benefit through a range of activities, including providing educational activities, by its contribution to historical research regarding the town of Petersfield and the surrounding area and preservation of historical artefacts relating to the local area. The trustees believe that the charity fulfils its objectives and provides public benefit by:

- opening the museum and gallery to the public and providing a high-quality experience.
- caring for the collections in accordance with proper professional standards.
- providing educational activities for schools, colleges and the general public.
- facilitating activities for special interest groups.
- working to the importance of the study of the history and archaeology of Petersfield and the surrounding area.
- making exhibitions of art and other objects with national and international interest accessible to residents of the town and surrounding areas, as well as those who do not live locally.
- providing access, either by appointment or on public open days, to the Edward Thomas Study Centre.

The cost of entry to the museum and gallery is set at a level which continues to compare well with other local museums and the charges for activities are considered to offer good value for money.

Achievements and performance

Fundraising activities

During the year the Fundraising activities continue to have been underpinned by the work of our Finance Trustee Jeremy Mitchell and another Museum Trustee, Peter Taylor, who has considerable experience in this field. Both undertake work on funding applications and reporting in a voluntary capacity.

They were assisted this year by our Marketing and Communications Manager Lewis Webb, who had a fundraising responsibility within the remit of his role – much of his training being undertaken in house by Jeremy Mitchell.

Income generated from fundraising has been somewhat limited as Jeremy has also focused on VAT recovery, exploring the possibility of recovering money under the Government's Museums and Galleries Exhibition Tax Relief scheme and applying for Section 33A registration. Decisions on the latter two are still awaited.

A project grant of just under £30,000 was obtained from Arts Council England for a collections-related engagement programme, titled "Inside: Outside", which ran from August 2022 to June 2023 and was a great success.

Small sums were also raised from other sources and local councillors for smaller projects.

As always, the Trustees are grateful to Petersfield Town Council for their perennial grant of £2,500 towards the museum's general running costs.

Looking forward, it is clear that greater focus is required on general and specific fundraising. As such, Jeremy will be changing his trustee role during the next financial year and transferring his finance responsibilities to our new treasurer, Luc Blais, who was appointed in July 2023.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

Reserves policy

The trustees remain committed to a policy of professional curatorial direction to achieve the development of the museum and gallery and have maintained the policy of designating part of the capital as a curatorial fund. This policy was temporarily amended to assist with the cost of redeveloping the enlarged site, and this amendment has been extended following the impact on reserves following the Pandemic and, more latterly, the war in Ukraine and its effect on global stock markets.

The policy in respect of undesignated reserves is to aim to hold approximately 6 months' running costs, currently estimated at £200,000. At the year end our free reserves were below this and it is the Trustees' aim to build the free reserves to the expected level over the next three to five years through fundraising and other income-generating activities.

At present the reserves do not reach the designated level and indeed are being reduced as a result of stock market weakness. Additionally, short-term cashflow constraints may require further draws on invested capital over the next year or so. Accordingly, the Finance and General Purposes committee have asked the new Finance Trustee, Luc Blais, to undertake a review during 2023 of the organisation's investment strategy.

It remains the wish of the Trustees that reserves to the level of £700,000 are designated to generate an income at 4% per annum to pay the salary of the Head of Collections and Exhibitions. It is acknowledged that currently reserves are below this level.

Future plans

Now that the Museum is attracting an increased number of visitors from well outside our direct area, thanks to increased marketing, we hope to hold an international exhibition in the not too far distant future.

Structure, governance and management

Governing document

Petersfield Museum and Art Gallery Limited is a charitable company limited by guarantee, incorporated on 21 February 2005 (registration number 05370758) and registered as a charity on 4 April 2005 (registration number 1108817). The company's Memorandum of Association established the objectives and powers of the charitable company, which is governed under its Articles of Association. In the event of the company being wound up subscribing members are required to contribute to an amount not exceeding £10.

During the course of the year, a full governance review was undertaken to update the museum and art gallery's constitution in line with current Charity Commission guidelines, removing the category of Subscribing Members, who are now 'Friends of the Museum and Art Gallery.' This was duly approved by the Subscribing Members at a separate Extraordinary General meeting, in line with the terms of the current constitution.

The only Voting Members now are the Trustees and Directors of Petersfield Museum and Art Gallery Limited.

Under the requirements of the Memorandum and Articles of Association, at each annual general meeting one third of the directors must retire from office. Retiring directors may offer themselves for re-election. Directors are recruited for the mix of skills and talents required for a company and charity of this nature. The Company is the sole trustee of the Flora Twort charity, which has a separate Charity Commission registration.

The board has overall responsibility for policy, for finance and for the provision of facilities needed to enable the Museum and Gallery to fulfill its objects. Whilst many aspects of day-to-day management have evolved towards the Museum and Gallery Director, the Board remains the ultimate decision-making body, taking into account information provided by the Museum and Gallery Director and their team. The board and staff are responsible for the displays, collections of archive and artifact material and the education programme.

Surplus funds are placed either on deposit with the company's bankers, our investment advisors or with licensed deposit takers in order to obtain the best return commensurate with security of funds and the need to retain cashflow.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

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

L Blais	(Appointed 11 July 2023)
E Brooks	(Appointed 10 January 2023)
V R Clarke	
F Cook	
R Foster	(Appointed 11 April 2023)
W E Gosney	
A D Jones	
P A Martin	
J Mitchell	
S E Murfitt	
Lady W A Normington CBE	
J Sinclair	(Appointed 11 April 2023)
P C Taylor	(Resigned 10 October 2023)

Staff

There have been a number of staff changes during the year.

Sophie Yaniv, who joined us in 2017 as assistant curator, becoming our curator in 2019, decided to move back to the north of England in June 2022. She was a pillar of strength and, during her tenure, oversaw the move of the museum artefacts from and back to the Museum during the re-development. It is thanks to her that the moves went so smoothly. We wish her well at her new post at the Yorkshire Sculpture Park.

In July 2022 Lauren Weyland, who was first our Assistant Education Officer, and then the Customer Engagement Officer, left us for a post of Operations Manager at Farnham Museum, and Joe Shepherd who dealt with Visitor Experience and marketing left for a post at Farnham Maltings. We wish them every success in their new roles.

We were joined, in June 2022, by Louise Weller, who was the Head of Exhibitions of the Pallant House Gallery and who is now our Head of Collections and Exhibitions; in July 2022, by Molly Hoffman as our Visitor Engagement Supervisor, and in September 2022, by Lewis Webb who is our Marketing and Development Manager. Finally in February 2023 we were joined by new Hospitality Manager Jack May who will be running the coffee shop along with the hospitality at all events.

Trustees

During the year we have seen the need to increase the number of Trustees and develop a more diverse Board. We have advertised widely and, as a result now have more trustees. Ann Brooks, who is the current Chairperson of the Petersfield Historical Society, and who has a great interest in archaeology, joined us in January, whilst Richard Foster, who is the Fellows' Librarian and keeper of the art collection at Winchester College, and Janet Sinclair, who is a member of ICOM and an art historian, curator and lecturer, have been appointed and joined us at the April 2023 Board Meeting. Luc Blais joined us in July 2023 as our new Treasurer as Jeremy Mitchell relinquishes that part of his role.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Induction and training of trustees

All newly appointed trustees are provided with a full introduction to the charity, including meeting with existing trustees to ask any questions they may have. They are also given access to the Charities Commission's guidance 'the essential trustee: what you need to know, what you need to do'.

New trustees are required to meet with the board as a whole before their appointment is confirmed and are offered the opportunity to attend training for their role as trustee.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees (who are also the directors of Petersfield Museum Limited (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

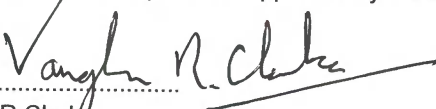
Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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


.....
V R Clarke
Trustee

Date: 5/12/23
.....

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PETERSFIELD MUSEUM AND ART GALLERY LIMITED

Opinion

We have audited the financial statements of Petersfield Museum and Art Gallery Limited (the charitable company) for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PETERSFIELD MUSEUM AND ART GALLERY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PETERSFIELD MUSEUM AND ART GALLERY LIMITED

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

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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



Jon Noble (Senior Statutory Auditor)
for and on behalf of Azets Audit Services



Chartered Accountants
Statutory Auditor

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>							
Donations and legacies	3	13,342	83,802	97,144	67,837	270,103	337,940
Charitable activities	4	57,881	-	57,881	41,612	-	41,612
Investments	5	26,796	1,194	27,990	23,239	1,403	24,642
Total income		98,019	84,996	183,015	132,688	271,506	404,194
<u>Expenditure on:</u>							
<u>Raising funds</u>							
Investment management fees	6	9,000	-	9,000	9,000	-	9,000
<u>Charitable activities</u>							
Museum activities	7	436,637	44,803	481,440	327,737	147,675	475,412
Total charitable expenditure		436,637	44,803	481,440	327,737	147,675	475,412
Total expenditure		445,637	44,803	490,440	336,737	147,675	484,412
Net gains/(losses) on investments	11	(36,012)	(4,465)	(40,477)	45,535	(3,190)	42,345
Net (outgoing)/incoming resources before Museums and Galleries Exhibition Tax Relief		(383,630)	35,728	(347,902)	(158,514)	120,641	(37,873)
Museums and Galleries Exhibition Tax Relief		134,986	-	134,986	-	-	-
Net movement in funds		(248,644)	35,728	(212,916)	(158,514)	120,641	(37,873)
Fund balances at 1 April 2022		1,194,033	3,223,785	4,417,818	1,352,547	3,103,144	4,455,691
Fund balances at 31 March 2023		945,389	3,259,513	4,204,902	1,194,033	3,223,785	4,417,818

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	13		3,082,483		3,164,020
Heritage assets	14		278,700		277,850
Investments	15		681,054		753,245
			<u>4,042,237</u>		<u>4,195,115</u>
Current assets					
Stocks	16	7,029		12,087	
Debtors	17	161,619		109,063	
Cash at bank and in hand		93,580		195,421	
			<u>262,228</u>	<u>316,571</u>	
Creditors: amounts falling due within one year	18	(61,782)		(50,489)	
Net current assets			<u>200,446</u>		<u>266,082</u>
Total assets less current liabilities			<u>4,242,683</u>		<u>4,461,197</u>
Creditors: amounts falling due after more than one year	19		(37,781)		(43,379)
Net assets			<u><u>4,204,902</u></u>		<u><u>4,417,818</u></u>
Income funds					
Restricted funds	22		3,259,513		3,223,785
<u>Unrestricted funds</u>					
Designated funds	23	748,304		711,063	
General unrestricted funds		197,085		482,970	
			<u>945,389</u>		<u>1,194,033</u>
			<u><u>4,204,902</u></u>		<u><u>4,417,818</u></u>

The financial statements were approved by the Trustees on 5/12/2023


 S E Murfitt
 Trustee

Company registration number 05370758

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(144,439)		197,902
Investing activities					
Purchase of tangible fixed assets		(1,796)		(141,863)	
Purchase of heritage assets		(850)		(5,848)	
Net transfer to / (from) bank from / (to) Charles Stanley cash account		48,000		(52,000)	
Investment income received		2,704		1,405	
Net cash generated from/(used in) investing activities			48,058		(198,306)
Financing activities					
Repayment of bank loans		(5,460)		(1,161)	
Net cash used in financing activities			(5,460)		(1,161)
Net decrease in cash and cash equivalents			(101,841)		(1,565)
Cash and cash equivalents at beginning of year			195,421		196,986
Cash and cash equivalents at end of year			93,580		195,421

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Petersfield Museum and Art Gallery Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Courthouse, St. Peters Road, Petersfield, Hampshire, GU32 3HX, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from general donations is recognised on receipt or once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. Income from fixed interest investments is recognised when received. Dividend income is recognised as the charity's right to receive payment is established.

