

Charity registration number 1112854

Company registration number 5467415 (England and Wales)

THE FREUD MUSEUM LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE FREUD MUSEUM LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Susan Prevezer QC	(Appointed 23 November 2021)
	Mr D Chambers	
	Miss S Bardgett	
	Miss W Monkhouse	
	Mr T Moross	
	Mr A Spiro	
	Mr S Kon	
	Miss A Biggs	
	Mr P Chilton	
	Juliet Rosenfeld	
	Anne Worthington	
	Susanna Abse	(Appointed 8 June 2021)
	Ms L Hillman	(Appointed 8 June 2021)
Secretary	Monica Law	
Charity number	1112854	
Company number	5467415	
Registered office	20 Maresfield Gardens London NW3 5SX	
Auditor	SBM Associates Limited 24 Wandsworth Road London SW8 2JW	

THE FREUD MUSEUM LONDON

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THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chair's report

The year under review has seen a slow and steady recovery by the Museum from the impact of the Covid-19 pandemic.

The Museum, which was closed for much of 2020, started to welcome visitors again in May 2021, albeit under varying degrees of restriction. Although high covid numbers in late 2021 and early 2022 caused a slight slowdown of admissions and activities, visitor numbers rose steadily through the year, thanks to the ingenuity and extensive marketing efforts of the Museum's Director, Carol Seigel and her staff.

Carol and all the staff have continued throughout this year to deal with the exceptional challenges of the pandemic with perseverance and resourcefulness. The significant impact on the Museum's financial resources caused by the pandemic has been mitigated to a large degree by the Museum's successful applications to the ACE Cultural Recovery Fund; by assistance from other government support schemes (including Retail, Hospitality and Leisure grants offered to museums and business rates relief), a successful insurance claim for business interruption and the generosity of supporters of the Museum. The Museum's own initiatives, including the digital public programme, the expansion of online shop sales, and the better ways in which admissions are managed, coupled with a rise in ticket prices and visitor numbers, have all helped to restore the Museum's finances.

Alongside these financial initiatives, this year saw the Museum produce an exciting exhibitions programme. This comprised a somewhat topical exhibition, *"Freud and the Pandemic"* (which compared the two pandemics of 1919/20 and 2020), an exhibition focused on the life of Muriel Gardiner, *"Code Name Mary"*, curated by the Museum's Director, and an exhibition exploring Freud's fascination and relationship with China, *"Freud and China"*, curated by Professor Craig Clunas, Professor Emeritus of the History of Art at the University of Oxford and kindly supported by the Robert H.N.Ho Family Foundation. The *"Code Name Mary"* exhibition was launched with a fascinating evening of discussion with the actress, Vanessa Redgrave and refugee campaigner, Lord Alf Dubs, chaired by the Museum's Director, and all three exhibitions were well attended and garnered significant press coverage.

In addition to these three exhibitions, the Museum hosted a successful online conference celebrating the 20th anniversary of Edward Said's lecture, *"Freud and the Non European"*, linking the Museum with the Sigmund Freud Museum in Vienna, which was hosted by the Directors of both Museums, and a conversation between the popular children's author Michael Rosen, the psychologist Mark Blagrove and artist Julia Lockheart, on Michael Rosen's book *"Many Different Kinds of Love: a Story of Life, Death and the NHS"*, which was filmed at the Museum and live streamed to an audience across the world.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Chair's report (continued)

The steady recovery from the pandemic was reflected in the increase in the Museum's total income from visitor-related activities to £247k compared to £157k in the previous financial year; the commercial subsidiary, Freud Museum Publications Limited's, gross profit increased to £66k compared to £29k in the prior year.

However, the Trustees and the Director remain focussed on safeguarding the Museum and ensuring its financial viability and the Board is confident in the Museum's ability to sustain itself financially, as cultural and economic life returns towards normality.

In this regard, the Board is extremely grateful for the donations received during the year both from existing Patrons, Members and supporters as well as from many new ones. We also appreciate the wide range of funding support provided by the national and local authorities in the UK during and post pandemic, as well as the specific schemes for museums and cultural institutions such as ours.

In November 2021, the Director, Carol Seigel gave her notice to the Board and left the Museum at the end of July 2022 after 13 years in post. The Board thanks Carol for her invaluable work and contribution to the Museum over the years. She will be much missed by the Board, all the staff and the very many people who have worked with and alongside her in her role as Director of the Museum.

In February 2022, the Nominations Committee conducted a search for Carol's successor and in March 2022, the Board appointed Giuseppe Albano as Director, commencing 1 August 2022. Giuseppe has been the Director and Curator of the Keats Shelley House in Rome for more than ten years, and the Board welcomes him to the Freud Museum and looks forward to working with him.

In November 2021, Alan Newman stepped down as Chair and from the Board of Trustees of the Museum, and the Board would like to thank Alan for all his hard work and contributions to the Museum over his 11 years on the Board. I was appointed to the Board in November 2021 and have taken over from Alan as Chair. To replace the financial expertise that Alan previously provided to the Board, Louise Hillman FCA, who is the Head of Finance of the Medical Research Foundation, was appointed to the Board in June 2021. We welcome Louise to the Board.

Finally, I thank all the Trustees for their support and guidance on the Board and their work in helping the Museum and its staff to address the many challenges that arose this year. I would also like to express the Board's appreciation for the dedication and total commitment of the Director and staff which has sustained so many activities in the past year and enabled the Freud Museum London to continue to fulfill its objectives.

The Museum looks forward to welcoming visitors back to the Museum, both in person and remotely, to restoring admissions and activities to pre-pandemic levels (and higher), to continuing the promotion of Sigmund and Anna Freud's legacy and supporting good mental health.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities

Principal activity and public benefit

The Freud Museum London is a charitable company. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

The Museum relies on grants and the income it raises from, amongst other activities, admission fees and the public programme. We are therefore a fee charging charity, but feel that the admission prices are low enough that no one is prevented from coming to the Museum on grounds of cost. Concessionary fees are available for low income groups, parties of senior citizens and school parties. Free admission is offered to members of the local neighbourhood association. We also undertake outreach projects which offer free access to Museum services.

As set out in the Memorandum and Articles of Association, the purposes of the Freud Museum London which all serve to promote public benefit are as follows:

- to promote, encourage, improve, advance and disseminate knowledge and awareness of the life, work, medical, psychoanalytic and other scientific activities and intellectual and current cultural legacy of the late Sigmund Freud, and knowledge and awareness of their relevance to contemporary society;
- to maintain, operate and improve a museum to collect, safeguard and make accessible articles and other items connected with his life, his work, his family, in particular his daughter Anna Freud, and the history of psychoanalysis at the property located at 20 Maresfield Gardens, London NW3 5SX and at such other property as may from time to time be required or expedient and to provide access to the premises to the public so that they can explore the museum and its collections for inspiration, learning and enjoyment;
- to advance the appreciation of the historical nature of the property located at 20 Maresfield Gardens, London NW3 5SX and its significance as the late Sigmund Freud's last home, the place of his death and the repository of his study, library, couch and collection of antiquities and other articles connected to him;
- to discover, assemble, and collect books, manuscripts, photographs, other publications, furniture, information and articles of whatever kind relating to the life, work, medical, psychoanalytic and other scientific activities and intellectual legacy of the late Sigmund Freud, and to ensure their preservation for the benefit of the public;
- and to conduct research into the life, work, medical, psychoanalytic and other scientific activities and intellectual and cultural legacy of the late Sigmund Freud and to publish the results of all such research.

