

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 S Howard P A Martin V R Clarke	(Appointed 26 May 2020)
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 Yaniv, 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.

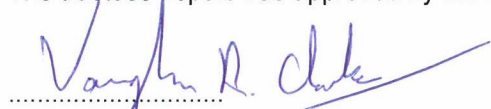
In so far as the trustees are aware:

- 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

Chartered Accountants
Statutory Auditor

24/11/21

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 £
Income from:							
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
Expenditure on:							
<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.


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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	
		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	
		581,084		877,727	
Creditors: amounts falling due within one year	18	(91,196)		29,953	
Net current assets		489,888		847,774	
Total assets less current liabilities		4,503,730		3,759,096	
Creditors: amounts falling due after more than one year	19	(48,039)		-	
Net assets		4,455,691		3,759,096	
Income funds					
Restricted funds	22	3,103,144		2,422,005	
Unrestricted funds	23	1,352,547		1,337,091	
		4,455,691		3,759,096	

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	<u>10,715</u>	<u>-</u>	<u>-</u>	<u>10,715</u>
	<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 Number	2020 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

17 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	238,202	264,920
Prepayments and accrued income	141,680	6,972
	379,882	271,892

18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
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
		91,196	29,953

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	20	48,039	-

20 Loans and overdrafts

	2021 £	2020 £
Bank loans	50,000	-
Payable within one year	1,961	-
Payable after one year	48,039	-

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				Balance at 1 April 2020 £	Movement in funds				Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £		Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	
Blackrock	25,766	974	-	-	374	27,114	1,305	-	-	-	28,419
M&G											
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											
Study Centre	109,299	-	(724)	1,675	-	110,250	5,204	(5,204)	-	-	110,250
Don Eades	750	-	(1,322)	572	-	-	7,500	-	-	-	7,500
School for Social Entrepreneurs	3,425	-	-	-	-	3,425	-	-	(3,425)	-	-
Flora Twort Gallery	350,000	10,500	-	-	-	360,500	48,412	(992)	-	-	407,920
Other	-	-	-	-	-	-	2,000	-	-	-	2,000
	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				Balance at 1 April 2020 £	Incoming resources £	Movement in funds				Incoming resources £	Revaluations, gains and losses £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 March 2021 £
		£	£	£	£			£	£	£	£						
General fund	215,575						38,457					140,413		(197,456)	650,306	-	668,783
Charles Stanley Investment	1,233,526						35,310					21,428		(9,000)	(653,429)	63,194	599,291
Revaluation Reserve	84,473						-					-		-	-	-	84,473
Decant	-						-					-		(3,123)	3,123	-	-
	1,533,574						73,767					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 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 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

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	<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 flows £	At 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>