Annual membership and life membership subscriptions are recognised in full on receipt as this income is in the nature of a gift. No accrual is included for the cost of providing annual or life members with future publications as, whilst the Trustees expect to continue to provide this service, they believe there is no contractual requirement or expectation to do so.

Admissions and gift shop income is recognised at the time of the receipt.

Government grants are accounted for when receivable and any conditions attached to the grant have been met.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

All the costs, including support costs, incurred by the charity are treated as expenses of the charitable activities of the company.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

No depreciation is provided on the buildings on the Police Station and Court House in year following the completion and subsequent opening of the museum. For financial year 2023, the trustees will obtain a valuation of the entire museum complex and determine an appropriate policy of either revaluation or depreciation going forward.

Individual fixed assets costing more than £500 have been capitalised, unless covered by specific grant or donation income.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not provided
Plant and equipment	25% on cost

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

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.7 Heritage assets

Over many years the charity has been given or has acquired the artifacts on display at the Petersfield Museum, including items previously displayed in the Flora Twort Gallery.

Artifacts are acquired when there is a connection to Petersfield and the surrounding area and the trustees feel that the acquisition of such items will enhance the collection.

The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied by the charity.

The trustees policy was historically to include heritage assets in the accounts at their insurance value. This policy was changed in 2020. Heritage assets acquired prior to 2020 are valued at the 2019 insurance value. Aquisitions of heritage assets from 2020 onwards are included in the accounts at cost.

A register of heritage assets is maintained by the curatorial staff.

The museum also acquires a number of heritage assets through donation which are of a relatively minor value. Where the value of each item is considered by the curatorial staff of the museum to be less than £500 these items are not included in the accounts. The trustees consider that such items will have a minor impact on the overall value of the charity's heritage assets.

With the reopening of the museum to the public, as much of the collection as is commensurate with the care and preservation of the artifacts will be put on public display. Where a request is made for more detailed access to an item for the purpose of research, each such request will be considered on its individual merits.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

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

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.12 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.13 Taxation

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

1.14 Employee benefits

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

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

1.15 Retirement benefits

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

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.16 Fund accounting

Where funds are received for a specific purpose set out by the donor or implied by the terms of appeal, these are shown as restricted income in the Statement of Financial Activities. Funds donated to be held as capital are shown as Endowment Funds. Expenditure for the purpose specified is applied against the income and any amount unexpended at the balance sheet date is shown within Restricted Funds.

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.

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within Unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general Unrestricted funds.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Valuation of fixed assets including heritage assets (see note 1.6).

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	462	7,024	7,486	611	21,808	22,419
Grants	7,500	76,778	84,278	62,550	248,295	310,845
Membership fees	5,380	-	5,380	4,676	-	4,676
	<u>13,342</u>	<u>83,802</u>	<u>97,144</u>	<u>67,837</u>	<u>270,103</u>	<u>337,940</u>

Grants include a perennial grant of £2,500 (2022: £2,500) from Petersfield Town Council towards the running cost of the museum.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Shop income	Clubs	Talks	Museum Admissions	Total	Total
	2023	2023	2023	2023	2023	2022
	£	£	£	£	£	£
Sales within charitable activities	25,237	2,203	11,546	18,895	57,881	41,612

For the year ended 31 March 2022

	Shop income	Clubs	Talks	Museum Admissions	Total
	£	£	£	£	£
Sales within charitable activities	15,545	8,311	633	17,123	41,612

For 2023 and 2022, all charitable income was unrestricted.

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Income from listed investments	24,953	1,194	26,147	23,192	1,403	24,595
Deposit account interest	1,843	-	1,843	47	-	47
	26,796	1,194	27,990	23,239	1,403	24,642

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Investment management fees	9,000	9,000
	9,000	9,000

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	Museum activities 2023 £	Museum activities 2022 £
Staff costs	165,744	185,622
Depreciation and impairment	83,333	75,020
Rates and utilities	19,737	13,637
Insurance	11,139	7,613
Telephone and internet	2,523	4,215
Advertising	5,176	27,781
Rent	-	2,223
Office costs	5,495	17,854
Repairs and maintenance	1,257	1,953
Travel & subsistence	318	1,327
Subscriptions	1,392	1,112
Sundry	5,977	5,761
Training & other staff costs	3,121	4,507
Project costs	92,340	75,095
Accountancy fees	3,000	-
Professional fees and charges	27,020	-
Bank charges	1,159	1,045
Other charitable expenditure	4,879	5,522
	<u>433,610</u>	<u>430,287</u>
Share of support costs (see note 8)	19,292	10,781
Share of governance costs (see note 8)	28,538	34,344
	<u>481,440</u>	<u>475,412</u>
Analysis by fund		
Unrestricted funds	436,637	327,737
Restricted funds	44,803	147,675
	<u>481,440</u>	<u>475,412</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Investment management fees	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
	<u><u>9,000</u></u>	<u><u>9,000</u></u>

7 Charitable activities

	Museum activities	Museum activities
	2022	2021
	£	£
Staff costs	185,622	154,301
Depreciation and impairment	75,020	5,485
Rates and utilities	13,637	17,620
Insurance	7,613	8,793
Telephone and internet	4,215	2,479
Advertising	27,781	1,831
Rent	2,223	17,904
Office costs	17,854	13,293
Repairs and maintenance	1,953	701
Travel & subsistence	1,327	359
Subscriptions	1,112	880
Sundry	5,761	3,119
Training & other staff costs	4,507	1,355
Project costs	75,095	40,826
Bank charges	1,045	-
Other charitable expenditure	5,522	3,198
	<u>430,287</u>	<u>272,144</u>
Share of support costs (see note 8)	10,781	3,890
Share of governance costs (see note 8)	34,344	31,789
	<u>475,412</u>	<u>307,823</u>
	<u><u>475,412</u></u>	<u><u>307,823</u></u>
Analysis by fund		
Unrestricted funds	327,737	200,579
Restricted funds	147,675	107,244
	<u>475,412</u>	<u>307,823</u>
	<u><u>475,412</u></u>	<u><u>307,823</u></u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Finance costs	3,216	-	3,216	3,890	-	3,890
Health & Safety	7,565	-	7,565	-	-	-
Accountancy	-	15,381	15,381	-	22,518	22,518
Professional fees	-	18,963	18,963	-	9,271	9,271
	<u>10,781</u>	<u>34,344</u>	<u>45,125</u>	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>
Analysed between						
Charitable activities	<u>10,781</u>	<u>34,344</u>	<u>45,125</u>	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>

Governance costs includes audit fees of £7,300 (2021- £8,340) & VAT services of £12,000 (2021 - £nil).

9 Trustee's remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the period ended 31 March 2021.

Trustee's expenses

During the year a total of £1,677 (2021 - £1,210) was paid to 3 trustees (2021 - 2 trustees) in respect of the reimbursement of payments made on behalf of the charity.

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	<u>8</u>	<u>7</u>
Employment costs	2022	2021
	£	£
Wages and salaries	171,443	142,147
Social security costs	10,722	9,193
Other pension costs	3,457	2,961
	<u>185,622</u>	<u>154,301</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

(Continued)

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

The key management personnel of the charity comprise the museum curator, the museum director and the head of engagement. The total employee benefits, comprising salary, pension contributions and Employers National Insurance contributions of the key management personnel of the charity were £97,891 (2021: £90,679).

£56,989 of the staff costs (including pension costs) have been allocated to the Pathways Project (2021 - £75,439).

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Revaluation of investments	37,700	(3,190)	34,510	67,297	61	67,358
Gain/(loss) on sale of investments	7,835	-	7,835	(4,103)	-	(4,103)
	<u>45,535</u>	<u>(3,190)</u>	<u>42,345</u>	<u>63,194</u>	<u>61</u>	<u>63,255</u>

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2021	2,849,959	284,750	3,134,709
Additions	51,658	90,205	141,863
At 31 March 2022	<u>2,901,617</u>	<u>374,955</u>	<u>3,276,572</u>
Depreciation and impairment			
At 1 April 2021	-	37,532	37,532
Depreciation charged in the year	-	75,020	75,020
At 31 March 2022	<u>-</u>	<u>112,552</u>	<u>112,552</u>
Carrying amount			
At 31 March 2022	<u>2,901,617</u>	<u>262,403</u>	<u>3,164,020</u>
At 31 March 2021	<u>2,849,959</u>	<u>247,218</u>	<u>3,097,177</u>

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Fixed asset investments (Continued)

Fixed asset investments revalued

If the fixed asset investments were to be carried at their historical cost value they would have a value of £662,663 (2022 - £687,482).

16 Stocks

	2023 £	2022 £
Stocks	7,029	12,087

17 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	72	388
Other debtors	160,612	20,154
Prepayments and accrued income	935	88,521
	<u>161,619</u>	<u>109,063</u>

18 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	20	5,598	5,460
Other taxation and social security		4,650	4,821
Trade creditors		2,674	20,928
Other creditors		2,188	1,414
Accruals and deferred income		46,672	17,866
		<u>61,782</u>	<u>50,489</u>

19 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	20	37,781	43,379

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Loans and overdrafts

	2023 £	2022 £
Bank loans	43,379	48,839
Payable within one year	5,598	5,460
Payable after one year	37,781	43,379
Amounts included above which fall due after five years:		
Payable by instalments	13,937	20,123

21 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £3,267 (2022 - £3,457).

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021		Movement in funds		Balance at 1 April 2022		Movement in funds		Balance at 31 March 2023			
	£	£	Incoming resources	Resources expended	Revaluations, gains and losses	£	£	Incoming resources	Resources expended	Revaluations, gains and losses	£	£
Blackrock	28,419	966	-	-	(2,169)	27,216	701	-	-	(2,888)	25,029	25,029
M&G Investments	27,693	437	-	-	(1,021)	27,109	493	-	-	(1,577)	26,025	26,025
Flora Twort Fund	348,250	-	-	-	-	348,250	5	-	-	-	348,255	348,255
Pathways project	2,171,112	251,627	(135,266)	-	-	2,287,473	48,620	(20,485)	-	-	2,315,608	2,315,608
Edward Thomas Literary Festival	-	-	-	-	-	-	305	(200)	-	-	105	105
Edward Thomas Study Centre	110,250	249	-	-	-	110,499	593	(1,223)	-	-	109,869	109,869
Don Eades	7,500	12,900	(12,336)	-	-	8,064	1,500	(6,726)	-	-	2,838	2,838
Flora Twort Gallery	407,920	4,493	-	-	-	412,413	-	(3,938)	-	-	408,475	408,475
Early Years	-	-	-	-	-	-	3,000	-	-	-	3,000	3,000
Inside Out	-	-	-	-	-	-	26,658	(11,001)	-	-	15,657	15,657
Other	2,000	834	(73)	-	-	2,761	3,121	(1,230)	-	-	4,652	4,652
	3,103,144	271,506	(147,675)	(3,190)	(3,190)	3,223,785	84,996	(44,803)	(4,465)	(4,465)	3,259,513	3,259,513

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Restricted funds

(Continued)

The restricted funds Blackrock and M&G Investments were all passed to Hampshire County Council under the will of Flora Twort and were subsequently transferred to the charity. The Blackrock and M&G Investments funds represent a trust fund the income from which can only be used on the Flora Twort gallery building or collections.

The Flora Twort fund represents its share of the police station purchased partly with the disposal proceeds of the gallery building itself.

The restricted fund Pathways project (previously described as the Capital Project) represents funds received principally from the Heritage Lottery Fund but also from trusts, foundations and individual donors towards the redevelopment of the enlarged site and the provision of public engagement activities. These funds are only recognised once all the requirements to receive the funds have been fully satisfied.

The Edward Thomas Study Centre represents Heritage Assets and the value of the books loaned by the Edward Thomas Fellowship to Petersfield Museum for display in the Edward Thomas Study Centre. They are insured by Petersfield Museum.