The strategies employed to achieve the charity's aims and objectives are to:

- ensure the highest standards in conservation and care of the collections
- run active public, exhibition and education programmes
- encourage research into the collections and archives, and related publications
- market the Museum widely to encourage increasing numbers of visitors
- enter into appropriate partnerships that will help to achieve the key aims of the Museum
- keep the Museum financially robust and manage risks as carefully as possible

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

This was the second year in which the world was affected by the Covid-19 pandemic. This heavily influenced the activities and performance of the Museum. If 2020/21 had been a year of responding to the pandemic, and rapidly adapting how the Museum worked, this was a year of slow but consistent recovery, using the lessons learned in the previous twelve months to respond to a significantly changed environment.

The finances of the Museum were still heavily affected by the changed circumstances and loss of pre pandemic income streams. The museum had made good use of all available sources of government support. At the start of this period, a number of staff were still on furlough, and the museum made use of the Job Retention Scheme until it closed in September 2021. As the museum opened up during the year, and activities increased, staff were brought back to work or put on flexible furlough.

The Museum continued to take advantage of other government support schemes, not only the Job Retention scheme, but also the Retail, Hospitality and Leisure grants offered to museums, and business rates relief. An insurance claim for business interruption was also finally settled in full in November 2021, with the Museum receiving just under £80,000.

The Museum had also been successful in a second application to the ACE Cultural Recovery Fund, and been granted £40,000 to help cover costs in the three month period April-June 2021. This helped the reopening in May, bringing staff off furlough, and the costs of a new exhibition to welcome visitors back.

During this year though, as services returned to normal, and the amount of government help declined, the museum had to rely again on its own activities to generate income.

When this financial year began in April 2021, the Museum had been closed to visitors since December 2020. It had reopened briefly for two periods in 2020, in accord with government guidelines, but did not reopen again until May 2021. It has remained open ever since, although the higher Covid numbers caused by the Omicron variant in late 2021 and early 2022 caused a further slowdown of admissions and activities.

The changes that had been introduced on first opening after lockdown were maintained. These included enhanced cleaning, restricting numbers in the museum, new signage and displays, and asking visitors to wear masks and socially distance. The online booking system which had been introduced proved a game changer in the way admissions could be managed. The improved audio guide was now available to download to a smartphone, and included for free in the price of admission. Ticket prices had been increased in 2020, to cover the extra costs of cleaning and other changes and remained at the new higher levels.

Tourists slowly returned to London and began visiting the museum again. A marketing campaign encouraged more local and London visitors.

Visitor numbers rose steadily and in March 2022 there were 1275 visitors to the museum. This compared to the average 2500 visitors a month, including school and group visits, that the Museum received pre-pandemic. However in this period the Museum was open on only three days a week (compared to five pre-pandemic), allowing more time on other weekdays for returning educational visits. The increased admission prices also ensured that the ticket income per person was higher for each visitor than previously.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

An exciting exhibition programme was planned to encourage visitors back to the museum. The three exhibitions held in 2021/22 showcased the breadth and variety of the Freud Museum's offer, ranging across different subjects from Freud's unique collections, highlighting an unsung heroine with close links to the Freud family, and a topical look at the pandemic through Sigmund Freud's own experiences. Each helped attract visitors, deepen their understanding, and complement the permanent displays.

Reopening in May, the museum launched a topical exhibition *Freud and Pandemic*, which compared the two pandemics of 1919/20 and 2020 through the lens of Sigmund Freud's experience and writing. The exhibition explored the similarities between Freud's experience of the Spanish Flu and the COVID-19 pandemic, its impact on mental health and the response by psychoanalysts.

Alongside historical reflections were contemporary psychoanalytic observations of the COVID-19 pandemic, in a series of new short videos featuring contributions from clinicians and researchers. Artworks by Julia Lockheart, who painted the Covid dreams of frontline health workers as part of the DreamsID project, were also displayed.

Professor Brett Kahr turned a talk that he had given during lockdown into a book, *Freud's Pandemics*, a permanent legacy of this exhibition. This book was the inaugural title in a new publishing venture between the Museum and Confer Books, the Freud Museum London Series on the history of psychoanalysis.

The next exhibition, *Code Name Mary: The Extraordinary Life of Muriel Gardiner* explored the incredible story of Muriel Gardiner. Muriel had been a close friend of Anna Freud, and instrumental in setting up the Freud Museum. Though little known now, Muriel Gardiner had an extraordinary, multi-faceted life – as a young American woman who courageously fought fascism in 1930s Austria, as a post war psychoanalyst in the US, with a close relationship to Freud's most famous patient, the Wolf Man, and as the founder of the Freud Museum London. She is also believed to be the model for the Lillian Hellman's character Julia, in the 1977 Oscar winning film.

There was great media interest in bringing Muriel's story as a fighter against fascism in the 1930s to a wider audience. The Museum reprinted her memoir *Code Name Mary* to accompany the exhibition. Muriel's family supported the exhibition, made loans of family material, and attended the opening. In a high-profile opening, the exhibition about unsung heroine Muriel Gardiner was launched with readings, memories and discussion by legendary actress Vanessa Redgrave and refugee campaigner Lord Alf Dubs.

In the final exhibition of the year, *Freud and China* explored Sigmund Freud's fascination and relationship with China. It showcased new research into Chinese art and objects, the history of psychoanalysis and links to China, and its relevance in Greater China today. The show displayed the Chinese objects within the Museum collections and examined China's growing interest in with psychoanalysis. The exhibition was generously supported by the Robert H.N. Ho Family Foundation, in a new partnership for the Museum.

The funding for *Freud and China* also allowed for the conservation of some fragile items in Freud's collection, including a fragment of a wall painting depicting a Chinese woman. This was then displayed in the exhibition.

Freud and China was curated by Professor Craig Clunas, Professor Emeritus of the History of Art at the University of Oxford. Professor Clunas wrote of his involvement with the exhibition: "*The experience of working with colleagues at Freud Museum London as curator of the exhibition 'Freud and China' has to be counted as one of the highpoints of my career...I hope that the work will have a useful afterlife in embedding awareness of the Chinese dimension of Freud's thought and activities in the literature, and making possible further advances in future in our understanding of Freud and his legacy.*"

Each of these exhibitions was accompanied by a rich public programme, comprising talks, courses, discussions and conferences. This formed part of a wider events programme which continued to be largely held online, given ongoing concerns about Covid, and the interest from across the world. The Events team continued to develop their expertise in digital events, acquired very speedily during lockdown. One successful innovation this year was transferring the filmed recordings of events to a platform where they could then be accessed on demand. The available recordings provide a permanent back catalogue of past events and contribute to the Museum's income.

