

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 2024

THE FREUD MUSEUM LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Susan Prevezer KC Miss S Bardgett Miss W Monkhouse Mr A Spiro Mr S Kon Juliet Rosenfeld Susanna Abse Ms L Hillman J Cockerill	(Appointed 13 June 2023)
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 2024

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31 March 2024 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 Museum has had an exciting year under the guidance of Director Giuseppe Albano, with, amongst other things (and detailed below), the first season of the "Provocations" talks curated by award-winning journalist and author Rachel Cooke; the launch of the Library Conservation Appeal and the Freud Film Club, and a diverse programme of events and conferences and a flourishing bookshop. The Trustees thank the Director and all the staff at the Museum for their continued commitment, support and hard work this past year.

In addition, the Museum would like to extend special thanks to the Marie-Louise von Motesiczky Trust, whose kind donation will facilitate the renovation of the Exhibition and Video Rooms in 2024; to Michael Green and Tangent Communications, Dr Judith Nowak and Mr Seth Stein for their generous donations and to the Museum's President, Lord David Freud for his acquisition of and loan to the Museum of the replica of Freud's psychoanalytic couch, which has brought much joy (and photo opportunities) to visitors to the Museum. The Museum also extends thanks to all donors, patrons, friends and visitors to the Museum, and to Freud's extended family who have supported the Museum again this last year.

As always, the Museum looks forward to welcoming visitors, both in person and remotely, and continues its mission of promoting the legacies of Sigmund and Anna Freud and enhancing its facilities, programming and events for the benefit of all.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Significant activities and achievements against objectives

In June 2023 the Museum received its largest single donation since opening to the public in 1986 in the form of a generous grant of £150,000 from the Marie-Louise von Motesiczky Trust. This support has been specifically allocated towards improvements to the Exhibition and Video Rooms, and for related exhibition programming. The refurbishments, which are set to commence in 2024, will upgrade the temporary exhibition space of the Freud Museum so that it meets UK government indemnity standards for security and environmental conditions, thereby enabling us to accommodate loans from the most stringent lending institutions and to elevate the profile of our temporary exhibitions. The refurbishment will also include the installation of a hybrid conferencing suite in our Video Room so as to enhance our capacity for hosting fully hybrid conferences, educational workshops, and events. In preparation for the refurbishments, in March 2024 the Museum welcomed a team of postgraduates specialising in robotics, computer science, and engineering from Worcester Polytechnic Institute in Massachusetts, USA. The team conducted audience and market research to ensure the new features of the refurbished space will meet the evolving needs of our visitors, audiences, and staff.

As part of our ongoing efforts to preserve and enhance the Museum's collections, January 2024 saw the launch of the Sigmund Freud's Library Conservation Appeal. This campaign seeks to raise funds for vital conservation work on Freud's collection of 1,600 books, which he brought with him from Vienna to London in 1938 and which are housed at the Freud Museum to this day. The appeal was launched in January 2024 with an online fundraising event titled 'Freud as a Reader of Byron', and was met with an enthusiastic response, with several significant titles being adopted for conservation almost immediately. The first titles to be adopted were Freud's copy of his own major work *Studien über Hysterie*, adopted by Mr. Frederick Woodall of Cambridge, and *The Collected Works of Lord Byron*, adopted by the Circles of Art. Soon after, Dr. Karin Nievelstein from Rotterdam adopted Freud's copy of *Der Wahn und die Träume: Gradiva*, while our Patron and supporter Ida di Pietro adopted Freud's handsome edition of *La Divina Commedia* by Dante in memory of her late husband, Professor Harald Leupold-Löwenthal.