The Don Eades fund represents a project to conserve and preserve the negatives within the collection. The work was carried out during the exhibition period November 2021 to May 2022.

The Flora Twort Gallery fund is a capital project with the purpose of constructing a purpose built art and temporary exhibition gallery to government indemnity scheme standard, known as the Flora Twort Gallery (formerly the South East Gallery (SEG)) and work commenced and finished at the same time as that on the capital elements of Pathways into the Past. It was financed largely through a donation of £375,000 from the HB Allen Charitable Trust, with two or three smaller grants to meet the expected capital cost of £385,000

The other restricted funds represent the income from grants and donations made to the charity for specific projects and associated expenses.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	Balance at 1 April 2021		Movement in funds		Balance at 1 April 2022		Movement in funds		Balance at 31 March 2023	
	£	£	Resources expended	Transfers	Revaluations, gains and losses	£	£	Resources expended	Transfers	Revaluations, gains and losses
Designated curatorial fund	599,291	23,239	(9,000)	46,254	51,279	711,063	(9,000)	(48,000)	(36,012)	643,338
General fund	668,783	109,449	(333,481)	(46,254)	-	398,497	(436,637)	48,000	-	217,578
Revaluation reserve	84,473	-	-	-	-	84,473	-	-	-	84,473
	<u>1,352,547</u>	<u>132,688</u>	<u>(342,481)</u>	<u>-</u>	<u>51,279</u>	<u>1,194,033</u>	<u>(445,637)</u>	<u>-</u>	<u>(36,012)</u>	<u>945,389</u>

The designated curatorial fund is a fund set up by the trustees to hold surplus funds and is represented by an investment portfolio managed by Charles Stanley & Co Ltd and cash not yet spent.

The revaluation reserve represents the excess of the current valuation of the Old Courthouse of £145,000 over the original £60,527.

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	292,697	2,789,786	3,082,483	300,629	2,863,391	3,164,020
Heritage assets	168,450	110,250	278,700	167,600	110,250	277,850
Investments	643,339	37,715	681,054	711,065	42,180	753,245
Current assets/(liabilities)	(121,316)	321,762	200,446	58,118	207,964	266,082
Long term liabilities	(37,781)	-	(37,781)	(43,379)	-	(43,379)
	<u>945,389</u>	<u>3,259,513</u>	<u>4,204,902</u>	<u>1,194,033</u>	<u>3,223,785</u>	<u>4,417,818</u>

25 Financial commitments, guarantees and contingent liabilities

In the event of a breach of the terms of the Heritage Lottery Fund grant, the fund may require repayment of all or part of the payments made to the museum to date. As at 31 March 2023 the maximum liability under this provision was £1,522,900 (2022: £1,421,694)

The Heritage Lottery Fund has been granted a first charge over all the assets of the charitable company as in the event of a breach of the conditions of the grant, the Heritage Lottery Fund may require repayment of all or part of the grant paid to date.

Petersfield Town Council has been granted a charge over the freehold property at Petersfield Museum as in the event of a breach of the conditions of the grant, the council may require repayment of all or part of the grant paid to date.

26 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(212,916)	(37,873)
Adjustments for:		
Investment income recognised in statement of financial activities	(27,990)	(24,642)
Gain on disposal of investments	(8,471)	(7,835)
Fair value gains and losses on investments	48,948	(34,510)
Depreciation and impairment of tangible fixed assets	83,333	75,020
Investment management fees	9,000	9,000
Movements in working capital:		
Decrease/(increase) in stocks	5,058	(7,871)
(Increase)/decrease in debtors	(52,556)	270,819
Increase/(decrease) in creditors	11,155	(44,206)
Cash (absorbed by)/generated from operations	<u>(144,439)</u>	<u>197,902</u>

PETERSFIELD MUSEUM AND ART GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

27 Analysis of changes in net funds

	At 1 April 2022	Cash flowsAt 31 March 2023	
	£	£	£
Cash at bank and in hand	195,421	(101,841)	93,580
Loans falling due within one year	(5,460)	(138)	(5,598)
Loans falling due after more than one year	(43,379)	5,598	(37,781)
	<u>146,582</u>	<u>(96,381)</u>	<u>50,201</u>

Petersfield Museum and Art Gallery Limited

England & Wales - Charity number 1108817

Accounts

Charity Registration No. 1108817

Company Registration No. 05370758 (England and Wales)

PETERSFIELD MUSEUM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

PETERSFIELD MUSEUM LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P C Taylor A D Jones F Cook W E Gosney J Mitchell Lady W A C Normington CBE P A Martin V R Clarke Dr S E Murfitt	(Appointed 6 December 2021)
Secretary	F Cook Dr S E Murfitt	(Resigned 18 May 2022) (Appointed 18 May 2022)
Charity number	1108817	
Company number	05370758	
Registered office	The Old Courthouse St. Peters Road Petersfield Hampshire United Kingdom GU32 3HX	
Auditor	Azets Audit Services Athenia House 10-14 Andover Road Winchester Hampshire United Kingdom SO23 7BS	
Investment advisors	Charles Stanley & Co Limited 2 Westover Road Bournemouth BH1 2BY	

PETERSFIELD MUSEUM LIMITED

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PETERSFIELD MUSEUM LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

Petersfield Museum is a registered charity and company limited by guarantee. It is an independent, accredited museum and currently receives no statutory or government funding beyond a small, annual, grant from Petersfield Town Council. All running costs, including staff salaries and collections care costs are met from income it raises from admissions, interest on investments and other fundraising activities.

The charity's objects are to advance the education of the public by the establishment and maintenance of a museum for items of historical and archaeological interest, archives, photographs, flora and fauna together with arts and crafts especially those relating to the town of Petersfield and the surrounding area.

The charity measures its success against the above objectives by its level of engagement with the public either by the number of visitors to the museum or attendees at its outreach events.

In all but name we are a new museum following the redevelopment and refurbishment of the whole site and, as such, do not have comparative figures available against which to measure progress. Engagement following our opening to the public on 9 June 2021 has been further tempered by the ongoing Covid pandemic, which we expect to blight visitor numbers for another couple of years.

We are nevertheless pleased to have welcomed 4,274 paying visitors between 9 June 2021 and 31 March 2022, with a further 2,324 taking part in some form of other engagement, whether that be through taking part in educational activity or outreach or attendance at one of our many events.

The museum café is operated on our behalf by a subsidiary of a local catering business, Chinwags, on a concession basis, and we estimate 7,344 individuals have visited the café – not all of whom will have been paying museum visitors.

We are now in a position where we have benchmark figures for measuring future performance against objectives.

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

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Significant activities

2021 was the year in which we were finally able to open our Museum to the public.

In early March 2021 we moved all our collections and all our racking back from the Town Hall, and thanks to the excellent work of our curator, Sophie Yaniw, and the work by a number of volunteers some months earlier, in boxing up many items, everything was soon situated in its designated place. The move from our Dragon Street shop was completed soon afterwards, and it was great to have all our staff on site once again. April and May were spent installing all the artefacts into the cases, and also preparing the shop, and so, by May, we were able to start training both staff and volunteers on the various systems. The final refurbished museum looked absolutely fantastic. We opened to the public on Wednesday 9 June 2021, with a very positive public response. We found a local company, Chinwags, to run the museum café, which, we had decided not to run in-house for the present time. The café has attracted a regular clientele, though is not as busy as we would like, especially over the winter months – something we need to improve in the future.

The official opening of the Museum by Gyles Brandreth took place on Tuesday 12 October 2021, and was a great success, with many invited guests present, and with more guests for the reception in the evening.

In the Flora Twort Gallery we started with a presentation of many Flora Twort paintings, and this was followed in November by a presentation of Don Eades photographs, with an excellent booklet, which put the photographs into context. In March the display changed to an international theme, with a display of some of the works of the renowned artist Paula Rego, again accompanied with an excellent booklet.

In the Standfield Gallery we displayed items from George Marston, who was a Petersfield resident and the artist on the Shackleton expedition.

The Don Eades photographic archive has been given funding by the Hampshire Archives Trust, to enable us to store the items correctly, and teams of volunteers have been hard at work on that task, which we hope to complete in the next financial year.

The Edward Thomas Study Centre, with its library of some 2,500 books by and about the poet and writer Edward Thomas, opened initially on one day a week, staffed by volunteers from the Edward Thomas Fellowship. This wide-ranging collection also includes manuscript letters, a gallery display of prints, photographs and original art, together with works of contemporary poetry as it spreads its reach and interest. From March it has been open two days a week with volunteers from the museum team working alongside those from the Fellowship.

The engagement side of the Museum has been most successful, and we have all been amazed at the variety of offerings, from theatre, films, lectures, hands- on activities and walks that are now on offer and very well supported by the public.

We are pleased to say that the 'Friends' scheme has made a very good start, thanks in part to some 'behind the scenes' organised tours of the building. Most of those on each tour became a 'Friend', and we hope to expand this in the future.

The Board wishes to thank all the volunteers for their support in various roles, they have done an amazing job during the year. Without their continued help the Museum could not function as a resource available to the public.

We would like to thank the Board for their tremendous support during the year, and the way that they have all helped to give the museum a flying start. It has not helped that all our meetings this year have had to be held online, and we hope that we shall soon be back to face to face meetings on the museum premises.

Since the year-end, our Curator, Sophie Yaniw has left the Museum and moved north with her husband to be nearer her family. We are most grateful to Sophie for her hard work and great effort on the curatorial and interpretation side of the Museum activities, which made a significant contribution to the delivery of the successful Pathways project.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

In her place, we are delighted to welcome Louise Weller, who joins us from Pallant House Gallery where she curated many successful and high profile Art Exhibitions over the last eight years. Louise has taken on the new title of 'Head of Collections and Exhibitions' as the Museum moves towards highlighting the Exhibitions side of its offerings, particularly those in the Flora Twort Art Gallery.

Going forward, for marketing purposes, the organisation will be known as Petersfield Museum and Art Gallery whilst retaining the registered name of Petersfield Museum Limited.

Thanks

The Trustees are grateful to everyone who has supported our work during the year, in particular our staff, volunteers and other supporters whose commitment, enthusiasm and many skills have been indispensable.

Strategic Review

The description under the headings "Achievement and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Public benefit

In shaping the objectives for the year and planning the activities, the Board has considered carefully the Charity Commission's guidance on public benefit.

The museum provides public benefit through a range of activities, including providing educational activities, by its contribution to historical research regarding the town of Petersfield and the surrounding area and preservation of historical artefacts relating to the local area. The trustees believe that the charity fulfils its objectives and provides public benefit by:

- opening the museum to the public and providing a good visitor experience.
- caring for the collections in accordance with proper professional standards.
- providing educational activities for schools, colleges and the general public.
- facilitating activities for special interest groups.
- working to emphasise the importance of the study of the history and archaeology of Petersfield and the surrounding area.
- making exhibitions of art and other objects with national and international interest accessible to residents of the town and surrounding areas, as well as those who do not live locally.
- providing access, either by appointment or on public open days, to the Edward Thomas Study Centre.

The cost of entry to the museum is set at a level which compares well with other local museums and the charges for activities are considered to offer good value for money.

Achievements and performance

Fundraising activities

During the year the fundraising activities have been underpinned by the work of our Finance Trustee, Jeremy Mitchell and another Museum Trustee, Peter Taylor, who has considerable experience in this field. Both undertake work on funding applications and reporting in a voluntary capacity.

Most of the activity this year has again been monitoring and reporting on the Pathways into the Past project, and ensuring reports are submitted in a timely manner in order to draw funds in a manner that optimises cashflow. This work is now drawing to a close and future focus will move to diversifying income streams, working on an application to join Art Council England's National Portfolio Investment Programme for 2023 – 2026 and developing fundraising capability within the museum workforce.

As always, the Trustees are grateful to the Petersfield Town Council for their perennial grant of £2,500 towards the museum's general running costs.