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

FOR THE YEAR ENDED 31 MARCH 2022

Highlights of the events programme included the popular children's author Michael Rosen discussing his book *Many Different Kinds of Love: A Story of Life, Death and the NHS*, with psychologist Mark Blagrove and artist Julia Lockheart of DreamsID. This event was filmed at the Museum and live streamed to an audience across the world.

In contrast another highlight was an international online conference celebrating the 20th anniversary of Edward Said's lecture '*Freud and the non-European*', attracting over 100 attendees. This was an important occasion historically, with contributions from Said's widow, Mariam Said, and academic Jacqueline Rose, who helped to organise the original event. It illustrated our strong links with the Sigmund Freud Museum Vienna, as the Director Monika Pessler joined Carol Seigel on the opening panel.

The strength of the events programme also brings in new Members, who are offered discounts, though we know that the motive for many is support of the Museum and its work. The Museum currently has about 290 members, with over 80 joining this year (twice as many as those who did not renew). Over the last two years, we have seen an increase in members making repeat visits to Museum compared with previous years.

A summer party for Members, Patrons and supporters was held on July 28, to welcome people back to the Museum. The President of the Museum, Lord Freud, spoke of his childhood visits to the house, and local MP Tulip Siddiq reiterated her support for all our work.

The online shop continued to perform well, and the physical shop to recover now that visitors were back in the house. Online sales overseas were affected by new regulations, but nevertheless stayed strong. Christmas sales were boosted by another of the inventive, shop Christmas videos showcasing new items, in this case a replica of the porcupine on Freud's desk, and a (fiendishly difficult) jigsaw puzzle of the Wolfman's dream.

The growth in social media and website traffic reflects increasing digital engagement by visitors. Website traffic was up 20% on previous years and numbers have grown across all social media channels. There are 49,000 Facebook followers, 26,000 Twitter followers, and 18,000 Instagram followers. Exhibition trailers are popular on YouTube and Facebook.

As the world began to emerge from the pandemic, the Director, Board and staff began to reassess the Museum's development plans. In 2019/20 detailed planning had taken place on an ambitious development project designed to address urgent needs, such as overcrowding, inadequate visitor facilities, and outdated displays.

Given the uncertainty of the post pandemic environment, these plans needed to be reconsidered, to establish both whether the needs and solutions were the same, and whether the previous proposals would be affordable. Staff and trustees took part in a series of online workshops designed to look again at the Museum's pressing needs, and how best to tackle these. These were followed by a series of discussions at staff and Board level, leading to agreement on the revised form the development should take, and a road map with which to move forward.

The first step was the appointment of a new Planning and Development Manager in September 2021, tasked with redefining and progressing the museum's development plans.

At the end of the year, the Board agreed a project in two stages. The first stage is designed to remedy pressing issues, in particular comprehensive roof repairs, improving environmental controls in the house, and exploring new methods of engagement and interpretation.

Work took place on all of these first stage priorities throughout the year. To improve environmental controls, and protect the collections, in August 2021 Opalux internal solar control film was fitted on the windows in display spaces throughout the museum. A comprehensive report on the condition of the roof was commissioned from Blackheath Building Consultancy and will be the basis for going out to tender to approved contractors.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Improvements to the displays in the house were planned for summer 2022, for instance redesigned panels in the dining room and study, and new display material elsewhere in the house. These will be part of an evaluation process with visitors to feed in to major longer term display upgrades.

The need to protect the house and collections was highlighted when the Museum was badly affected by torrential rain and flash flooding in July. There was flooding in the cellar (unprecedented during the lifetime of the Museum), and water through the roof in three places. Increasingly high temperatures often cause problems in the summer for visitors. Sustainability and environmental concerns will be an important part of any future planning.

The second stage of the development – a couple of years down the line – will implement the trials and planning conducted in Stage One, and complete major transformation and restoration works. The entire project will ensure that FML can deliver on full accessibility, environmental sustainability, clear and engaging displays and exhibitions, the restoration of the Freud family home, comfortable multi-functional spaces, creation of new and improved income streams, engage audiences in new ways and further extend our missions beyond our walls.

During this year there have been a number of changes at both staff and Board level. The staff restructure which had been planned in the previous year came into effect in April, giving many staff members new roles and responsibilities, and strengthening the management of the Museum.

In November 2021 the Director gave her notice to the Board and left the Museum at the end of July 2022 after 13 years in post. The Nominations Committee conducted the search for her successor, and in March appointed Giuseppe Albano. Giuseppe has been the Curator and Director of the Keats-Shelley House in Rome for more than ten years, and has a great deal of experience in running small historic house museums. He will start in post at the end of July 2022.

At Board level, Alan Newman's three terms of office expired, and a new Chair, Susan Prevezer QC, took up the role of Chair in November 2021. Alan will be greatly missed in his role as both Finance Trustee, and latterly as Chair. His replacement has a distinguished legal career, and a real enthusiasm for the Freud Museum.

With the impending departure of Alan Newman, the Board needed a new Financial Trustee. Louise Hillman, whose day job is Finance Director of the Medical Research Council, was appointed in June 2021.

Working with the Finance and General Purposes Committee, Louise has already initiated changes in the financial management of the Museum. These include the appointment of a 2 day a month Financial Accountant to support Board financial reporting and forecasting. A search was also conducted at the end of the year for new auditors, and SBM & Co were appointed for the financial year 2021/22.

Activities 2021-22 to promote public benefit

The Museum always recognises its purpose to promote public benefit, as part of its wider mission. Its activities are designed to reach a wider community, to promote Sigmund and Anna Freud's legacy and support good mental health. Much of what has already been covered above has a public benefit component, as well as what is described below.

The Education team had a busy year, revising its programme in the light of the changing needs of teachers and students using the service. As the country came out of lockdown, there was an unexpected demand by schools to return to in-person visits. The team produced a programme which offered a choice of facilitated and self-guided visits, with tuition offered either digitally or in person. New educational sessions were also introduced, such as *Freud and Science* and *Freud on Dreams*.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

By the end of the autumn term the education team (which consists of only two members of staff, both part-time) had worked with around 1,300 group visitors, most Psychology A-Level students, more than twice as many as anticipated. This demand continued into the spring term. Some Schools were able to visit with the help of a new bursary scheme which aims to ease financial barriers to the learning offer through a 50% fee reduction.

Running alongside an offer for schools and other groups, the Education Officer (Outreach) continued to deliver an ambitious and expanding outreach programme. This included the online sessions *Freudian Wisdom for times of Turmoil* running online from October to December. The programme was supported by a dedicated grant (ACE Outreach and Ambassadors: Building on Community Partnership) which allowed the team to engage over 100 frontline medical staff from across London free of charge. Feedback data from NHS staff participating has been very positive and follow-up with ACE is planned to discuss ways of scaling up the work.