No sooner had the Library Conservation Appeal been launched than we received a surprise gift of 23 additional 'lost' books which once belonged to Freud, generously bequeathed to the Museum by the late Victor Ross. These books were originally part of Freud's library at Berggasse 19 in Vienna but were not among the titles he brought with him to London. Mr. Ross, the son of Eva Rosenfeld—a close associate of Freud and a key figure in the Museum's oral history projects—had received these books as gifts from the Freud family. The books are varied in topic but are all inscribed either by Freud himself or with authors' dedications to Freud, and some even contain annotations in Freud's own hand. Among the most significant of these is *Le magasin des adolescentes* by Madame Le Prince de Beaumont (1825), which is inscribed with the names of Freud and his siblings in what is believed to be the handwriting of a young Sigmund Freud. Other notable titles include works by David Hume and Theodor Herzl. This surprise gift offered a fantastic opportunity to reunite a small but precious collection of books with the larger collection of Freud's library at the Museum. At the end of the financial year the books were being assessed and inventoried, after which they will be accessioned and rehoused.

Throughout the year, the Museum also welcomed several other acquisitions, including a perfect replica of Sigmund Freud's psychoanalytic couch made for the film *Freud's Last Session* (2023) starring Sir Anthony Hopkins. While the original couch remains visible but roped off to visitors in Freud's study on the ground floor, the replica couch has rapidly become one of the most popular interactive pieces in the Museum, particularly among visiting school groups. It made its official debut as part of our *A Century of The Ego and the Id* mini-exhibition, which marked the 100th anniversary of the publication of Freud's seminal essay and included a recreation of Freud's consulting room at Berggasse 19 in Vienna. We extend our deepest gratitude to the Freud Museum's President, Lord David Freud, for acquiring the couch and offering it as a long-term loan to the Museum. We are also grateful to producer Meg Thomson for her part in donating other props from the set, including replica antiquities from Freud's desk and a recreation of his garden tent chair which can be seen in archival film footage and photographs of Freud during his year at 20 Maresfield Gardens.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The Museum's exhibition programming was particularly vibrant this year, featuring a series of critically acclaimed shows that attracted diverse new audiences. *Freud's Antiquity: Object, Idea, Desire* was the first of two archaeology-inspired exhibitions in 2023. It allowed visitors to engage with Freud's passion for antiquity and his idiosyncratic collecting habits. The exhibition was followed by *Tracing Freud on the Acropolis*, which explored Freud's complex emotional response to his visit to Athens in 1904 and considered how psychoanalysis can respond to archaeology. This exhibition was lauded by critics – inspiring a four-star review in *The Observer* – and deeply resonated with visitors, particularly through outreach activities that encouraged personal reflection and engagement with Freud's ideas. In addition to these exhibitions, *Freud and Latin America* opened in January 2024 and marked the first of two major exhibitions planned for the year. The exhibition delved into the profound and enduring impact of Freud's ideas in South and Central America, illustrating his influence on the region. *Freud and Latin America* was also supported by a grant from the Arts Council England.

Our broad-ranging programme of events and conferences included the Museum's inaugural Freud Film Club, which was launched in September 2023 and which quickly became one of the highlights of the year. Over five evenings, films were projected in the garden of the Freud Museum, with every evening selling out. Each screening was preceded by a lecture from film and psychoanalysis expert Mary Wild, providing a deep and engaging context for the films that followed. This initiative was generously supported by our long-standing supporter Dr Judith Nowak, and its success has laid the groundwork for future film screenings at the Museum. In November 2023 we also launched the first season of a new series of in-house events titled *Provocations, or Difficult Conversations in the Home of the Talking Cure* which have been curated by award-winning journalist and author Rachel Cooke. A second season followed in February and March 2024.

Over the year we held a number of fundraising events, including a special garden-themed *Kaffee und kuchen* coffee morning in Freud's garden in June which included coffee, strudel and strawberries galore, as well as a visit to the Arts and Crafts-style garden at the neighbouring 'Little House' in Maresfield Gardens. We are immensely thankful to our neighbours Stephen and Linda Williams for their generosity in welcoming our guests to their home and showing them around their beautiful garden. The event also gave guests the opportunity to see, for the first time in many years, Freud's study once again filled with sunlight and the vision of the roses and the almond tree streaming through the windows, just as Freud had experienced this special room during the last year of his life at 20 Maresfield Gardens. This experience was made possible when the heavy curtains were opened for an hour during part of the coffee morning, before being promptly drawn again in order to protect the many delicate fabrics and works on paper in Freud's study. We also celebrated the Museum's birthday on 28 July 2023 with an evening of live music, canapés, and sparkling wine in Freud's garden, accompanied by a talk by Professor Brett Kahr, the Museum's Honorary Research Director, on the subject of Freud's favourite food. The birthday party raised almost £3,000 for the Museum and we are immensely grateful to Professor Kahr for his tireless commitment to the Museum and to our immediate neighbour Anthony Coles, who frequently supports our activities by helping engage members of the Netherhall Neighbourhood Association to attend the Museum's special events.