The charity does not use professional fundraisers. Our approach to fundraising relies on grants awarded from various providers. We organise exhibitions and events to attract the public and increase museum admissions. To ensure compliance with various regulations and laws impacting the fundraising activities and donations, the Charity has adopted a comprehensive policy in this regard. In 2022 no complaints about Petersfield Museum Ltd fundraising practices or activities were received by the fundraising regulator.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

Reserves policy

The trustees remain committed to a policy of professional curatorial direction to achieve the development of the museum and have maintained the policy of designating part of the capital as a curatorial fund. This policy was temporarily amended to assist with the cost of redeveloping the enlarged site, and this amendment has been extended following the impact on reserves following the Pandemic and, more latterly, the war in Ukraine and its effect on global stock markets.

During the year the charity's main reserve fund held with Charles Stanley showed little movement, however, during the year the sum of £100,000 previously held as cash to support cashflow for the Pathways into the Past project, pending quarterly reimbursement from the NLHF, was returned to the investment portfolio. In addition, the sum of £700,000 has been designated by the Trustees to generate an income to pay the Curator's salary and associated curatorial-related costs. Overall, the trustees remain satisfied that these funds are returning a reasonable rate of return over the long term.

The policy in respect of undesignated reserves is to aim to hold approximately 6 months' running costs, currently estimated at £150,000. At the year end our free reserves amounted to £398,497 and it is the Trustees aim to build the free reserve to this level over the next three to five years through fundraising and income-generating activities.

Future plans

Our future plans revolve very much around improving income generally and diversifying those sources.

It is going to take time for public confidence in visiting museums and the like and the summer of 2022 is likely to see many people playing 'catch up' and taking holidays postponed from 2020 and 2021. There is also the impact of the war in Ukraine and the rapidly increasing cost of living to be considered when looking at future plans, at least in the shorter-term.

We will seek to maintain our current pricing structure for at least one more fiscal year, whilst growing public engagement with our other events and activities that are not necessarily those generally associated with a museum. The cost of entry is set at a level which compares well with other local, independent museums.

We will also seek to reach out to a wider, regional if not national, audience with 'high quality' art exhibitions – such as the Paula Rego exhibition in place over the year-end and running into the summer. This effort will be supported by increased marketing activity to attract those visitors from further afield.

Additionally, now that the Museum is open, we shall be developing our annual 'Friends' offer to recruit more members to this annual membership scheme, providing users with unlimited annual access to all exhibitions and the museum with a steady income.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Governing document

Petersfield Museum Limited is a charitable company limited by guarantee, incorporated on 21 February 2005 (registration number 05370758) and registered as a charity on 4 April 2005 (registration number 1108817). The company's Memorandum of Association established the objectives and powers of the charitable company, which is governed under its Articles of Association. In the event of the company being wound up subscribing members are required to contribute to an amount not exceeding £10 .

The membership of the Company comprises subscribing Members who make an annual £20 contribution to the funds. Subscribing Members are entitled to attend the AGM and only subscribing Members can stand as, and vote for, directors. The directors of the company are also trustees for the purpose of charity law.

Under the requirements of the Memorandum and Articles of Association, at each annual general meeting one third of the directors must retire from office. Retiring directors may offer themselves for re-election. Directors must be subscribing Members of the company and are recruited for the mix of skills and talents required for a company and charity of this nature. The Company is the sole trustee of the Flora Twort charity, which has a separate Charity Commission registration.

A full governance review is to be undertaken during 2022 to update the museum's constitution in line with current Charity Commission guidelines. Once approved any such amended constitution will be put to the museum membership for ratification at a separate Extraordinary General meeting, in line with the terms of the current constitution.

The board has overall responsibility for policy, for finance and for the provision of facilities needed to enable the Museum to fulfil its objects. Whilst many aspects of day-to-day management will evolve towards the Museum Director, the Board will remain the ultimate decision-making body, taking into account information provided by the Museum Director and their team. The board and staff are responsible for the displays, collections of archive and artefact material and the education programme. Surplus funds are placed either on deposit with the company's bankers, our investment advisors or with licensed deposit takers in order to obtain the best return commensurate with security of funds and the need to retain cashflow.

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

P C Taylor

A D Jones

F Cook

W E Gosney

J Mitchell

C Newbery

(Resigned 21 September 2021)

Lady W A C Normington CBE

S Howard

(Resigned 9 November 2021)

P A Martin

V R Clarke

Dr S E Murfitt

(Appointed 6 December 2021)

There have been some staff changes during the year. Mark Berry, who joined us as our new Curatorial Intern in October 2020, helping to research items for future exhibitions, left in September 2021 for a post at the Leeds Armouries, whilst Elisha Mason who was our Assistant Curator left us in March 2022 to be the curator at the Hereford Cider Museum. We wish them every success in their new posts.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Since the financial year-end, we have been joined by Stephen Murfitt, who has taken over as Company Secretary from Frances Cook. He comes with a wealth of experience as he is already on the Board of several Heritage Railway Companies.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Induction and training of trustees

All newly appointed trustees are provided with a full introduction to the charity, including meeting with existing trustees to ask any questions they may have. They are also given access to the Charities Commission's guidance 'the essential trustee: what you need to know, what you need to do'.

New trustees are required to meet with the board as a whole before their appointment is confirmed and are offered the opportunity to attend training for their role as trustee.

Auditor

Azets Audit Services were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



V R Clarke

Trustee

Dated: 11/10/22

PETERSFIELD MUSEUM LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees (who are also the directors of Petersfield Museum Limited (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

Opinion

We have audited the financial statements of Petersfield Museum Limited (the charitable company) for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

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

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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

Azets Audit Services

Michael Tizard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

25/10/2022
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Chartered Accountants
Statutory Auditor

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

PETERSFIELD MUSEUM LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	67,837	270,103	337,940	134,969	785,019	919,988
Charitable activities	4	41,612	-	41,612	4,736	-	4,736
Investments	5	23,239	1,403	24,642	22,136	3,303	25,439
Total income		132,688	271,506	404,194	161,841	788,322	950,163
Expenditure on:							
<u>Raising funds</u>							
Investment management fees	6	9,000	-	9,000	9,000	-	9,000
<u>Charitable activities</u>							
Museum activities	7	327,737	147,675	475,412	200,579	107,244	307,823
Total resources expended		336,737	147,675	484,412	209,579	107,244	316,823
Net gains/(losses) on investments	11	45,535	(3,190)	42,345	63,194	61	63,255
Net (outgoing)/incoming resources before transfers		(158,514)	120,641	(37,873)	15,456	681,139	696,595
Net movement in funds		(158,514)	120,641	(37,873)	15,456	681,139	696,595
Fund balances at 1 April 2021		1,352,547	3,103,144	4,455,691	1,337,091	2,422,005	3,759,096
Fund balances at 31 March 2022		1,194,033	3,223,785	4,417,818	1,352,547	3,103,144	4,455,691

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.


PETERSFIELD MUSEUM LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		3,164,020		3,097,177
Heritage assets	13		277,850		272,002
Investments	14		753,245		644,663
			<u>4,195,115</u>		<u>4,013,842</u>
Current assets					
Stocks	16	12,087		4,216	
Debtors	17	109,063		379,882	
Cash at bank and in hand		195,421		196,986	
		<u>316,571</u>		<u>581,084</u>	
Creditors: amounts falling due within one year	18	(50,489)		(91,196)	
Net current assets			266,082		489,888
Total assets less current liabilities			<u>4,461,197</u>		<u>4,503,730</u>
Creditors: amounts falling due after more than one year	19		(43,379)		(48,039)
Net assets			<u>4,417,818</u>		<u>4,455,691</u>
Income funds					
Restricted funds	22		3,223,785		3,103,144
<u>Unrestricted funds</u>					
Designated funds	23	711,063		599,291	
General unrestricted funds	23	482,970		753,256	
		<u>1,194,033</u>		<u>1,352,547</u>	
			<u>4,417,818</u>		<u>4,455,691</u>

The financial statements were approved by the Trustees on 11.10.22


Dr S E Murfitt
Trustee

Company Registration No. 05370758

PETERSFIELD MUSEUM LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	28		197,902		573,678
Investing activities					
Purchase of tangible fixed assets		(141,863)		(1,035,404)	
Purchase of heritage assets		(5,848)		-	
Net transfer from bank to Charles Stanley cash account		(52,000)		3,701	
Investment income received		1,405		3,392	
Net cash used in investing activities			(198,306)		(1,028,311)
Financing activities					
Repayment of bank loans		(1,161)		50,000	
Net cash (used in)/generated from financing activities			(1,161)		50,000
Net decrease in cash and cash equivalents			(1,565)		(404,633)
Cash and cash equivalents at beginning of year			196,986		601,619
Cash and cash equivalents at end of year			195,421		196,986

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Petersfield Museum Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Courthouse, St. Peters Road, Petersfield, Hampshire, GU32 3HX, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from general donations is recognised on receipt or once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. Income from fixed interest investments is recognised when received. Dividend income is recognised as the charity's right to receive payment is established.

Annual membership and life membership subscriptions are recognised in full on receipt as this income is in the nature of a gift. No accrual is included for the cost of providing annual or life members with future publications as, whilst the Trustees expect to continue to provide this service, they believe there is no contractual requirement or expectation to do so.

Admissions and gift shop income is recognised at the time of the receipt.

Government grants are accounted for when receivable and any conditions attached to the grant have been met.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

All the costs, including support costs, incurred by the charity are treated as expenses of the charitable activities of the company.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

No depreciation is provided on the buildings on the Police Station and Court House in year following the completion and subsequent opening of the museum. For financial year 2023, the trustees will obtain a valuation of the entire museum complex and determine an appropriate policy of either revaluation or depreciation going forward.

Individual fixed assets costing more than £500 have been capitalised, unless covered by specific grant or donation income.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	not provided
Freehold Property	not provided
Plant and Machinery	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Heritage assets

Over many years the charity has been given or has acquired the artifacts on display at the Petersfield Museum, including items previously displayed in the Flora Twort Gallery.

Artifacts are acquired when there is a connection to Petersfield and the surrounding area and the trustees feel that the acquisition of such items will enhance the collection.

The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied by the charity.

The trustees policy is to include heritage assets in the accounts at their insurance value. The valuation in the accounts therefore represents the insurance valuation at the latest renewal date together with the value of any additional heritage assets acquired between this date and the financial year end.

A register of heritage assets is maintained by the curatorial staff. It is intended that this will be updated when the collection returns to the museum site.

The museum also acquires a number of heritage assets through donation which are of a relatively minor value. Where the value of each item is considered by the curatorial staff of the museum to be less than £500 these items are not included in the accounts. The trustees consider that such items will have a minor impact on the overall value of the charity's heritage assets.

With the reopening of the museum to the public, as much of the collection as is commensurate with the care and preservation of the artifacts will be put on public display. Where a request is made for more detailed access to an item for the purpose of research, each such request will be considered on its individual merits.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Taxation

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

1.13 Employee benefits

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

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

1.14 Retirement benefits

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

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.15 Fund accounting

Where funds are received for a specific purpose set out by the donor or implied by the terms of appeal, these are shown as restricted income in the Statement of Financial Activities. Funds donated to be held as capital are shown as Endowment Funds. Expenditure for the purpose specified is applied against the income and any amount unexpended at the balance sheet date is shown within Restricted Funds.

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.

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within Unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general Unrestricted funds.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Valuation of fixed assets including heritage assets (see note 1.6).

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	611	21,808	22,419	4,423	9,804	14,227
Grants	62,550	248,295	310,845	128,715	775,215	903,930
Membership fees	4,676	-	4,676	1,831	-	1,831
	<u>67,837</u>	<u>270,103</u>	<u>337,940</u>	<u>134,969</u>	<u>785,019</u>	<u>919,988</u>

Grants include £nil (2021 £50,000) from Petersfield Town Council towards the expansion and remodelling of Petersfield Museum and a perennial grant of £2,500 (2021 £2,500) towards the running cost of the museum.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Shop income	Clubs	Talks	Museum Admissions	Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Sales within charitable activities	15,545	8,311	633	17,123	41,612	4,736

For the year ended 31 March 2021

	Shop income	Services provided	Clubs	Name a brick	Talks	Total 2021
	£	£	£	£	£	£
Sales within charitable activities	76	60	1,267	795	2,538	4,736

For 2022 and 2021, all charitable income was unrestricted.