The rapid spread of the Omicron variant in late 2021 disrupted work with community groups, many of whom were vulnerable and not able to visit in person at this time. Some programmes were partly delivered online or delayed until the summer. This included work for the China Outreach Project with London based Chinese community and women's groups, including the London Chinese Community Centre - the oldest, and one of the largest, Chinese community organisations in the UK.

With the appointment of a new Research Manager, there has been a new focus on public facing research activities, such as blogposts, podcasts, public reading groups, conferences and symposia which will reach out to new audiences, and existing international audiences. Partnerships are being developed with universities on projects or programmes that emphasise public engagement.

An example is the free to download podcast series *Freud in Focus*, delivered by members of the museum team. The first series focused on Freud's essay, *Beyond the Pleasure Principle*, and was aired to coincide with the exhibition *1920/2020: Freud and Pandemic*. Between September 2020 and August 2021 this had over 24,000 downloads and subsequent series have proved equally popular.

Another way of providing accessible, free content to our audiences is the online exhibition platform launched this year. This beautifully designed web resource allows the museum exhibitions to be viewed by those who missed them or were unable to visit. The series launched with *1920/2020: Freud and Pandemic*. Two other exhibitions have been added since with more to follow. Online Stories can be accessed here <https://stories.freud.org.uk/>

We continue to protect the archive and collections and make them more accessible, usually by digitization. Many of the archive items are being photographed as part of a digitization project. The final cataloguing of the Sandor Ferenczi archive also took place, with key items again being digitized. Sigmund Freud's library was the subject of a large conservation project, which saw the books individually cleaned, condition checked and measured for any necessary conservation work.

Throughout the year we have kept accessibility of all types in mind our programmes. Captioning of online events is available for the hard of hearing. Many of our talks and events are offered on a 'pay what you can' or bursary basis. Where possible we offer subsidised prices or free places to students, concessions, mental health service users and those on low income.

This has been a difficult year, adapting to an environment in which Covid19 is still present, but in which the Museum still needed to make its way financially and fulfil its mission. The Museum has worked hard to respond effectively to the challenges it faced, and can be proud of all that has been achieved over the year.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review Income

This year's total income of £630k is a reduction of £21k on the prior year (2021: £651k).

Recovery grants and Coronavirus Job Retention Scheme income £108k (2021: £306k) reduced in the current year, but this reduction was partly offset by an £79k insurance pay out for business interruption during the pandemic. Other grants together with donations and membership fees totalled £120k, a reduction on prior year (2021: £156k).

However, admissions of £145k (2021: £24k) and premises hire £52k (2021: £0k) increased significantly from prior year as the effects of the pandemic diminished.

Public programmes generated £102k, a reduction from prior year (2021: £133k) which reflects demand for online events levelling off and a changing event mix with fewer conferences and the slow return to in-house events.

The Museum's trading arm, Freud Museum Publications Ltd, recovered well from the pandemic, with turnover of £144k almost double that of the prior year (2021: £76k) and gross profit £66k more than double that of the prior year (2021: £29k); this fed through to an increase in management fees and donations payable to the Museum.

Expenditure

This year's total expenditure of £665k exceeds the prior year by £123k (2021: £542k).

The cost of raising funds has doubled to £101k (2021: £50k) reflecting higher programme and marketing costs as the museum's activities accelerated post pandemic with a fuller programme of exhibitions.

The cost of charitable activities is £564k, an increase of £73k on the prior year (2021: £492k) which reflects the impact of staff on the Job Retention Scheme in 2021 earning 80% of their salaries. In addition, an ex gratia payment of £23k was made during 2022.

Net position and cash balance

The Museum had net expenditure of £35k in the year (£24k unrestricted and £11k restricted) compared to net income of £109k for the previous year.

The Museum's year-end cash balances decreased by £73k to £405k.

Reserves Policy and Going Concern

The Trustees review our reserves policy every year and our reserves position each quarter. At 31 March 2022 the total funds held by the Museum amounted to £4.1m. Of these funds, £260k are unrestricted and £3.9m are restricted. The required reserves at 31 March 2021 were £170k which includes three months' operating costs. Free reserves at 31 March 2022 were the £260k unrestricted funds which are liquid. The Board has agreed that it is prudent to accept the £90k difference between the available reserves and the required reserves at the current time given fluctuations in voluntary income streams. Trustees consider that the Museum will have sufficient funds to meet its obligations during the next 12 months and is a going concern.

Investment policy

The trustees, having regard to the liquidity requirements of operating the museum, have kept a portion of available funds in an interest-bearing deposit account.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity face;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should the elected trustees step down.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank and active management of trade debtors and creditors balances to ensure sufficient working capital by the Museum.

Attention has also been focused on non-financial risks arising from fire, health and safety of patrons, and management of artefacts. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Structure, governance and management

The Freud Museum opened to the public in 1986. During the first two decades of its existence, the Museum was constituted as a Charitable Trust, under a Deed of Declaration dated 30 September 1980. In 2004, in accordance with current best practice in the museum world the Trustees of the 1980 Charitable Trust decided to reorganise the Museum and to reconstitute it as a Charitable Company limited by guarantee.

The Freud Museum London was registered on 31 January 2006 as a Charity with the Registration Number 1112854, and on 1 April 2006 received all the assets and liabilities of the 1980 Charitable Trust, including 20 Maresfield Gardens and its contents. This new charitable company is governed by its Memorandum and Articles of Association. These are available from the Charity Commission or from the Company Secretary at 20 Maresfield Gardens.

The Freud Museum is governed by a Board of Directors, known as the Trustees. During the financial year ending 31 March 2022 the following Trustees have held office.

Susan Prevezer QC	(Appointed 23 November 2021)
Mr D Chambers	
Miss S Bardgett	
Miss W Monkhouse	
Mr T Moross	
Mr A Spiro	
Mr S Kon	
Miss A Biggs	
Mr P Chilton	
Juliet Rosenfeld	
Anne Worthington	
Susanna Abse	(Appointed 8 June 2021)
Ms L Hillman	(Appointed 8 June 2021)
Mr A Newman	(Resigned 23 November 2021)
Mr D Leader	(Resigned 8 June 2021)

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Appointment of trustees

When trustees reach the end of their term of office, the Nominations Committee, a working subcommittee of the Board, is responsible for recruiting new trustees with appropriate skills. The Nominations Committee makes its recommendations to the full Board for approval.

Organisation

The board of trustees, which can have up to 13 members, administers the charity. The board normally meets five times a year and there are sub-committees covering a range of issues. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by trustees, for operational matters including finance, employment and artistic performance related activity.

The Trustees hold board meetings five times a year. At these meetings, which are also attended by the Museum's Director and other staff as necessary, the Trustees review performance, set goals and receive reports from the staff. Future programmes and events are proposed by the Director and confirmed by the Board. Management accounts are prepared each month and monitored and reviewed against the budget set at the beginning of each financial year.

Day-to-day management of the Museum is delegated by the board to the Director. Decisions relating to the Museum's overall strategic direction, to long term financial commitments or to re-structuring of resources are made by the Board following detailed briefing and consultation with the Director and relevant staff.