These achievements reflect the Museum's ongoing commitment to enhancing its facilities, broadening its programming, and ensuring a high standard of exhibitions, events, and learning opportunities for our visitors. This ongoing dedication – as well as a strong media presence throughout the year thanks to our exhibitions programme and publicity generated by the film *Freud's Last Session* – has helped to elevate the Museum's profile, leading to an increase in visitor numbers by more than 10% in 2023-24 compared to the previous year. Additionally, this growing interest among visitors has contributed to a 14% increase in merchandise sales, highlighting the positive impact of our efforts on both visitor engagement and visitor-generated revenues. The increase in merchandise sales was also aided by our focus during the 2023-24 financial year on establishing and developing partnerships with independent artists and ethical trading companies based both in the UK and internationally to create a range of handmade bespoke products that reflect the Museum's collections and exhibitions programme.

Activities 2023-24 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 mental wellbeing. Much of what has already been covered above has a public benefit component, as well as what is described below.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Education and outreach have continued to be at the heart of the Museum's activities. This year, our educational programmes reached new heights with the introduction of several new initiatives.

In the summer of 2023, we completed an Arts Council-funded outreach project, which allowed us to pilot and embed community engagement work with groups of mental health service users and workers, refugees, ethnic minorities, carers, people with neurological conditions, seniors, healthcare professionals, teachers and heritage educators. The project was a major development: it engaged a wider-than-ever audience of adult learners and transformed the Museum into a valuable community resource. The accessible sessions created during the project have become part of our permanent learning offer.

The project also allowed us to conduct audience research into the perceptions of the Museum, its digital presence and its educational offer among young people (Gen-Z generation) and diverse adult audiences. Its findings have informed our work on the Freud Museum's new adult learning offer, comprising in-person and online sessions for Higher Education, Community, and Corporate groups. At the end of the 2023-24 financial year the new adult learning offer was in a late stage of development and set to be launched in the new financial year.

Our *Freudian Wisdom for the Times of Turmoil* programme for the NHS workforce has continued to be of interest to a growing number of NHS groups and medical students accessing the programme both in the Museum and online.

The *Philosophy for Children* family learning sessions were trialled in November with a focus group before being officially launched and have been particularly successful, engaging young audiences in philosophical discussions inspired by Freud's work and ideas. By the close of the financial year the family learning sessions had already attracted around 130 children, bringing many first-time visitors to the Museum and broadening our demographic reach. These sessions have not only attracted new audiences but have also led to a growing interest in our educational offerings, with many participants returning for additional programmes.

Our group visit numbers have also increased, with almost 8,000 students participating in facilitated visits, learning sessions, self-guided tours, creative workshops and online sessions this year. These visits are a crucial part of our educational outreach, providing tailored experiences that connect students with Freud's theories and their contemporary relevance.

The Museum's public and adult learning programmes have expanded significantly over the year, with new courses on *The Ego and the Id*, *Freud and the Ancient Greeks: Tragedy, Philosophy and Therapy*, *Introducing Sandor Ferenczi*, and *Psychoanalysis and Buddhism* being examples. The Museum also trialled for the first time an online course in Portuguese delivered by Brazilian psychoanalyst Dr Antonio Quinet. That this course became the best attended course for the Freud Museum in 2023 is testament to the global reach of Freud, particularly in Latin America, and paves the way for further Portuguese-language programming in 2024 and beyond. These courses, often featuring guest instructors and specialists, have been well-attended and have contributed to a deeper public understanding of psychoanalytic concepts.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

We have also continued our commitment to digital engagement. The *Freud in Focus* podcast series has been a significant part of this effort, with recent episodes attracting over 30,000 downloads. This series, along with our other online content, has brought Freud to a global audience, including those unable to visit the Museum in person. The podcast is also free of charge, thereby illustrating the Museum's commitment to inclusivity and to addressing financial barriers wherever possible.