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Income from listed investments	23,192	1,403	24,595	22,047	3,303	25,350
Deposit account interest	47	-	47	89	-	89
	23,239	1,403	24,642	22,136	3,303	25,439

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Investment management fees	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
	<u><u>9,000</u></u>	<u><u>9,000</u></u>

7 Charitable activities

	Museum activities	Museum activities
	2022	2021
	£	£
Staff costs	185,622	154,301
Depreciation and impairment	75,020	5,485
Rates and utilities	13,637	17,620
Insurance	7,613	8,793
Telephone and internet	4,215	2,479
Advertising	27,781	1,831
Rent	2,223	17,904
Office costs	17,854	13,293
Repairs and maintenance	1,953	701
Travel & subsistence	1,327	359
Subscriptions	1,112	880
Sundry	5,761	3,119
Training & other staff costs	4,507	1,355
Project costs	75,095	40,826
Bank charges	1,045	-
Other charitable expenditure	5,522	3,198
	<u>430,287</u>	<u>272,144</u>
Share of support costs (see note 8)	10,781	3,890
Share of governance costs (see note 8)	34,344	31,789
	<u>475,412</u>	<u>307,823</u>
	<u><u>475,412</u></u>	<u><u>307,823</u></u>
Analysis by fund		
Unrestricted funds	327,737	200,579
Restricted funds	147,675	107,244
	<u>475,412</u>	<u>307,823</u>
	<u><u>475,412</u></u>	<u><u>307,823</u></u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Finance costs	3,216	-	3,216	3,890	-	3,890
Health & Safety	7,565	-	7,565	-	-	-
Accountancy	-	15,381	15,381	-	22,518	22,518
Professional fees	-	18,963	18,963	-	9,271	9,271
	<u>10,781</u>	<u>34,344</u>	<u>45,125</u>	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>
Analysed between						
Charitable activities	<u>10,781</u>	<u>34,344</u>	<u>45,125</u>	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>

Governance costs includes audit fees of £7,300 (2021- £8,340) & VAT services of £12,000 (2021 - £nil).

9 Trustee's remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the period ended 31 March 2021.

Trustee's expenses

During the year a total of £1,677 (2021 - £1,210) was paid to 3 trustees (2021 - 2 trustees) in respect of the reimbursement of payments made on behalf of the charity.

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	<u>8</u>	<u>7</u>
Employment costs	2022	2021
	£	£
Wages and salaries	171,443	142,147
Social security costs	10,722	9,193
Other pension costs	3,457	2,961
	<u>185,622</u>	<u>154,301</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

(Continued)

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

The key management personnel of the charity comprise the museum curator, the museum director and the head of engagement. The total employee benefits, comprising salary, pension contributions and Employers National Insurance contributions of the key management personnel of the charity were £97,891 (2021: £90,679).

£56,989 of the staff costs (including pension costs) have been allocated to the Pathways Project (2021 - £75,439).

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Revaluation of investments	37,700	(3,190)	34,510	67,297	61	67,358
Gain/(loss) on sale of investments	7,835	-	7,835	(4,103)	-	(4,103)
	<u>45,535</u>	<u>(3,190)</u>	<u>42,345</u>	<u>63,194</u>	<u>61</u>	<u>63,255</u>

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2021	2,849,959	284,750	3,134,709
Additions	51,658	90,205	141,863
At 31 March 2022	<u>2,901,617</u>	<u>374,955</u>	<u>3,276,572</u>
Depreciation and impairment			
At 1 April 2021	-	37,532	37,532
Depreciation charged in the year	-	75,020	75,020
At 31 March 2022	<u>-</u>	<u>112,552</u>	<u>112,552</u>
Carrying amount			
At 31 March 2022	<u>2,901,617</u>	<u>262,403</u>	<u>3,164,020</u>
At 31 March 2021	<u>2,849,959</u>	<u>247,218</u>	<u>3,097,177</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

(Continued)

The land and buildings were valued by the trustees at an estimate of their market value based on current use. In the case of the former Court House in Petersfield this represents the market value of £145,000 in accordance with the valuation carried out in the year ended 28 February 2014. The original cost of this building (including associated legal costs) was £60,527. In the case of the former police station in Petersfield, market value is taken as being the original purchase price of £455,887 (including associated legal costs) and conversion costs and professional fees toward the conversion of £2,293,811. In the opinion of the trustees, the overall total of £2,894,698 is not considered to be significantly different from the market value of the combined site.

13 Heritage assets

	Restricted £	Unrestricted £	Total £
At 1 April 2021	161,752	110,250	272,002
Purchases	5,848	-	5,848
At 31 March 2022	<u>167,600</u>	<u>110,250</u>	<u>277,850</u>

The only changes to heritage assets as included in the accounts within the last five years are the purchases of £3,050 in the year ended 29 February 2019, £2,790 in the period ended 31 March 2020 and £5,848 in the year ended 31 March 2022. Prior to 28 February 2018 heritage assets were not recognised in the accounts, from that date, however, all heritage assets owned by the charity, whether acquired by purchase or donation, are shown on the balance sheet, subject to the exclusion for small items acquired by donation as set out in accounting policies.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Fixed asset investments

	Listed investments	Cash	Total
	£	£	£
Cost or valuation			
At 1 April 2021	579,142	65,518	644,660
Additions	195,659	(195,659)	-
Valuation changes	34,510	-	34,510
Surplus/ (Loss) on disposal	7,835	-	7,835
Transfer from general funds in year	-	52,000	52,000
Disposals	(101,917)	101,917	-
Dividend income	-	23,240	23,240
Investment management fees	-	(9,000)	(9,000)
	<u>715,229</u>	<u>38,016</u>	<u>753,245</u>
Carrying amount			
At 31 March 2022	<u>715,229</u>	<u>38,016</u>	<u>753,245</u>
At 31 March 2021	<u>579,145</u>	<u>65,518</u>	<u>644,663</u>

Fixed asset investments revalued

If the fixed asset investments were to be carried at their historical cost value they would have a value of £687,482 (2021 - £615,587).

15 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	753,245	644,663
	<u>753,245</u>	<u>644,663</u>

16 Stocks

	2022	2021
	£	£
Stocks	12,087	4,216
	<u>12,087</u>	<u>4,216</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	388	-
Other debtors	20,154	238,202
Prepayments and accrued income	88,521	141,680
	<u>109,063</u>	<u>379,882</u>

18 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	20	5,460	1,961
Other taxation and social security		4,821	3,283
Trade creditors		20,928	45,719
Other creditors		1,414	795
Accruals and deferred income		17,866	39,438
		<u>50,489</u>	<u>91,196</u>

19 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	20	43,379	48,039
		<u>43,379</u>	<u>48,039</u>

20 Loans and overdrafts

	2022	2021
	£	£
Bank loans	48,839	50,000
	<u>48,839</u>	<u>50,000</u>
Payable within one year	5,460	1,961
Payable after one year	43,379	48,039
	<u>48,839</u>	<u>50,000</u>

21 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £3,457 (2021 - £2,961).

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2021	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£	£
Blackrock	27,114	1,305	-	-	-	28,419	966	-	(2,169)	27,216
M&G Investments	27,034	598	-	-	61	27,693	437	-	(1,021)	27,109
Flora Twort Fund	348,250	-	-	-	-	348,250	-	-	-	348,250
Pathways project	1,545,432	723,303	(101,048)	3,425	-	2,171,112	251,627	(135,266)	-	2,287,473
Edward Thomas Study Centre	110,250	5,204	(5,204)	-	-	110,250	249	-	-	110,499
Don Eades	-	7,500	-	-	-	7,500	12,900	(12,336)	-	8,064
School for Social Entrepreneurs	3,425	-	-	(3,425)	-	-	-	-	-	-
Flora Twort Gallery	360,500	48,412	(992)	-	-	407,920	4,493	-	-	412,413
Other	-	2,000	-	-	-	2,000	834	(73)	-	2,761
	<u>2,422,005</u>	<u>788,322</u>	<u>(107,244)</u>	<u>-</u>	<u>61</u>	<u>3,103,144</u>	<u>271,506</u>	<u>(147,675)</u>	<u>(3,190)</u>	<u>3,223,785</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22 Restricted funds

(Continued)

The restricted funds Blackrock and M&G Investments were all passed to Hampshire County Council under the will of Flora Twort and were subsequently transferred to the charity. The Blackrock and M&G Investments funds represent a trust fund the income from which can only be used on the Flora Twort gallery building or collections.

The Flora Twort fund represents its share of the police station purchased partly with the disposal proceeds of the gallery building itself.

The restricted fund Pathways project (previously described as the Capital Project) represents funds received principally from the Heritage Lottery Fund but also from trusts, foundations and individual donors towards the redevelopment of the enlarged site and the provision of public engagement activities. These funds are only recognised once all the requirements to receive the funds have been fully satisfied.

The Edward Thomas Study Centre represents Heritage Assets and the value of the books loaned by the Edward Thomas Fellowship to Petersfield Museum for display in the Edward Thomas Study Centre. They are insured by Petersfield Museum.

The Don Eades fund represents a project to conserve and preserve the negatives within the collection. The work is to be carried out during the exhibition period November 2021 to May 2022.

The School for Social Entrepreneurs fund was earmarked to fund the Digital Ticketing System as part of the Pathways Project which was successfully delivered in the year, therefore a transfer between funds has been made.

The Flora Twort Gallery fund is a capital project with the purpose of constructing a purpose built art and temporary exhibition gallery to government indemnity scheme standard, known as the Flora Twort Gallery (formerly the South East Gallery (SEG)) and work commenced and finished at the same time as that on the capital elements of Pathways into the Past. It was financed largely through a donation of £375,000 from the HB Allen Charitable Trust, with two or three smaller grants to meet the expected capital cost of £385,000

The other restricted funds represent the income from grants and donations made to the charity for specific projects and associated expenses.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	Movement in funds					Movement in funds					
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£	£	£
Designated curatorial fund	1,177,098	21,428	(9,000)	(653,429)	63,194	599,291	23,239	(9,000)	46,254	51,279	711,063
General fund	75,520	140,413	(197,456)	650,306	-	668,783	109,449	(333,481)	(46,254)	-	398,497
Revaluation reserve	84,473	-	-	-	-	84,473	-	-	-	-	84,473
Decant	-	-	(3,123)	3,123	-	-	-	-	-	-	-
	<u>1,337,091</u>	<u>161,841</u>	<u>(209,579)</u>	<u>-</u>	<u>63,194</u>	<u>1,352,547</u>	<u>132,688</u>	<u>(342,481)</u>	<u>-</u>	<u>51,279</u>	<u>1,194,033</u>

The designated curatorial fund is a fund set up by the trustees to hold surplus funds and is represented by an investment portfolio managed by Charles Stanley & Co Ltd and cash not yet spent.

The revaluation reserve represents the excess of the current valuation of the Old Courthouse of £145,000 over the original £60,527.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	300,629	2,863,391	3,164,020	294,690	2,802,487	3,097,177
Heritage assets	167,600	110,250	277,850	161,752	110,250	272,002
Investments	711,065	42,180	753,245	599,354	45,309	644,663
Current assets/ (liabilities)	58,118	207,964	266,082	344,790	145,098	489,888
Long term liabilities	(43,379)	-	(43,379)	(48,039)	-	(48,039)
	<u>1,194,033</u>	<u>3,223,785</u>	<u>4,417,818</u>	<u>1,352,547</u>	<u>3,103,144</u>	<u>4,455,691</u>

25 Financial commitments, guarantees and contingent liabilities

In the event of a breach of the terms of the Heritage Lottery Fund grant, the fund may require repayment of all or part of the payments made to the museum to date. As at 31 March 2022 the maximum liability under this provision was £1,421,694 (2021 - £1,136,102)

In the year to 31 March 2022 the charity received a grant of £nil (2021 - £50,000) from Petersfield Town Council. In the event of a breach in the terms of the grant the council may require repayment of all or part of the grant.