Trustee Induction and training

New trustees undergo orientation to brief them on: their obligations under charity law and Charity Commission guidance on public benefit; the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the Induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management personnel:

Carol Seigel

Other management personnel

Duncan Lynch

Monica Law

Iveta Rozlapa

Bryony Davies

Francisco da Silva

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

A brief biography of all current Trustees is given below:

Sue Prevezer QC (Chair)

Currently practising as an arbitrator and mediator at Brick Court Chambers, Sue has had a distinguished career in commercial and corporate litigation at the Bar and as a solicitor. From 2008 to 2020, Susan was the co-managing partner of the London office of the US litigation law firm, Quinn Emanuel LLP, and since 2018, Sue has been a non-executive director of S4 Capital plc and Bloc Ventures LLP. Sue also sits on the Board of the Hampstead Theatre.

Susanna Abse

Susanna Abse is a psychotherapist who has worked in private practice with couples, parents and individuals since 1991. She was Chair of The British Psychoanalytic Council from 2018 – 2021 and was CEO of Tavistock Relationships from 2006 -16. Alongside her psychotherapy practice, Susanna works as an organisational consultant and coaching senior leaders in the corporate sector, the NHS, in charities and higher education. Susanna is also a Senior Fellow of The Tavistock Institute of Medical Psychology; a Fellow of the Centre for Social Policy at Dartington, and Series Co-Editor of "The Library of Couple and Family Psychoanalysis" for Routledge Books. Her publications include writings for the New Statesman, New Associations and for the Open Society European Policy Institute. In 2019, she made a series of Films for Channel 4 news which looked at the psychological aspects of Brexit. Her book, Tell Me Truth About Love, for Ebury Press will be published in July 2022.

Suzanne Bardgett

Suzanne Bardgett is Head of Research and Academic Partnerships at Imperial War Museums, where she is responsible for initiating research projects across the IWM's remit. Past achievements include leading the team that created the Holocaust Exhibition which ran at IWM London from 2000 to 2021. In her current role, Suzanne has led or co-led a number of Arts and Humanities Research Council-funded projects, mainly on aspects of IWM's collections. Suzanne is also Series Editor with Ben Barkow of the Palgrave Macmillan's The Holocaust and its Contexts. Her book, Wartime London in Paintings, about the IWM's officially commissioned paintings of London during the Second World War, was published in 2020.

Anne Biggs

As Head of Trusts and Foundations at the Philharmonia, Anne Biggs is responsible for managing the organisation's Arts Council NPO funding and other statutory funding, as well as funding from trusts, foundations, embassies and livery companies. Anne has worked at Historic Royal Palaces, English National Ballet, and a number of disability organisations. Outside of her day job, Anne is on the board of Teatro Vivo, a small theatre company. Previously, she mentored through Mentoring Pathways, was an Enterprise Advisor within the Mayor of London's Enterprise Network, and was a Management Committee member of Angelshed, an inclusive theatre company. Anne is undertaking a part-time history PhD, building on her MA research, focusing on ideas of selfhood and identity, something which relates closely to Freud's work.

Dan Chambers

Dan Chambers is the Creative Director and co-founder of Blink Films, one of the UK's leading factual production companies. Dan specialises in ambitious factual shows for the British public service terrestrial broadcasters, and American broadcasters. He has created various long-running history strands, including Secrets of the Dead for Channel 4, Revealed for Channel 5, True Stories for BBCWW, and Ancient Mysteries at Blink Films. He's been responsible for various award-winning shows including Dambusters Revealed (RTS Best Factual) and Meet The Sloths (Panda Wildlife). He has created a host of successful cookery shows, including Tom Kerridge's American Feast, John Torode's Asia, and Chinese Food In Minutes with He Ching. He's created various animal and wildlife series including the recent BBC's Dog Tales and Cat Tales, and Love Nature's Life and Death in the Amazon. Dan has previously been the Director of Programmes at Channel 5 responsible for overseeing all the channel's output from 2003 to 2006, and The Head of Science at Channel 4, responsible for a range of programmes from Scrapheap Challenge to the first ever series of Big Brother on British TV.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Paul Chilton

Fellow of the Royal Institution of Chartered Surveyors and a Partner at Cluttons LLP, leading-edge property consultancy. Paul has over 35 years of property experience acting on behalf of a number of UK Charities as well as managing a top 20 firm of Chartered Surveyors.

Louise Hillman

Louise Hillman qualified as a chartered accountant with Deloitte & Touche. Louise worked for Credit Suisse before moving to the social sector, working for an international NGO and a charity which helped others scale their social impact, before taking on her current role as Head of Finance for the Medical Research Foundation.

Stephen Kon

Stephen Kon is a practising solicitor of 40 years standing, specialising in EU and competition law. He was previously an academic in the School of European studies at Sussex University and Senior Partner of a City law firm. He chaired for five years the London Jewish Cultural Centre and is currently a Trustee of the Association of Jewish Refugees.

Wendy Monkhouse

Wendy Monkhouse has wide ranging curatorial experience and currently works as Senior Curator (South) for English Heritage. She has worked extensively for the National Trust, historic house museums and as an independent curatorial consultant. She has a PhD in Egyptian Archaeology from University College London, and teaches Egyptian and Near Eastern Archaeology at MA and BA level.

Trevor Moross

Trevor Moross is a Fellow of the Royal Institution of Chartered Surveyors. He is a non-executive director of Dorrington, a privately owned residential and commercial property company. Being particularly concerned with housing he serves on the Board of London and Quadrant Housing Trust, one of largest housing associations in the United Kingdom. He is a member of the International Advisory Board of The Academy of St Martin in the Fields, the renowned orchestra.

Juliet Rosenfeld

Juliet Rosenfeld is a psychoanalytic psychotherapist and writer who works in London. She has a special clinical interest in both grief and love (as the two are often so profoundly entwined) and working with those who have suffered bereavement, recently or in the past. Juliet read languages at Oxford before a ten year career in advertising and marketing, ending up in the Civil Service. Juliet qualified in 2012 as an integrative psychotherapist but is passionate about psychoanalysis and specifically how it's ideas can be useful and applied to bigger audiences. Juliet is also an elected Board Member of the UKCP (United Kingdom Council Of Psychotherapy) which represents 12000 psychotherapists, and takes a keen interest in how any talking therapy can become more usual, and available to anyone who might benefit from it. She is currently working on her second book and has written for a number of national publications on relationships, grief and psychotherapy.

Anthony Spiro OBE JP

Anthony is a Chartered Engineer who worked for a FTSE 100 company principally in financial communications. He is a Justice of the Peace and Member of the Independent Monitoring Board at Wandsworth Prison. Anthony is a Trustee of the Association of Jewish Refugees and Chair of MiD Mediation and Counselling. He was Chair of the Wiener Holocaust Library from 2004 to 2018 and received an OBE in the 2021 New Year's Honours List for Voluntary service to Holocaust remembrance.

Anne Worthington

Anne is a psychoanalyst and member of the Centre for Freudian Analysis & Research, the College of Psychoanalysts – UK and the Guild of Psychotherapists.