Our digital presence has expanded significantly, with an increase in social media followers and website visitors. The Museum's social media channels, particularly X, Instagram, Facebook and TikTok, have been instrumental in engaging with different demographics. Our posts and stories about exhibitions, events, and behind-the-scenes content have resonated well with audiences, leading to increased interaction and participation.

Additionally, the Museum has launched several new online initiatives aimed at enhancing accessibility and engagement. Our free online Virtual Tour was revamped in 2023, providing a way for international audiences to experience the Museum remotely, along with online exhibitions, displays, and a blog. These digital offerings have been complemented by our live-streamed events and webinars, which have allowed us to engage with audiences in real-time and broaden our reach.

In the realm of higher education, the Museum has strengthened its partnerships with academic institutions over the year. Our tailored educational sessions for university students and professionals have been well-attended, with topics ranging from psychoanalytic theory to the historical context of Freud's work and its contemporary relevance. The offer has responded to inter-disciplinary interest in psychoanalysis and engaged with fields as diverse as literature and neuroscience. These sessions have been instrumental in positioning the Museum as a key resource for academic research and study.

In October 2023 we also launched a new series of free in-house afternoon talks, readings and conversations titled *Freud's 4 pm Sessions* which complement the free Museum tours which are often scheduled during the week at 2 pm. The 4 pm talks were launched with an event titled 'Dear Papa', a selection of Anna Freud's letters to her father read by celebrated performer of poetry and prose, and local Hampstead resident, Ruth Rosen. The series followed with a number of talks by specialists in the fields of psychoanalysis, psychology, neuroscience, and across the arts and humanities more generally, exploring the legacies of Sigmund and Anna Freud in their various clinical, cultural, and historical contexts. Most notably on the occasion of the anniversary of Anna Freud's birth we hosted Dr Inge-Martine Pretorius and Dr Susanne Hommel for two free talks titled 'Anna Freud's pioneering work and legacy: The Anna Freud Birthday Lectures' as part of the new series. The talks followed an Anna Freud birthday breakfast held earlier in the day which brought together people who knew Anna Freud to share their memories of her with guests over breakfast.

The Museum's commitment to inclusivity and diversity is evident in our public, learning and outreach programmes. We have collaborated with various community groups to make the Museum's resources accessible to underrepresented audiences. This includes offering bursaries for school visits and developing accessible programmes tailored to different cultural and socio-economic backgrounds and accommodating different needs and abilities.

Conclusion

The Freud Museum London has had a successful year, marked by significant achievements in exhibitions, education, and community engagement. The unprecedented financial support we have received from the Marie-Louise von Motesiczky Trust, along with the dedication of our staff, volunteers, and supporters, has positioned the Museum for continued growth and success. We are confident that this growth will continue through the next financial year, when we anticipate further interest in Freud sparked by the UK cinema release of *Freud's Last Session* as well as the long-awaited publication of the 24-volume Revised Standard Edition of the *Complete Psychological Works of Sigmund Freud*. To celebrate this momentous work of scholarship the Freud Museum will play a key role in hosting a series of special events in partnership with the publishers and with the Institute of Psychoanalysis and British Psychoanalytical Society.

As we look forward to the future, we remain committed to honouring the legacies of Sigmund and Anna Freud, promoting the relevance of psychoanalytic thought, and providing a space for education, reflection, and inspiration.