The Heritage Lottery Fund has been granted a first charge over all the assets of the charitable company as in the event of a breach of the conditions of the grant, the Heritage Lottery Fund may require repayment of all or part of the grant paid to date.

Petersfield Town Council has been granted a charge over the freehold property at Petersfield Museum as in the event of a breach of the conditions of the grant, the council may require repayment of all or part of the grant paid to date.

26 Capital commitments

2022
£

2021
£

At 31 March 2022 the charitable company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

-

143,521

27 Related party transactions

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

27 Related party transactions (Continued)

Payments totalling £550 (2021: £839) were made to Paul Martin Studio - Working Practice Ltd, a company connected to a trustee to provide goods to sell in the shop and marketing items to be used at events.

28 Cash generated from operations	2022	2021
	£	£
(Deficit)/surplus for the year	(37,873)	696,595
Adjustments for:		
Investment income recognised in statement of financial activities	(24,642)	(25,439)
(Gain)/loss on disposal of investments	(7,835)	4,103
Fair value gains and losses on investments	(34,510)	(67,358)
Depreciation and impairment of tangible fixed assets	75,020	5,485
Investment management fees	9,000	9,000
Movements in working capital:		
(Increase) in stocks	(7,871)	-
Decrease/(increase) in debtors	270,819	(107,990)
(Decrease)/increase in creditors	(44,206)	59,282
Cash generated from operations	197,902	573,678

29 Analysis of changes in net funds

	At 1 April 2021	Cash flows At 31 March 2022	
	£	£	£
Cash at bank and in hand	196,986	(1,565)	195,421
Loans falling due within one year	(1,961)	(3,499)	(5,460)
Loans falling due after more than one year	(48,039)	4,660	(43,379)
	<u>146,986</u>	<u>(404)</u>	<u>146,582</u>

Petersfield Museum and Art Gallery Limited

England & Wales - Charity number 1108817

Accounts

Charity Registration No. 1108817

Company Registration No. 05370758 (England and Wales)

PETERSFIELD MUSEUM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

PETERSFIELD MUSEUM LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P C Taylor A D Jones F Cook W E Gosney J Mitchell Lady W A C Normington CBE (Appointed 26 May 2020) S Howard P A Martin V R Clarke
Secretary	F Cook
Charity number	1108817
Company number	05370758
Registered office	The Old Courthouse St. Peters Road Petersfield Hampshire United Kingdom GU32 3HX
Auditor	Azets Audit Services Athenia House 10-14 Andover Road Winchester Hampshire United Kingdom SO23 7BS
Investment advisors	Charles Stanley & Co Limited 2 Westover Road Bournemouth BH1 2BY

PETERSFIELD MUSEUM LIMITED

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PETERSFIELD MUSEUM LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The charity's objects are to advance the education of the public by the establishment and maintenance of a museum for items of historical and archaeological interest, archives, photographs, flora and fauna together with arts and crafts especially those relating to the town of Petersfield and the surrounding area.

In normal circumstances the charity would measure its success against the above objectives by its level of engagement with the public either by the number of visitors to the museum or attendees at its outreach events. As the museum has been closed to the public during the period under review this has not been possible.

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

Significant activities

2020 was the year in which everything was greatly affected by the Covid-19 lockdowns and restrictions. At the start of our financial year our builders, Phoenix Construction Ltd, had just been forced to leave site, and when they returned several weeks later it was with a restricted workforce on site, and with no visits allowed.

The national lockdown affected many of the suppliers on whom the builders relied, and, as a result the building work stretched out far more than we would have liked and it was mid December 2020, before the builders left site and the cases started to arrive and the company carrying out all the fitout, Workhaus, arrived on site.

Off-site we had to extend our leases with the Town Council for the first-floor space that we were renting in order to store our collections, and for the shop in Dragon Street which housed our 5 members of staff.

Because of all the restrictions we could not use any of our volunteers on site, though a number of them carried out some tremendous research in addition to helping to write articles for the Petersfield Post, where we had a full-page historical item almost every week.

To reduce the number of staff that were allowed in our Dragon Street Office, the majority of staff worked from home, the curatorial staff working on the displays, whilst our education and outreach staff prepared work for when we eventually opened to the public. Unfortunately we were not allowed to run any walks or talks whilst restrictions persisted.

In early March 2021 we moved all our collections and all our racking back from the Town Hall, and thanks to the excellent work of our curator, Sophie Yaniw, and the work by a number of volunteers some months earlier, in boxing up many items, everything was soon situated in its designated place. The move from our Dragon Street shop was completed soon afterwards, and so now all our staff are on site. The final refurbished museum is looking fantastic and will be a great asset for the Town. We are actively looking for somebody to run the museum café, which, we have decided will not be run in-house.

The cataloguing of the Don Eades photographic archive which was completed last year thanks to the dedication of a number of volunteers, has now been given funding by the Hampshire Archives Trust, to enable us to store the items correctly.

The Board wishes to thank all the volunteers for their support in various roles, they have done an amazing job during the year. Without their continued help the Museum could not function as a resource available to the public.

I would like to thank the Board for their tremendous support, and the way that they have all taken an active role in the development project, major fundraising from a number of Trusts, and assisting the curators with the preparation of the display material, including the design of the artwork. All our meetings this year have been held online.

Following the resignation as a trustee during the previous financial year of Wayne Robertson, we are pleased to welcome Lady Win Normington, who has a great interest on the education side, to our Board.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2021

Public benefit

In shaping the objectives for the year and planning the activities, the Board has considered carefully the Charity Commission's guidance on public benefit. The museum provides public benefit through a range of activities, including providing educational activities, by its contribution to historical research regarding the town of Petersfield and the surrounding area and preservation of historical artefacts relating to the local area.

The trustees believe that the charity fulfils its objectives and provides public benefit by:

- opening the museum to the public and providing a good visitor experience.
- caring for the collections in accordance with proper professional standards.
- providing educational activities for schools, colleges and the general public.
- facilitating activities for special interest groups.
- working to emphasise the importance of the study of the history and archaeology of Petersfield and the surrounding area.

The cost of entry to the museum is set at a level which compares well with other local museums and the charges for activities are considered to offer good value for money.

The trustees believe that the public benefit provided by the museum will be further enhanced when the 'new' Petersfield Museum opens to the public when the current National Lottery Heritage funded (NLHF) project is completed.

Achievements and performance

Fundraising activities

During the year the Fundraising activities have been underpinned by the work of our Finance Trustee, Jeremy Mitchell, who is a Member of the Chartered Institute of Fundraisers and who acts for the Charity in a purely voluntary capacity. In this work he is assisted by another Museum Trustee, Peter Taylor, who also has considerable experience in this field.

Most of the activity this year has been monitoring and reporting on the Pathways into the Past project, and ensuring reports are submitted in a timely manner in order to draw funds in a manner that optimises cashflow.

In total, £662,700 has been drawn from the NLHF during the year and further grants have been received from Fieldfare (£48,000) (part of the EU funded LEADER Programme) and other grant funding organisations such as the Syder Foundation, the Association of Independent Museums, the Museum Development programme and the Friends of the National Libraries. We are extremely grateful to these organisations, and those who have given so generously in previous years, for their kind and important support.

Like other organisations in the sector, the Charity has seen its ability to generate income during the pandemic brought to nothing. The support of the Government Business Grant Schemes and firstly Emergency Funding and then Cultural Recovery Funding through Arts Council England (subject to application in a competitive environment) has been crucial to the Charity's resilience and sustainability throughout the period. The sums raised from these sources totaled £33,714 and £80,750.

As always, the Trustees are grateful to the Petersfield Town Council for their perennial grant of £2,500 and also for releasing the final tranche of their £150,000 grant towards the Pathways project.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Reserves policy

The trustees remain committed to a policy of professional curatorial direction to achieve the development of the museum and have maintained the policy of designating part of the capital as a curatorial fund. This policy has been temporarily amended to assist with the cost of redeveloping the enlarged site.

During the year the charity's main reserve fund held with Charles Stanley reported a positive capital return of 4.8%, although a true figure is not easy to calculate as during the period £100,000 was held as cash to support cashflow for the Pathways into the Past project, pending quarterly reimbursement from the NLHF. Overall, the trustees remain satisfied that these funds are returning a reasonable rate of return over the long term.

VAT Registration

During the year the Trustees made the decision to become VAT registered and engaged the professional firm of Wilkins Kennedy (now Azets) to advise the Trustees and guide them through the process. This process involved the backdating of the Registration Date to 1 January 2017 and, a sizeable VAT repayment which has now been received. The application to register was submitted in December 2020 and the registration was approved 1 April 2021.

The Charity's Trustees took the opportunity to review the appointment of auditors prior to the previous year's AGM. Quotes were obtained from three firms, including the previous auditors and Azets and Azets were recommended for approval (and subsequently approved) at the 2020 AGM.

Future plans

The Museum re-opened to the public, in line with Government guidelines and on a restricted scale in June 2021 before opening fully on 19 July 2021. We contacted all our volunteers to ensure we have enough volunteers from opening. Plans to hold an official opening in early July 2021 were postponed until October and Gyles Brandreth performed the task of 'cutting the ribbon'.

The local side of the fundraising, which has been in the form of 'sponsored bricks' has been a tremendous success. When the hoardings were removed recently, the bricks attracted a lot of interest from the general public.

PETERSFIELD MUSEUM LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Governing document

Petersfield Museum Limited is a charitable company limited by guarantee, incorporated on 21 February 2005 (registration number 05370758) and registered as a charity on 4 April 2005 (registration number 1108817). The company's Memorandum of Association established the objectives and powers of the charitable company, which is governed under its Articles of Association. In the event of the company being wound up subscribing members are required to contribute to an amount not exceeding £10.

The membership of the Company comprises Subscribing Members who make an annual £20 contribution to the funds. Subscribing Members are entitled to attend the AGM and only Subscribing Members can stand as, and vote for, directors. The directors of the company are also trustees for the purpose of charity law.

Under the requirements of the Memorandum and Articles of Association, at each annual general meeting one third of the directors must retire from office. Retiring directors may offer themselves for re-election. Directors must be Subscribing Members of the company and are recruited for the mix of skills and talents required for a company and charity of this nature. The Company is the sole trustee of the Flora Twort charity, which has a separate Charity Commission registration.

The board has overall responsibility for policy, for finance and for the provision of facilities needed to enable the Museum to fulfil its objects. Whilst many aspects of day-to-day management will evolve towards the Museum Director, the Board will remain the ultimate decision-making body, taking into account information provided by the Museum Director and their team. The board and staff are responsible for the displays, collections of archive and artefact material and the education programme.

Surplus funds are placed either on deposit with the company's bankers, our investment advisors or with licensed deposit takers in order to obtain the best return commensurate with security of funds and the need to retain cashflow.

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

P C Taylor

A D Jones

F Cook

W E Gosney

J Mitchell

C Newbery

(Resigned 21 September 2021)

Lady W A C Normington CBE

(Appointed 26 May 2020)

S Howard

P A Martin

V R Clarke

We have been joined by two members of staff during the year, both appointed on Fixed Term contracts as part of the Pathways project and whose salaries are paid from project monies received, including that from the National Lottery Heritage Fund.