THE FREUD MUSEUM LONDON

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

FOR THE YEAR ENDED 31 MARCH 2022

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee and senior manager of another museum must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the year under review, no such related party transactions were reported.

Pay policy for senior staff

The board considers that its members, who are the Trust's trustees, and the senior management team comprise the key management personnel in charge of directing and controlling, running and operating the charitable trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of any directors' expenses and related party transactions are disclosed in note 13.2 to the accounts.

The pay of the staff is reviewed annually and normally increased in accordance with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other museums of similar size.

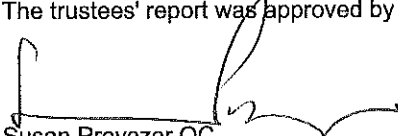
Auditor

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

Disclosure of information to auditors

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.

X

Susan Prevezer QC
Trustee

20 September 2022

THE FREUD MUSEUM LONDON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of The Freud Museum London for the purpose of company law, are responsible for preparing the Trustees' Report 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 museum and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

THE FREUD MUSEUM LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE FREUD MUSEUM LONDON

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 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 museum 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 museum'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 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 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.

THE FREUD MUSEUM LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE FREUD MUSEUM LONDON

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
- sufficient accounting records have not been kept; 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 museum 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 museum'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 or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud is detailed below:

THE FREUD MUSEUM LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE FREUD MUSEUM LONDON

Our approach was as follows:

To identify risks of material misstatement due to irregularities we assessed events or conditions that could lead to irregularities. Our risk assessment procedures included:

- Enquiring of Trustees and management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect irregularities, as well as whether they have knowledge of any actual, suspected, or alleged fraud or breaches of relevant laws and regulations.
- Reading Board minutes.
- Using analytical procedures to identify any usual or unexpected relationships.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the Trustees and management (as required by auditing standards). We communicated with the Trustees and management the policies and procedures in place regarding compliance with laws and regulations.

We identified the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the Charities Act 2011, The Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (the SORP), and relevant tax legislation.

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. We identified the following areas as those most likely to have such an effect: health and safety and employment law, recognising the nature of the Charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will cannot be relied upon to detect that breach.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The engagement partner considers the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

As required by auditing standards and considering possible pressures to meet internal key performance indicators and our knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income is recorded in the incorrect accounting period and the risk that management may be in a position to make inappropriate accounting entries.

THE FREUD MUSEUM LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE FREUD MUSEUM LONDON

We assessed the risks of material misstatement in respect of fraud as follows:

- Our audit team discussed whether there were any areas that were susceptible to misstatement as part of our discussion on fraud.
- We challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including, designing appropriate audit procedures, including:

- Incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation;
- Inspecting the relevant income agreements and their accounting to confirm their recognition in line with the SORP for different revenue streams;
- Inspecting stock count sheets;
- Obtaining third party bank confirmations; and
- Assessing the design and effectiveness of controls in place over areas such as procurement and cash.

We considered the extent to which the audit was considered capable of detecting irregularities: There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/descriptionof-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen McAlpine (Senior Statutory Auditor)
for and on behalf of SBM Associates Limited

20 September 2022

Chartered Accountants
Statutory Auditor

24 Wandsworth Road
London
SW8 2JW

SBM Associates Limited is eligible for appointment as auditor of the museum by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and legacies	3	119,138	109,256	228,394	462,359
Income from charitable activities	4	246,563	-	246,563	156,913
Income from other trading activities	5	53,044	-	53,044	19,025
Investment income	6	52	-	52	96
Management fees		23,500	-	23,500	12,300
Other income	7	78,778	-	78,778	-
Total income		521,075	109,256	630,331	650,693
<u>Expenditure on:</u>					
Costs of raising funds	8	34,263	66,936	101,199	50,055
Cost of charitable activities	9	510,263	53,585	563,848	491,517
Total expenditure		544,526	120,521	665,047	541,572
Net (expenditure)/income for the year/ Net movement in funds		(23,451)	(11,265)	(34,716)	109,121
Fund balances at 1 April 2021		282,380	3,879,938	4,162,318	4,053,197
Fund balances at 31 March 2022		258,929	3,868,673	4,127,602	4,162,318

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.

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>				
Donations and legacies	3	331,714	130,645	462,359
Income from charitable activities	4	156,913	-	156,913
Income from other trading activities	5	19,025	-	19,025
Investment income	6	96	-	96
Management fees		12,300	-	12,300
Total income		520,048	130,645	650,693
<u>Expenditure on:</u>				
Costs of raising funds	8	31,552	18,503	50,055
Cost of charitable activities	9	422,046	69,471	491,517
Total expenditure		453,598	87,974	541,572
Net (expenditure)/income for the year/ Net movement in funds		66,450	42,671	109,121
Fund balances at 1 April 2020		215,930	3,837,267	4,053,197
Fund balances at 31 March 2021		282,380	3,879,938	4,162,318

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	3,762,973		3,771,634	
Investments	13		100		100
			<u>3,763,073</u>		<u>3,771,734</u>
Current assets					
Stocks	14	4,830		5,280	
Debtors	15	75,006		103,124	
Cash at bank and in hand		404,857		478,180	
		<u>484,693</u>		<u>586,584</u>	
Creditors: amounts falling due within one year	17	<u>(86,398)</u>		<u>(154,333)</u>	
Net current assets			398,295		432,251
Total assets less current liabilities			<u>4,161,368</u>		<u>4,203,985</u>
Creditors: amounts falling due after more than one year	18		(33,766)		(41,667)
Net assets			<u>4,127,602</u>		<u>4,162,318</u>
Income funds					
Restricted funds	21	3,868,673		3,879,938	
General unrestricted funds		258,926		282,377	
Members funds		3		3	
		<u>4,127,602</u>		<u>4,162,318</u>	

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2022

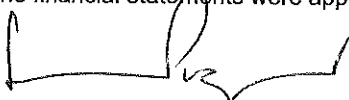
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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 20 September 2022



Susan Prevezer QC
Trustee

Company registration number 5467415

THE FREUD MUSEUM LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(63,652)		169,669
Investing activities					
Purchase of tangible fixed assets		(1,822)		-	
Proceeds on disposal of tangible fixed assets		-		(1,234)	
Investment income received		52		96	
Net cash used in investing activities			(1,770)		(1,138)
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(7,901)		-	
Net cash (used in)/generated from financing activities			(7,901)		50,000
Net (decrease)/increase in cash and cash equivalents			(73,323)		218,531
Cash and cash equivalents at beginning of year			478,180		259,649
Cash and cash equivalents at end of year			404,857		478,180

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Freud Museum London is a private company limited by guarantee incorporated in England and Wales. The registered office is 20 Maresfield Gardens, London, NW3 5SX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the museum's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 museum is a Public Benefit Entity as defined by FRS 102.

The Museum is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The Company has therefore taken advantage of the exemptions provided by section 405 of the Companies Act 2006 not to prepare group accounts.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the museum 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.

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 museum 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.