The Trustees extend their deepest gratitude to all who have contributed to the Museum's success this year. We invite everyone to continue supporting the Freud Museum London and to join us in our mission to explore the enduring impact of psychoanalysis on our understanding of the human mind and culture.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

Income

This year's total income of £864k is an increase of £132k on the prior year (2023: £732k). Of this, restricted income of £174k (2023: £108k) included a £150k grant from the Marie Louise von Motesiczky trust for 2 future exhibitions and the refurbishment and update of certain museum spaces. Other than the MLvM grant, there was a decrease in restricted exhibition grant income during the year, which has been reflected in lower programme spend.

Total unrestricted income for the year of £689k is an increase of £64k on prior year (2023: £625k). Admissions income grew by £44k to £388k in 2024 from the successful exhibitions: Freud's Antiquities, Freud on the Acropolis and Freud and Latin America.

The Museum's trading arm, Freud Museum Enterprises Ltd, had a strong year, with turnover of £335k a significant increase on prior year (2023: £250k) and gross profit £150k (2023: £91k). Premises hire (2023: £66k) was transferred to Freud Museum Enterprises at the start of the year. There was an increase in management fees paid of £108k (2023: £45k), and donations to the Museum of £39k (2023: £19k).

Expenditure

This year's total expenditure of £725k, is a £50k reduction on prior year (2023: £775k).

The cost of raising funds fell by £33k to £78k (2023: £110k), a reflection of decreased exhibition and programme spend during the year.

The cost of charitable activities is £647k, a decrease of £17k on the prior year (2023: £664k), reflecting lower running, security and maintenance costs, together with a small increase in staffing costs following changes.

Net position and cash balance

The Museum had net income of £138k in the year (£19k unrestricted net expenditure and net restricted income of £157k) compared to net expenditure of £42k for the previous year.

The Museum's year-end cash balances increased by £116k to £414k, reflecting the receipt during the year of the restricted grant from the Marie Louise von Motesiczky of £150k.

Reserves Policy and Going Concern

The Trustees review our reserves policy every year and our reserves position each quarter. At 31 March 2024 the total funds held by the Museum amounted to £4.2m (2023 £4.1m). Of these funds, £215k are unrestricted and £4m are restricted. The required reserves at 31 March 2024 were £190k which includes three months' operating costs. Free reserves at 31 March 2024 were the £215k unrestricted funds which are liquid. The Board has agreed that it is prudent to accept the £25k 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 2024

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 2024 the following Trustees have held office.

Susan Prevezer KC

Miss S Bardgett

Miss W Monkhouse

Mr A Spiro

Mr S Kon

Miss A Biggs

(Resigned 6 December 2023)

Mr P Chilton

(Resigned 6 December 2023)

Juliet Rosenfeld

Anne Worthington

(Resigned 6 December 2023)

Susanna Abse

Ms L Hillman

J Cockerill

(Appointed 13 June 2023)

Recruitment and appointment of trustees

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.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Organisational structure

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:

Giuseppe Albano (Director, Freud Museum)

Other management personnel

Duncan Lynch

Iveta Rozlapa

Bryony Davies

Francisco da Silva

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.

THE FREUD MUSEUM LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

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.



Susan Prevezer KC
Trustee

25 September 2024

THE FREUD MUSEUM LONDON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

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 2024 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 2024 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

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

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.



SBM Associates Limited

25 September 2024

**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 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Notes							
Income from:							
Donations and legacies	3	98,945	174,495	273,440	89,625	107,581	197,206
Charitable activities	4	464,365	-	464,365	412,309	-	412,309
Other trading activities	5	9,965	-	9,965	76,259	-	76,259
Investments	6	7,797	-	7,797	1,681	-	1,681
Management Charge		108,000	-	108,000	45,000	-	45,000
Total income		689,072	174,495	863,567	624,874	107,581	732,455
Expenditure on:							
Raising funds	7	60,758	16,995	77,753	71,014	38,753	109,767
Charitable activities	8	646,111	512	646,623	626,692	37,108	663,800
Other expenditure	12	738	-	738	979	-	979
Total expenditure		707,607	17,507	725,114	698,685	75,861	774,546
Net income/(expenditure)		(18,535)	156,988	138,453	(73,811)	31,720	(42,091)
Transfers between funds		-	-	-	48,126	(48,126)	-
Net movement in funds	9	(18,535)	156,988	138,453	(25,685)	(16,406)	(42,091)
Reconciliation of funds:							
Fund balances at 1 April 2023		233,244	3,852,267	4,085,511	258,929	3,868,673	4,127,602
Fund balances at 31 March 2024		214,709	4,009,255	4,223,964	233,244	3,852,267	4,085,511