Mark Berry joined us on a six-month contract as our new Curatorial Intern in October 2020, helping to research items for future exhibitions, whilst Joe Shepherd, who joined us in January 2021, again on a six-month contract, is our new Visitor Experience Intern. Joe will be helping to set up the museum shop and dealing with visitors once the museum reopens

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Induction and training of trustees

All newly appointed trustees are provided with a full introduction to the charity, including meeting with existing trustees to ask any questions they may have. They are also given access to the Charities Commission's guidance 'the essential trustee: what you need to know, what you need to do'.

New trustees are required to meet with the board as a whole before their appointment is confirmed and are offered the opportunity to attend training for their role as trustee.

PETERSFIELD MUSEUM LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees (who are also the directors of Petersfield Museum Limited (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

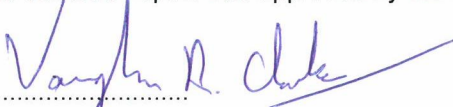
In so far as the trustees are aware:

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

Auditor

Azets Audit Services were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

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



V R Clarke

Trustee

Dated: 9/11/21

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

Opinion

We have audited the financial statements of Petersfield Museum Limited (the charitable company) for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made under section 154 of that Act.

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

PETERSFIELD MUSEUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF PETERSFIELD MUSEUM LIMITED

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

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets audit services
Michael Tizard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

..... 24/11/21

**Chartered Accountants
Statutory Auditor**

Athenia House
10-14 Andover Road
Winchester
Hampshire
United Kingdom
SO23 7BS

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

PETERSFIELD MUSEUM LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	3	134,969	785,019	919,988	14,803	768,123	782,926
Charitable activities	4	4,736	-	4,736	19,125	10,715	29,840
Investments	5	22,136	3,303	25,439	39,839	1,495	41,334
Total income		161,841	788,322	950,163	73,767	780,333	854,100
<u>Expenditure on:</u>							
<u>Raising funds</u>							
Investment management fees	6	9,000	-	9,000	-	-	-
<u>Charitable activities</u>							
Museum activities	7	200,579	107,244	307,823	177,991	128,848	306,839
Total resources expended		209,579	107,244	316,823	177,991	128,848	306,839
Net gains/(losses) on investments	11	63,194	61	63,255	(83,046)	(580)	(82,466)
Net incoming resources before transfers		15,456	681,139	696,595	(187,270)	652,065	464,795
Gross transfers between funds		-	-	-	(9,213)	9,213	-
Net movement in funds		15,456	681,139	696,595	(196,483)	661,278	464,795
Fund balances at 1 April 2020		1,337,091	2,422,005	3,759,096	1,533,574	1,760,727	3,294,301
Fund balances at 31 March 2021		1,352,547	3,103,144	4,455,691	1,337,091	2,422,005	3,759,096

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PETERSFIELD MUSEUM LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

The financial statements were approved by the Trustees on 09. NOVEMBER 20 21.


.....
F Cook
Trustee

Company Registration No. 05370758

PETERSFIELD MUSEUM LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12	3,097,177		2,067,258	
Heritage assets	13	272,002		272,002	
Investments	14	644,663		572,062	
				<u> </u>	<u> </u>
		4,013,842		2,911,322	
Current assets					
Stocks	16	4,216		4,216	
Debtors	17	379,882		271,892	
Cash at bank and in hand		196,986		601,619	
		<u> </u>		<u> </u>	
		581,084		877,727	
Creditors: amounts falling due within one year	18	(91,196)		29,953	
		<u> </u>		<u> </u>	
Net current assets		489,888		847,774	
		<u> </u>		<u> </u>	
Total assets less current liabilities		4,503,730		3,759,096	
		<u> </u>		<u> </u>	
Creditors: amounts falling due after more than one year	19	(48,039)		-	
		<u> </u>		<u> </u>	
Net assets		4,455,691		3,759,096	
		<u> </u>		<u> </u>	
		<u> </u>		<u> </u>	
Income funds					
Restricted funds	22	3,103,144		2,422,005	
Unrestricted funds	23	1,352,547		1,337,091	
		<u> </u>		<u> </u>	
		4,455,691		3,759,096	
		<u> </u>		<u> </u>	

PETERSFIELD MUSEUM LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	31		573,678		256,328
Investing activities					
Purchase of tangible fixed assets		(1,035,404)		(1,260,776)	
Proceeds on disposal of tangible fixed assets		-		3,600	
Purchase of heritage assets		-		(2,790)	
Net transfer of Charles Stanley cash account to bank		3,701		-	
Purchase of other investments		-		(145,526)	
Proceeds on disposal of other investments		-		320,479	
Investment income received in bank		3,392		41,334	
Net cash used in investing activities			(1,028,311)		(1,043,679)
Financing activities					
New bank loans taken out		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net decrease in cash and cash equivalents			(404,633)		(787,351)
Cash and cash equivalents at beginning of year			601,619		1,388,970
Cash and cash equivalents at end of year			196,986		601,619

PETERSFIELD MUSEUM LIMITED

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

1 Accounting policies

Charity information

Petersfield Museum Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Courthouse, St. Peters Road, Petersfield, Hampshire, GU32 3HX, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements are for the year to 31 March 2021, the comparative information is for the 13 month period to 31 March 2020.

1.2 Going concern

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

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from general donations is recognised on receipt or once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. Income from fixed interest investments is recognised when received. Dividend income is recognised as the charity's right to receive payment is established.

Annual membership and life membership subscriptions are recognised in full on receipt as this income is in the nature of a gift. No accrual is included for the cost of providing annual or life members with future publications as, whilst the Trustees expect to continue to provide this service, they believe there is no contractual requirement or expectation to do so.

Government grants are accounted for when receivable and any conditions attached to the grant have been met.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

All the costs, including support costs, incurred by the charity are treated as expenses of the charitable activities of the company.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

No depreciation is provided on the buildings on the Police Station and Court House site while construction work is in progress. When work is complete the trustees will obtain a valuation of the entire museum complex and determine an appropriate policy of either revaluation or depreciation going forward.

Individual fixed assets costing more than £500 have been capitalised, unless covered by specific grant or donation income.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	not provided
Freehold Property	not provided
Plant and Machinery	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Heritage assets

Over many years the charity has been given or has acquired the artifacts on display at the Petersfield Museum, including items previously displayed in the Flora Twort Gallery.

Artifacts are acquired when there is a connection to Petersfield and the surrounding area and the trustees feel that the acquisition of such items will enhance the collection.

The charity has a clear duty of care for these assets and to make them available for the enjoyment and education of the public as far as possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied by the charity.

The trustees policy is to include heritage assets in the accounts at their insurance value. The valuation in the accounts therefore represents the insurance valuation at the latest renewal date together with the value of any additional heritage assets acquired between this date and the financial year end.

A register of heritage assets is maintained by the curatorial staff. It is intended that this will be updated when the collection returns to the museum site.

The museum also acquires a number of heritage assets through donation which are of a relatively minor value. Where the value of each item is considered by the curatorial staff of the museum to be less than £500 these items are not included in the accounts. The trustees consider that such items will have a minor impact on the overall value of the charity's heritage assets.

When the extended museum reopens to the public, as much of the collection as is commensurate with the care and preservation of the artifacts will be put on public display. Where a request is made for more detailed access to an item for the purpose of research, each such request will be considered on its individual merits.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Taxation

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

1.13 Employee benefits

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

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

1.14 Retirement benefits

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

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.16 Fund accounting

Where funds are received for a specific purpose set out by the donor or implied by the terms of appeal, these are shown as restricted income in the Statement of Financial Activities. Funds donated to be held as capital are shown as Endowment Funds. Expenditure for the purpose specified is applied against the income and any amount unexpended at the balance sheet date is shown within Restricted Funds.

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.

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within Unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general Unrestricted funds.

1.17 Reporting period

The company lengthened its previous year end from 1 March 2019 to 31 March 2020 making the comparable figures for last period relate to an 13 month period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- Valuation of fixed assets including heritage assets

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	4,423	9,804	14,227	7,881	2,065	9,946
Legacies receivable	-	-	-	-	5,000	5,000
Grants	128,715	775,215	903,930	5,113	761,058	766,171
Membership fees	1,831	-	1,831	1,809	-	1,809
	<u>134,969</u>	<u>785,019</u>	<u>919,988</u>	<u>14,803</u>	<u>768,123</u>	<u>782,926</u>

Grants include £50,000 from Petersfield Town Council towards the expansion and remodelling of Petersfield museum and a perennial grant of £2,500 towards the running costs of the museum.

4 Charitable activities

	Shop income	Services provided	Clubs	Name a brick	Talks	Total 2021	Total 2020
	2021	2021	2021	2021	2021		
	£	£	£	£	£	£	£
Sales within charitable activities	<u>76</u>	<u>60</u>	<u>1,267</u>	<u>795</u>	<u>2,538</u>	<u>4,736</u>	<u>29,840</u>

This year all charitable income was unrestricted.

For the year ended 31 March 2020

	Fundraising	Shop income	Services provided	Total 2020
	£	£	£	£
Sales within charitable activities	<u>20,898</u>	<u>2,287</u>	<u>6,655</u>	<u>29,840</u>
Analysis by fund				
Unrestricted funds	10,183	2,287	6,655	19,125
Restricted funds	10,715	-	-	10,715
	<u>20,898</u>	<u>2,287</u>	<u>6,655</u>	<u>29,840</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Income from listed investments	22,047	3,303	25,350	35,310	1,495	36,805
Deposit account interest	89	-	89	4,529	-	4,529
	<u>22,136</u>	<u>3,303</u>	<u>25,439</u>	<u>39,839</u>	<u>1,495</u>	<u>41,334</u>

6 Raising funds

	Unrestricted funds	Total
	2021 £	2020 £
Investment management fees	9,000	-
	<u>9,000</u>	<u>-</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	Museum activities 2021 £	Museum activities 2020 £
Staff costs	154,301	128,178
Depreciation and impairment	5,485	5,007
Rates and utilities	17,620	6,752
Insurance	8,793	6,481
Telephone and internet	2,479	2,050
Advertising	1,831	4,647
Rent	17,904	25,815
Office costs	13,293	4,094
Repairs and maintenance	701	565
Travel & subsistence	359	517
Subscriptions	880	390
Sundry	3,119	340
Training	1,355	1,440
Project costs	40,826	71,144
Other charitable expenditure	3,198	17,290
	<u>272,144</u>	<u>274,710</u>
Share of support costs (see note 8)	3,890	10,157
Share of governance costs (see note 8)	31,789	21,972
	<u>307,823</u>	<u>306,839</u>
Analysis by fund		
Unrestricted funds	200,579	177,991
Restricted funds	107,244	128,848
	<u>307,823</u>	<u>306,839</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Investment management	-	-	-	8,692	-	8,692
Finance costs	3,890	-	3,890	1,465	-	1,465
Accountancy fees	-	22,518	22,518	-	21,972	21,972
Professional fees	-	9,271	9,271	-	-	-
	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>	<u>10,157</u>	<u>21,972</u>	<u>32,129</u>
Analysed between						
Charitable activities	<u>3,890</u>	<u>31,789</u>	<u>35,679</u>	<u>10,157</u>	<u>21,972</u>	<u>32,129</u>

Governance costs includes audit fees of £8,340 (2020- £4,730) for audit fees.

9 Trustee's remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the period ended 31st March 2020.

Trustee's expenses

During the year a total of £1,210 (2020 - £1,965) was paid to 2 trustees (2020 - 4 trustees) in respect of the reimbursement of payments made on behalf of the charity.

10 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	<u>7</u>	<u>5</u>
Employment costs	2021	2020
	£	£
Wages and salaries	142,147	123,904
Social security costs	9,193	1,571
Other pension costs	2,961	2,703
	<u>154,301</u>	<u>128,178</u>

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

£75,439 of the staff costs (including pension costs) have been allocated to the Pathways Project (2020 - £76,134).