Cash donations are recognised on receipt. Other donations are recognised once the museum has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor (s) to the Museum that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Resources expended comprise of the following:

- The costs of activities in furtherance of the charity's objectives comprise expenditure on the charity's primary purpose as described in the Report of the Trustees.
- Costs of raising funds comprise the costs of commercial trading including the shop and their associated support cost.

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Allocation of support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of financial procedures, provision of office services and equipment and a suitable working environment.

Management and administration costs include expenditure to ensure compliance with constitutional and statutory requirements.

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

The bulk of the Museum's fixed assets are historic and inalienable. They consist of the freehold property occupied by the Museum at 20 Maresfield Gardens, and the Collection held by the Museum. The building was the home of Sigmund Freud in 1938 and 1939 and the place of his death, and subsequently the home of his daughter Anna Freud. It was purchased from Miss Freud at a cost of £70,000 on September 30 1980, and formed the principal asset of the Charitable Trust established by a Deed of Declaration of Trust by Sigmund Freud Archives Inc. The contents include the library, personal effects, and collection of antiquities formerly owned by Sigmund Freud and bequeathed to the Trust on the death of Miss Freud in 1982.

In the spring of 2005, the Charity commissioned an external valuation of 20 Maresfield Gardens from Stiles Harold Williams, a firm of chartered surveyors. Made in accordance with the Practice Statements in the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, their report dated 7 April 2005 appraised the market value of the freehold interest at £3.75m. In view of the high standard of physical maintenance of 20 Maresfield Gardens and the prime quality of the house as a residential property in a sought-after part of London, the Trustees consider that it is unlikely that the value of the asset has declined since 2005. In the light of the high cost of valuation fees, the Trustees have decided that to conduct a new valuation would bring no commensurate benefit of a kind which would promote the objects of the charity.

This valuation was valid at 1st April 2016 and is considered the deemed cost under FRS 102 transitional requirements of the property going forward.

No value is attributed in the balance sheet to the Collection. Under FRS 102 and the SORP transitional rules, non-capitalisation is permitted if the value to the charity cannot be estimated, or where the cost of obtaining a valuation is burdensome. The Collection consists of a very large number of items, which would be costly to value individually, with no commensurate benefit to the Objects of the Charity.

The Museum has maintained since 1985 an Acquisitions and Disposals Policy in accordance with its stated objects. This was superseded in March 2005 by a new policy, modelled on the standard wording recommended by the Museums, Libraries and Archives Council. Detailed guidelines and procedures regulate disposals. These include a provision that no material shall be de-accessioned purely for financial gain, and a requirement that acquisitions or disposals should first be subject to discussion with a number of other specified museums and archives with objects and collections similar to the Freud Museum's. A copy of the policy may be obtained on written request from the Trustees.

The freehold property has a useful life in excess of 50 years and is subject to an annual impairment review. Hence no depreciation is provided.

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

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:

Fixtures and fittings	20% Straight Line
Office equipment	20% Straight Line

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.

1.7 Fixed asset investments

A subsidiary is an entity controlled by the museum. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the museum 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 stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The museum 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 museum's balance sheet when the museum 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.

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 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 museum is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the museum'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 FREUD MUSEUM LONDON

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

3 Donations and legacies	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£	£	£	£	£	£	£
Donations and gifts	30,204	-	-	-	30,204	63,854	-	-	-	-	63,854	-
Grants receivable	68,708	109,256	109,256	109,256	177,964	242,954	130,645	130,645	130,645	130,645	373,599	373,599
Membership fees	20,226	-	-	-	20,226	24,906	-	-	-	-	24,906	24,906
	<u>119,138</u>	<u>109,256</u>	<u>109,256</u>	<u>109,256</u>	<u>228,394</u>	<u>331,714</u>	<u>130,645</u>	<u>130,645</u>	<u>130,645</u>	<u>130,645</u>	<u>462,359</u>	<u>462,359</u>
Grants receivable for core activities												
Arts Council England/Culture Recovery Fund	-	40,000	40,000	40,000	40,000	-	80,000	80,000	80,000	80,000	80,000	80,000
Arts Council England/ Outreach and Ambassadors	-	4,050	4,050	4,050	4,050	-	595	595	595	595	595	595
Botstiber Foundation - Muriel Gardiner project	-	6,034	6,034	6,034	6,034	-	-	-	-	-	-	-
Joir & Kato Weisz Foundation - Ferenczi project	-	1,200	1,200	1,200	1,200	-	-	-	-	-	-	-
Robert H.N. Ho Family Foundation	-	44,053	44,053	44,053	44,053	-	1,670	1,670	1,670	1,670	1,670	1,670
Marie-Louise von Motesiczky Charitable Trust	-	2,921	2,921	2,921	2,921	-	-	-	-	-	-	-
New Land Foundation - Muriel Gardiner Book	-	3,857	3,857	3,857	3,857	-	-	-	-	-	-	-
Rothschild Foundation Hanadiv Europe	-	7,141	7,141	7,141	7,141	-	-	-	-	-	-	-
Coronavirus Job Retention Scheme	46,099	-	-	-	46,099	185,334	-	-	-	-	185,334	185,334
Camden Council Coronavirus Relief	22,000	-	-	-	22,000	40,572	-	-	-	-	40,572	40,572
Other	609	-	-	-	609	17,048	48,380	48,380	48,380	48,380	65,428	65,428
	<u>68,708</u>	<u>109,256</u>	<u>109,256</u>	<u>109,256</u>	<u>177,964</u>	<u>242,954</u>	<u>130,645</u>	<u>130,645</u>	<u>130,645</u>	<u>130,645</u>	<u>373,599</u>	<u>373,599</u>

THE FREUD MUSEUM LONDON

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

4 Income from charitable activities

	2022 £	2021 £
Admissions	144,813	23,507
Public programmes	101,750	133,406
	<u>246,563</u>	<u>156,913</u>

5 Income from other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Premises hire	51,711	300
Sundry income	1,333	18,725
Income from other trading activities	<u>53,044</u>	<u>19,025</u>

6 Investment income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>52</u>	<u>96</u>

7 Other income

	Unrestricted funds 2022 £	Total 2021 £
Insurance claim	<u>78,778</u>	<u>-</u>

THE FREUD MUSEUM LONDON

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

8 Costs of raising funds	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£	£	£	£	£	£	£
<u>Fundraising and publicity</u>												
Fundraising	-	-	-	-	-	-	2,240	3,687	3,687	5,927		
Programmes	19,885	54,375	74,260	23,574	12,799	36,373						
Archive and conservation	731	4,577	5,308	3,585	2,017	5,602						
Marketing	13,647	7,984	21,631	2,153	-	2,153						
Cost of prints	-	-	-	-	-	450						
Fundraising and publicity	34,263	66,936	101,199	31,552	18,503	50,055						
	34,263	66,936	101,199	31,552	18,503	50,055						

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Cost of charitable activities

	2022 £	2021 £
Staff costs	447,267	366,204
Depreciation and impairment	10,483	13,035
Insurance and security	15,963	15,090
Light and heat	6,954	5,822
Repairs, maintenance and cleaning	23,451	34,127
Travelling & entertainment	41	177
Telephone	4,945	5,173
Computer running costs	12,134	12,081
Printing, postage and stationery	3,238	5,216
Hire of equipment	1,094	1,147
Professional and consultancy fees	20,251	17,457
Auditors remuneration	8,112	7,296
General expenses	1,599	764
Subscriptions	1,963	269
Bank & other charges	2,776	1,204
Bad debts	(728)	2,782
Other charitable expenditure	4,305	3,673
	<u>563,848</u>	<u>491,517</u>
Analysis by fund		
Unrestricted funds	510,263	422,046
Restricted funds	53,585	69,471
	<u>563,848</u>	<u>491,517</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the museum during the year.