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

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14	3,760,753		3,765,109	
Investments	15		100		100
			<u>3,760,853</u>		<u>3,765,209</u>
Current assets					
Stocks	16	4,230		4,440	
Debtors	17	114,346		118,854	
Cash at bank and in hand		414,353		298,436	
			<u>532,929</u>		<u>421,730</u>
Creditors: amounts falling due within one year	19	(55,633)		(77,332)	
Net current assets			<u>477,296</u>		<u>344,398</u>
Total assets less current liabilities			4,238,149		4,109,607
Creditors: amounts falling due after more than one year	20		(14,185)		(24,096)
Net assets			<u>4,223,964</u>		<u>4,085,511</u>
Income funds					
Restricted funds	23	4,009,255		3,852,267	
General unrestricted funds		214,706		233,241	
Members funds		3		3	
			<u>4,223,964</u>		<u>4,085,511</u>

THE FREUD MUSEUM LONDON

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2024

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 2024, 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 25 September 2024



Susan Prevezer KC
Trustee

Company registration number 5467415

THE FREUD MUSEUM LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		120,493		(84,354)
Investing activities					
Purchase of tangible fixed assets		(2,461)		(14,078)	
Investment income received		7,797		1,681	
Net cash generated from/(used in) investing activities			5,335		(12,397)
Financing activities					
Repayment of bank loans		(9,911)		(9,670)	
Net cash used in financing activities			(9,911)		(9,670)
Net increase/(decrease) in cash and cash equivalents			115,917		(106,421)
Cash and cash equivalents at beginning of year			298,436		404,857
Cash and cash equivalents at end of year			414,353		298,436

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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 or grantors 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.

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.

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

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 2024

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 2024

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.

Derecognition of financial liabilities

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

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

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 2024

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Donations and gifts	60,094	-	60,094	46,036	-	46,036
Grants receivable	9,369	174,495	183,864	17,227	107,581	124,808
Membership fees	29,482	-	29,482	26,362	-	26,362
	<u>98,945</u>	<u>174,495</u>	<u>273,440</u>	<u>89,625</u>	<u>107,581</u>	<u>197,206</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

(Continued)

Grants receivable for core activities

Arts Council England/ Outreach and Ambassadors	3,909	-	3,909	-	-	-
Acropolis Museum	837	-	837	-	-	-
University of Essex	485	-	485	-	-	-
Robert H.N. Ho Family Foundation	-	-	-	-	41,177	41,177
Marie-Louise von Motesiczky Charitable Trust	-	150,000	150,000	-	-	-
Tangent	-	10,000	10,000	-	20,000	20,000
King's College London	-	-	-	-	4,987	4,987
University College London	-	-	-	-	7,990	7,990
University of Houston	-	-	-	-	2,427	2,427
Rothschild Foundation	-	-	-	-	25,000	25,000
Judith Szekacs	-	-	-	3,150	-	3,150
Pilar Ordovas	-	-	-	5,000	-	5,000
Museum of London	-	-	-	3,400	-	3,400
Art Council England/Freud Latin America	-	14,495	14,495	-	-	-
Other	4,138	-	4,138	-	6,677	6,677
	<u>9,369</u>	<u>174,495</u>	<u>183,864</u>	<u>17,227</u>	<u>107,581</u>	<u>124,808</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Admissions	388,294	344,269
Public programmes	76,071	68,040
	<u>464,365</u>	<u>412,309</u>

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Premises hire	-	66,130
Object Hire Income	7,255	1,300
Sundry income	2,710	8,829
	<u>9,965</u>	<u>76,259</u>

Premises Hire activity was transferred to the museum's subsidiary, Freud Museum Enterprises on 1 April 2024.