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Revaluation of investments	67,297	61	67,358	(76,892)	581	(76,311)
Gain/(loss) on sale of investments	(4,103)	-	(4,103)	(6,154)	-	(6,154)
	<u>63,194</u>	<u>61</u>	<u>63,255</u>	<u>(83,046)</u>	<u>581</u>	<u>(82,465)</u>

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2020	2,055,935	43,370	2,099,305
Additions	794,024	241,380	1,035,404
At 31 March 2021	<u>2,849,959</u>	<u>284,750</u>	<u>3,134,709</u>
Depreciation and impairment			
At 1 April 2020	-	32,047	32,047
Depreciation charged in the year	-	5,485	5,485
At 31 March 2021	<u>-</u>	<u>37,532</u>	<u>37,532</u>
Carrying amount			
At 31 March 2021	<u>2,849,959</u>	<u>247,218</u>	<u>3,097,177</u>
At 31 March 2020	<u>2,055,935</u>	<u>11,323</u>	<u>2,067,258</u>

The land and buildings were valued by the trustees at an estimate of their market value based on current use. In the case of the former Court House in Petersfield this represents the market value of £145,000 in accordance with the valuation carried out in the year ended 28 February 2014. The original cost of this building (including associated legal costs) was £60,527. In the case of the former police station in Petersfield, market value is taken as being the original purchase price of £455,887 (including associated legal costs) and conversion costs and professional fees toward the conversion of £2,249,072. In the opinion of the trustees, the overall total of £2,849,959 is not considered to be significantly different from the market value of the combined site.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Heritage assets

	Restricted £	Unrestricted £	Total £
At 1 April 2020 and at 31 March 2021	161,752	110,250	272,002

The only changes to heritage assets as included in the accounts within the last five years are the purchases of £3,050 in the year ended 29 February 2019 and £2,790 in the period ended 31 March 2020. Prior to 28 February 2018 heritage assets were not recognised in the accounts, from that date, however, all heritage assets owned by the charity, whether acquired by purchase or donation, are shown on the balance sheet, subject to the exclusion for small items acquired by donation as set out in accounting policies.

14 Fixed asset investments

	Listed investments £	Cash £	Total £
Cost or valuation			
At 1 April 2020	572,062	-	572,062
Opening capital and income fund transferreingd	-	144,299	144,299
Additions	235,738	(235,738)	-
Valuation changes	67,358	-	67,358
Surplus/ (Loss) on disposal	(4,103)	-	(4,103)
Transfer to general funds in year	-	(148,000)	(148,000)
Disposals	(291,910)	291,910	-
Dividend income	-	22,047	22,047
Investment management fees	-	(9,000)	(9,000)
At 31 March 2021	579,145	65,518	644,663
Carrying amount			
At 31 March 2021	579,145	65,518	644,663
At 31 March 2020	572,061	-	572,061

Fixed asset investments revalued

If the fixed asset investments were to be carried at their historical cost value they would have a value of £615,587 (2020 - £609,436).

15 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	579,145	572,061

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16	Stocks		2021	2020
			£	£
	Stocks		4,216	4,216
			<u> </u>	<u> </u>
17	Debtors		2021	2020
	Amounts falling due within one year:		£	£
	Other debtors		238,202	264,920
	Prepayments and accrued income		141,680	6,972
			<u> </u>	<u> </u>
			379,882	271,892
			<u> </u>	<u> </u>
18	Creditors: amounts falling due within one year		2021	2020
		Notes	£	£
	Bank loans	20	1,961	-
	Other taxation and social security		3,283	8,051
	Trade creditors		45,719	2,661
	Other creditors		795	527
	Accruals and deferred income		39,438	18,714
			<u> </u>	<u> </u>
			91,196	29,953
			<u> </u>	<u> </u>
19	Creditors: amounts falling due after more than one year		2021	2020
		Notes	£	£
	Bank loans	20	48,039	-
			<u> </u>	<u> </u>
20	Loans and overdrafts		2021	2020
			£	£
	Bank loans		50,000	-
			<u> </u>	<u> </u>
	Payable within one year		1,961	-
	Payable after one year		48,039	-
			<u> </u>	<u> </u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £2,961 (2020 - £2,703).

PETERSFIELD MUSEUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019		Movement in funds				Movement in funds				Balance at 31 March 2021		
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	£
Blackrock M&G	25,766	974	-	-	-	374	27,114	1,305	-	-	-	-	28,419
Investments	26,307	521	-	-	-	206	27,034	598	-	-	61	27,693	
Flora Twort Fund	348,250	-	-	-	-	-	348,250	-	-	-	-	348,250	
Barrows project	868	10,000	(17,834)	6,966	-	-	-	-	-	-	-	-	
Pathways project	896,062	758,338	(108,968)	-	-	-	1,545,432	723,303	(101,048)	3,425	-	2,171,112	
Edward Thomas	109,299	-	(724)	1,675	-	-	110,250	5,204	(5,204)	-	-	110,250	
Study Centre	750	-	(1,322)	572	-	-	-	7,500	-	-	-	7,500	
Don Eades	3,425	-	-	-	-	-	3,425	-	-	(3,425)	-	-	
School for Social Entrepreneurs	350,000	10,500	-	-	-	-	360,500	48,412	(992)	-	-	407,920	
Flora Twort Gallery	-	-	-	-	-	-	-	2,000	-	-	-	2,000	
Other	-	-	-	-	-	-	-	-	-	-	-	-	
	1,760,727	780,333	(128,848)	9,213	580	2,422,005	788,322	(107,244)	61	3,103,144			

PETERSFIELD MUSEUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

22 Restricted funds **(Continued)**

The restricted funds Blackrock and M&G Investments were all passed to Hampshire County Council under the will of Flora Twort and were subsequently transferred to the charity. The Blackrock and M&G Investments funds represent a trust fund the income from which can only be used on the Flora Twort gallery building or collections.

The Flora Twort fund represents its share of the police station purchased partly with the disposal proceeds of the gallery building itself.

The Barrows Project was a project for the understanding and conservation of Petersfield's historic barrows. This project has now finished and the shortfall on the project was covered by a transfer from the General Fund in the previous year.

The restricted fund Pathways project (previously described as the Capital Project) represents funds received principally from the Heritage Lottery Fund but also from trusts, foundations and individual donors towards the redevelopment of the enlarged site and the provision of public engagement activities. These funds are only recognised once all the requirements to receive the funds have been fully satisfied.

The Edward Thomas Study Centre represents Heritage Assets and the value of the books loaned by the Edward Thomas Fellowship to Petersfield Museum for display in the Edward Thomas Study Centre. They are insured by Petersfield Museum.

The Don Eades fund represents a project to conserve and preserve the negatives within the collection. The work is to be carried out during the exhibition period November 2021 to May 2022.

The School for Social Entrepreneurs fund was earmarked to fund the Digital Ticketing System as part of the Pathways Project which was successfully delivered in the year, therefore a transfer between funds has been made.

The Flora Twort Gallery fund is a capital project with the purpose of constructing a purpose built art and temporary exhibition gallery to government indemnity scheme standard, known as the Flora Twort Gallery (formerly the South East Gallery (SEG)) and work commenced and finished at the same time as that on the capital elements of Pathways into the Past. It was financed largely through a donation of £375,000 from the HB Allen Charitable Trust, with two or three smaller grants to meet the expected capital cost of £385,000

The other restricted funds represent the income from grants and donations made to the charity for specific projects and associated expenses.

PETERSFIELD MUSEUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

23 Unrestricted funds

The income funds of the charity include the following unrestricted funds:

	Balance at 1 April 2019		Movement in funds			Movement in funds			Balance at 31 March 2021				
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	£
General fund	215,575	38,457	38,457	(152,009)	(26,503)	-	75,520	140,413	(197,456)	650,306	-	668,783	
Charles Stanley Investment	1,233,526	35,310	35,310	(8,692)	-	(83,046)	1,177,098	21,428	(9,000)	(653,429)	63,194	599,291	
Revaluation Reserve	84,473	-	-	-	-	-	84,473	-	-	-	-	84,473	
Decant	-	-	-	(17,290)	17,290	-	-	-	(3,123)	3,123	-	-	
	1,533,574	73,767	73,767	(177,991)	(9,213)	(83,046)	1,337,091	161,841	(209,579)	-	63,194	1,352,547	

The Charles Stanley Fund is a designated fund set up by the trustees to hold surplus funds and is represented by an investment portfolio managed by Charles Stanley & Co Ltd and cash not yet spent.

The revaluation reserve represents the excess of the current valuation of the Old Courthouse of £145,000 over the original £60,527.

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	294,690	2,802,487	3,097,177	273,860	1,793,398	2,067,258
Heritage assets	161,752	110,250	272,002	161,752	110,250	272,002
Investments	599,354	45,309	644,663	526,752	45,309	572,061
Current assets/ (liabilities)	344,790	145,098	489,888	374,727	473,048	847,775
Long term liabilities	(48,039)	-	(48,039)	-	-	-
	<u>1,352,547</u>	<u>3,103,144</u>	<u>4,455,691</u>	<u>1,337,091</u>	<u>2,422,005</u>	<u>3,759,096</u>

25 Financial commitments, guarantees and contingent liabilities

In the event of a breach of the terms of the Heritage Lottery Fund grant, the fund may require repayment of all or part of the payments made to the museum to date. As at 31 March 2021 the maximum liability under this provision was £1,136,102 (2020 - £595,255)

In the year to 31 March 2021 the charity received a grant of £50,000 (2020 - £100,000) from Petersfield Town Council. In the event of a breach in the terms of the grant the council may require repayment of all or part of the grant.

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	-	3,805
	<u>-</u>	<u>3,805</u>

Payments under operating leases of £5,484 were recognised as an expense in the period ended 31st March 2021 (2020 - £25,815).

27 Capital commitments

At 31 March 2021 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

	2021	2020
	£	£
Acquisition of property, plant and equipment	143,521	1,964,008
	<u>143,521</u>	<u>1,964,008</u>

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

28 Events after the reporting date

The Museum formally opened to the general public, with restricted access due to Covid, on Monday 14 June and opening fully on Monday 19 July. Visitor numbers are good and in line with sector expectations. Further grants have been received from the Culture Recovery Fund, administered on behalf of DCMS by Arts Council England. The Pathways into the Past project is expected to fully complete on 31 December 2021.

29 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Payments totalling £839 (2020: £890) were made to Paul Martin Studio - Working Practice Ltd, a company connected to a trustee to provide goods to sell in the shop and marketing items to be used at events.

30 Charge over assets

The Heritage Lottery Fund has been granted a first charge over all the assets of the charitable company as in the event of a breach of the conditions of the grant, the Heritage Lottery Fund may require repayment of all or part of the grant paid to date.

Petersfield Town Council has been granted a second charge over the freehold property at Petersfield Museum as in the event of a breach of the conditions of the grant, the council may require repayment of all or part of the grant paid to date.

31 Cash generated from operations	2021 £	2020 £
Surplus for the year	696,595	464,796
Adjustments for:		
Investment income recognised in statement of financial activities	(25,439)	(41,334)
Loss on disposal of investments	4,103	-
Fair value gains and losses on investments	(67,358)	82,466
Depreciation and impairment of tangible fixed assets	5,485	5,007
Investment management fee	9,000	-
Movements in working capital:		
(Increase) in stocks	-	(50)
(Increase) in debtors	(107,990)	(260,827)
Increase in creditors	59,282	6,271
Cash generated from operations	573,678	256,328

PETERSFIELD MUSEUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

32 Analysis of changes in net funds

	At 1 April 2020	Cash flowsAt 31 March 2021	
	£	£	£
Cash at bank and in hand	601,619	(404,633)	196,986
Loans falling due within one year	-	(1,961)	(1,961)
Loans falling due after more than one year	-	(48,039)	(48,039)
	<u>601,619</u>	<u>(454,633)</u>	<u>146,986</u>
	<u><u>601,619</u></u>	<u><u>(454,633)</u></u>	<u><u>146,986</u></u>