THE FREUD MUSEUM LONDON

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

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	17	18
Employment costs	2022 £	2021 £
Wages and salaries	411,780	343,100
Social security costs	28,063	16,292
Other pension costs	7,424	6,812
	<u>447,267</u>	<u>366,204</u>

Ex-gratia payments totalling £22,800 were made during the year.

There were no employees whose annual remuneration was more than £60,000.

12 Tangible fixed assets

	Freehold property £	Collection acquisitions £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2021	3,750,000	700	92,186	89,260	3,932,146
Additions	-	-	-	1,822	1,822
At 31 March 2022	<u>3,750,000</u>	<u>700</u>	<u>92,186</u>	<u>91,082</u>	<u>3,933,968</u>
Depreciation and impairment					
At 1 April 2021	-	-	90,162	70,350	160,512
Depreciation charged in the year	-	-	2,024	8,459	10,483
At 31 March 2022	<u>-</u>	<u>-</u>	<u>92,186</u>	<u>78,809</u>	<u>170,995</u>
Carrying amount					
At 31 March 2022	<u>3,750,000</u>	<u>700</u>	<u>-</u>	<u>12,273</u>	<u>3,762,973</u>
At 31 March 2021	<u>3,750,000</u>	<u>700</u>	<u>2,024</u>	<u>18,910</u>	<u>3,771,634</u>

THE FREUD MUSEUM LONDON

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

13 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2021 & 31 March 2022		100
Carrying amount		
At 31 March 2022		100
At 31 March 2021		100

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	24	100	100

14 Stocks

	2022 £	2021 £
Finished goods and goods for resale	4,830	5,280

15 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	8,075	34,162
Amounts owed by subsidiary undertakings	13,404	24,372
Other debtors	47,192	25,758
Prepayments and accrued income	6,335	18,832
	75,006	103,124

THE FREUD MUSEUM LONDON

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

16 Loans and overdrafts

	2022 £	2021 £
Bank loans	42,099	50,000
Payable within one year	8,333	8,333
Payable after one year	33,766	41,667

A Bounce Back loan of £50,000 was taken out in June 2020. No repayment was required, and no interest accrued, for the first 12 months of the loan up to June 2021. The loan is repayable within 5 years from June 2021 and incurs interest at a rate of 2.5% per annum. Repayments are made by monthly instalments.

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	16	8,333	8,333
Other taxation and social security		8,979	7,601
Deferred income	19	46,303	84,629
Trade creditors		10,901	27,767
Other creditors		3,875	11,536
Accruals and deferred income		8,007	14,467
		86,398	154,333

18 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	16	33,766	41,667

THE FREUD MUSEUM LONDON

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

19 Deferred income

	2022 £	2021 £
Other deferred income	46,303	84,629

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	46,303	84,629
Movements in the year:		
Deferred income at 1 April 2021	84,629	41,123
Released from previous periods	(41,898)	-
Resources deferred in the year	3,572	43,506
Deferred income at 31 March 2022	46,303	84,629

20 Retirement benefit schemes

Defined contribution schemes

The museum operates a workplace pension scheme through the National Employee Savings Trusts (NEST) for all qualifying employees.

The charge to profit or loss in respect of defined contribution schemes was £7,424 (2021 - £6,812).

THE FREUD MUSEUM LONDON

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

21 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			
	Balance at 1 April 2021	Incoming resources	Resources expended 31 March 2022	Balance at 31 March 2022
	£	£	£	£
150 Appeal	8,326	-	(3,420)	4,906
Kretman	21,974	-	(5,736)	16,238
Muriel Gardiner project	-	9,890	(9,890)	-
Arts Council England Cultural Recovery Fund	-	40,000	(40,000)	-
Tangent	-	4,050	(4,050)	-
Anna Freud	-	2,921	(2,921)	-
Ferenczi project	-	1,200	(1,200)	-
Judith Nowark	7,385	-	-	7,385
The Joir and Kato Weisz Foundation	10,000	-	-	10,000
Robert HN Ho Family Foundation	-	44,053	(44,053)	-
Rothschild Foundation Hanadiv Europe	-	7,142	(7,142)	-
New Land Foundation	39,242	-	(2,109)	37,133
Tangent	20,000	-	-	20,000
Anna Freud	2,011	-	-	2,011
Lord Freud	12,500	-	-	12,500
MJ Samuel Charitable Trust	8,500	-	-	8,500
Freehold reserve	3,750,000	-	-	3,750,000
	<u>3,879,938</u>	<u>109,256</u>	<u>(120,521)</u>	<u>3,868,673</u>

22 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	82,973	3,680,000	3,762,973	91,634	3,680,000	3,771,634
Investments	100	-	100	100	-	100
Current assets/ (liabilities)	210,860	187,435	398,295	232,313	199,938	432,251
Long term liabilities	(33,766)	-	(33,766)	(41,667)	-	(41,667)
	<u>260,167</u>	<u>3,867,435</u>	<u>4,127,602</u>	<u>282,380</u>	<u>3,879,938</u>	<u>4,162,318</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	29,306	25,272

24 Subsidiaries

Details of the museum's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Freud Museum Publications Limited	England and Wales	Operates the gift shop within the Freud Museum.	Ordinary	100.00	

At the year end, the following balances with the subsidiary were included in the accounts:

Other creditors - £1,524 (2021: £27,572 included in other debtors)

Trade debtors - £11,772 (2021: £34,032).

During the year the charity received management fees of £23,500 (2021: £12,300) and a donation of £15,000 (2021: £10,000). from Freud Museum Publications Limited.

25 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(34,716)	109,121
Adjustments for:		
Investment income recognised in statement of financial activities	(52)	(96)
Depreciation and impairment of tangible fixed assets	10,483	13,035
Movements in working capital:		
Decrease in stocks	450	450
Decrease/(increase) in debtors	28,118	(5,546)
(Decrease)/increase in creditors	(29,609)	9,214
(Decrease)/increase in deferred income	(38,326)	43,491
Cash (absorbed by)/generated from operations	(63,652)	169,669

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Analysis of changes in net funds

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	478,180	(73,323)	404,857
Loans falling due within one year	(8,333)	-	(8,333)
Loans falling due after more than one year	(41,667)	7,901	(33,766)
	<u>428,180</u>	<u>(65,422)</u>	<u>362,758</u>