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>7,797</u>	<u>1,681</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Costs of raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
<u>Fundraising and publicity</u>						
Programmes	42,556	13,575	56,131	59,999	32,355	92,354
Archive and conservation	5,989	-	5,989	2,461	6,398	8,859
Marketing	12,213	3,420	15,633	8,554	-	8,554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fundraising and publicity	60,758	16,995	77,753	71,014	38,753	109,767
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	60,758	16,995	77,753	71,014	38,753	109,767
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Cost of charitable activities

	2024 £	2023 £
Staff costs	525,597	509,276
Depreciation and impairment	6,818	11,942
Insurance and security	16,185	49,388
Light and heat	10,384	9,266
Repairs, maintenance and cleaning	8,629	14,530
Travelling & entertainment	2,914	442
Telephone	5,551	5,151
Computer running costs	20,292	19,064
Printing, postage and stationery	2,606	3,139
Hire of equipment	733	1,131
Professional and consultancy fees	19,537	18,825
Auditors remuneration	7,068	6,669
General expenses	9,882	3,948
Subscriptions	1,765	1,206
Bank & other charges	2,733	2,650
Bad debts	195	1,266
Other charitable expenditure	5,734	5,907
	<u>646,623</u>	<u>663,800</u>
Analysis by fund		
Unrestricted funds	646,111	626,692
Restricted funds	512	37,108
	<u>646,623</u>	<u>663,800</u>

9 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>6,818</u>	<u>11,942</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
19	19

Employment costs

	2024 £	2023 £
Wages and salaries	476,542	468,833
Social security costs	39,037	31,337
Other pension costs	10,018	9,106
	<u>525,597</u>	<u>509,276</u>

Ex-gratia payments totalling £11,000 (2023: nil) were made during the year.

The number of employees whose annual remuneration was more than £60,000 is as follows:

2024 Number	2023 Number
1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	<u>61,750</u>	<u>40,231</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Other expenditure

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Financing costs	738	979

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Freehold property £	Collection acquisitions £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2023	3,750,000	700	99,784	97,562	3,948,046
Additions	-	-	2,461	-	2,461
At 31 March 2024	3,750,000	700	102,245	97,562	3,950,507
Depreciation and impairment					
At 1 April 2023	-	-	92,344	90,592	182,936
Depreciation charged in the year	-	-	2,283	4,535	6,818
At 31 March 2024	-	-	94,627	95,127	189,754
Carrying amount					
At 31 March 2024	3,750,000	700	7,618	2,435	3,760,753
At 31 March 2023	3,750,000	700	7,440	6,969	3,765,109

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Fixed asset investments

		Other investments £
Cost or valuation		
At 1 April 2023 & 31 March 2024		100
Carrying amount		
At 31 March 2024		100
At 31 March 2023		100

	Notes	2024 £	2023 £
Other investments comprise:			
Investments in subsidiaries	26	100	100

16 Stocks

	2024 £	2023 £
Finished goods and goods for resale	4,230	4,440

17 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	578	20,598
Amounts owed by subsidiary undertakings	60,915	17,703
Other debtors	29,930	57,636
Prepayments and accrued income	22,923	22,917
	114,346	118,854

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Loans and overdrafts

	2024 £	2023 £
Bank loans	22,518	32,429
Payable within one year	8,333	8,333
Payable after one year	14,185	24,096

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.

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	18	8,333	8,333
Other taxation and social security		10,119	11,582
Deferred income	21	1,920	2,989
Trade creditors		18,345	22,203
Other creditors		2,802	5,714
Accruals		14,114	26,511
		55,633	77,332

20 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	18	14,185	24,096

21 Deferred income

	2024 £	2023 £
Other deferred income	1,920	2,989

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

21 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	1,920	2,989
Movements in the year:		
Deferred income at 1 April 2023	2,989	46,303
Released from previous periods	(1,069)	(43,314)
Deferred income at 31 March 2024	1,920	2,989

22 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,018	9,106

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

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds				Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£	£	£	£	£
150 Appeal	4,906	-	-	(4,906)	-	-	-	-
Neil Kreitman Foundation	16,238	-	(5,712)	(10,527)	-	-	-	-
Judith Nowack Foundation	7,385	-	-	(7,385)	-	-	-	-
Freud Antiquity Exhibition	-	15,404	(15,404)	-	-	-	-	-
Lucian Freud Exhibition	-	31,000	(31,000)	-	-	-	-	-
Ho Foundation - Freud in China	-	41,177	(15,868)	(25,309)	-	-	-	-
Arts Council England	-	-	-	-	-	14,495	(14,495)	-
Total Development Project	90,144	20,000	(7,877)	-	102,267	10,000	-	112,267
Freehold reserve	3,750,000	-	-	-	3,750,000	-	-	3,750,000
Marie-Louise Von Motesiczky	-	-	-	-	-	150,000	(3,012)	146,988
	<u>3,868,673</u>	<u>107,581</u>	<u>(75,861)</u>	<u>(48,126)</u>	<u>3,852,267</u>	<u>174,495</u>	<u>(17,507)</u>	<u>4,009,255</u>

Detailed analysis of Development Project Fund:

New- Land Foundation	37,133	-	(7,877)	-	29,256	-	-	29,256
Tangent	20,000	20,000	-	-	40,000	10,000	-	50,000
Anna Freud Foundation	2,011	-	-	-	2,011	-	-	2,011
Lord Freud	12,500	-	-	-	12,500	-	-	12,500
The Joir and Kato Weisz Foundation	10,000	-	-	-	10,000	-	-	10,000
MJ Samuel Charitable Trust	8,500	-	-	-	8,500	-	-	8,500
Rothschild Foundation	-	-	-	-	-	-	-	-
	<u>90,144</u>	<u>20,000</u>	<u>(7,877)</u>	<u>-</u>	<u>102,267</u>	<u>10,000</u>	<u>-</u>	<u>112,267</u>

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
General funds	233,244	689,072	(707,607)	-	214,709
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
General funds	258,929	624,874	(698,685)	48,126	233,244

25 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	8,292	3,752,461	3,760,753
Investments	100	-	100
Current assets/(liabilities)	220,502	256,794	477,296
Long term liabilities	(14,185)	-	(14,185)
	214,709	4,009,255	4,223,964
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	85,109	3,680,000	3,765,109
Investments	100	-	100
Current assets/(liabilities)	172,131	172,267	344,398
Long term liabilities	(24,096)	-	(24,096)
	233,244	3,852,267	4,085,511

THE FREUD MUSEUM LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

26 Subsidiaries

Details of the museum's subsidiary at 31 March 2024 are as follows:

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

At the year end, in addition to the balances noted at note 17 above, there was the following balance with the subsidiary were included in the accounts:

Trade debtors - £0 (2023: £468).

During the year the charity received management fees of £108,000 (2023: £45,000) and a donation of £38,841 (2023: £19,229) from Freud Museum Enterprises Limited.

27 Cash generated from operations	2024 £	2023 £
Surplus/(deficit) for the year	138,453	(42,091)
Adjustments for:		
Investment income recognised in statement of financial activities	(7,797)	(1,681)
Depreciation and impairment of tangible fixed assets	6,818	11,942
Movements in working capital:		
Decrease in stocks	210	390
Decrease/(increase) in debtors	4,508	(43,848)
(Decrease)/increase in creditors	(20,630)	34,248
(Decrease) in deferred income	(1,069)	(43,314)
Cash generated from/(absorbed by) operations	120,493	(84,354)

28 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	298,436	115,917	414,353
Loans falling due within one year	(8,333)	-	(8,333)
Loans falling due after more than one year	(24,096)	9,911	(14,185)
	<u>266,007</u>	<u>125,828</u>	<u>391,835</u>