

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT AND FINANCIAL STATEMENTS

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HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

REFERENCE AND ADMINISTRATION INFORMATION

The Trustees who acted during the year were as follows:

Mr D Bailey
Mr J Bisset
Miss A G Bulmer
Mr C Bulmer
Mr C Fairs
Mr D Marshall (Chairman)
Mrs P Platts (resigned 18 May 2020)
Mrs H Thomas
Mrs F Tyler (appointed 5 December 2019)
Mr S Wright

Senior Management – Ms E Pimblett, Museum Director

Details of the Auditors remuneration are given in note 3 to the financial statements.

None of the Trustees have received any remuneration or reimbursement of expenses in the year.

Registered office and operational address

21 Ryelands Street
Hereford
HR4 0LW

Advisors

Independent Auditor

James Harper FCA
Harper Sheldon Chartered Accountants
Midway House, Herrick Way
Staverton
Gloucestershire
GL51 6TQ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

Lambe Corner Solicitors
36/37 Bridge Street
Hereford
HR4 9DJ

Investment Advisors

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

CCLA Investment Management Ltd
Senator House, 85 Queen Victoria Street
London
EC4V 4ET

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their annual report and financial statements of the charity for the year ended 30 September 2020.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 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 published on 16 July 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hereford Cider Museum Trust is a registered charity (No. 1158061) governed by a declaration of Trust dated 12 August 2014. The Trustees may appoint new or additional Trustees and the following organisations had Trustee representatives as follows:

Bulmers (one representative)

National Association of Cider Makers (one representative)

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The object of the Hereford Cider Museum Trust is to advance education for the public benefit in the history of the cider and perry industry and related agricultural, orcharding and industrial processes by maintaining a museum with the strategic aims to:

- Improve public understanding and appreciation of the Cider Industry
- Collect and care for material relating to the cider industry for future generations
- Ensure that learning and access to collections provision is a core element of all aspects of the Museum's work
- Generate sufficient revenue to ensure a sustainable future for the Museum
- Develop and extend partnerships with the Cider Industry and wider community
- Build and develop staff capacity

It does this by:-

- Continuing re-display of the Museum, to improve physical and intellectual access and its value as an educational platform
- Providing improved access to the reserve collections
- Meeting external standards of collections care
- Maintaining Accreditation status for the Museum
- Enhancing the Museum's online and media presence
- Encouraging endowments to the Museum
- Increasing the community role of the Museum

All assets donated to the Museum are held by the Trust and recorded in the Accession Register. The Trustees will not normally dispose of any accessioned assets; however unwanted items may warrant disposal or dispersal from time to time and such may be authorised by the Trustees within the strict provisions of the Museum's Access and Disposal policy.

In setting our objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. It is important that access to education is not restricted to those who can afford our fees and we therefore offer concessions for senior citizens, children and students.

The Trustees gratefully acknowledge the support of the many unpaid volunteers and those who provided facilities and services free of charge to the Charity.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

ACHIEVEMENTS AND PERFORMANCE – HOW WE DELIVERED PUBLIC BENEFIT

At the beginning of the year, the Museum was gifted the entire remaining assets of the Gillian Bulmer Charitable Trust (known as 'the Pippin Trust') comprising investments and cash totalling £2,785,772 and orchards of book value £240,000. The orchards contain some 150 varieties of heritage cider apples and will continue to be run by the Pippin Orchards Management Group reporting to the trustees. The gift was received without restriction and provides a great opportunity to broaden and develop the Museum's offering in the future.

The COVID-19 pandemic has severely impacted the Museum. The doors were closed to visitors and tenants at the end of March 2020 in advance of the first Government lockdown and remained closed for the rest of the year. Hire of meeting rooms also had to cease. Nearly all staff were put on furlough leave. Whilst the Museum was shut, a warm water leak caused extensive damage to the cellars. This has been subject of an insurance claim and considerable repairs have been required, mainly covered by the insurance policy. Work is ongoing to make the Museum ready to receive visitors again in COVID-secure conditions. As a result of this problem combined with uncertainty about the pandemic and Government's response to it, consultations took place with staff which resulted in two members of staff taking voluntary redundancy and most of the remaining staff staying on furlough leave until the Museum is ready to open again. Because it has been closed for half the year, visitor numbers have fallen from 12,211 in 2019 to 4,966 in 2020. All activities with the community were suspended, including the annual International Cider and Perry Competition. Exhibitions about the apple that were being planned with the Brightspace Foundation and National Trust in Herefordshire were deferred and the programme will initially be launched online whilst the pandemic prevents indoor physical exhibitions in any meaningful way. Additional funding has been raised to enable this, including a contribution from the Museum and agreement from some existing funders to allow application of funds for this purpose.

The Museum holds Full Accreditation status by the Arts Council, England, which is the UK standard for museums and galleries and defines the working practices for collection care. Being the only Accredited Museum in the country to focus upon the story of cider and the apple the Museum seeks to showcase and promote the heritage of cider and orchards across the United Kingdom. The Museum offers a unique combination of industrial heritage, unrivalled collections from across the country, and cultural worth set in a County that has a central role in the history and production of cider. Housed in an historic factory building that is the birthplace of the largest cider maker in the world, the Museum has a collection that combines agricultural and industrial machinery alongside exquisite collections of glassware and art works, and holds an extensive archive of papers, images and books. Its collections are further enhanced by loans from others. Major technical and scientific advances took place here, and the Museum sits in the centre of Herefordshire, a rural county that accounts for a fifth of all the cider produced in the world. The potential of the Museum to elevate its stature was recognised by the award in the previous year of a three-year grant by the John Ellerman Foundation to update and transform its visitor experience and become an acknowledged global centre of specialist expertise, although some of the work intended with this grant has had to be delayed. During the year, in response to the significant opportunities and threats the Museum has experienced, the trustees decided to deepen this work, initiating a quinquennial review of the condition of the building as part of a structured approach towards developing a new strategy.

Despite a difficult year, the Museum's resilience has been increased with the funds from the Pippin Trust and the focus of Trustees on developing a responsive strategy that will allow the Cider Museum to continue to grow in stature.

FINANCIAL REVIEW

Voluntary income is very important to the Trust, especially in this year when the Museum has had to shut. We are especially grateful to the Pippin Trust for the large gift as described above and to the Church Street Charitable Trust and the Becket Bulmer Fund administered by the Herefordshire Community Foundation which continue to support the running of the Museum on a regular basis; to the National Association of Cider Makers for their continued support for the Museum's archive; and to Miss A G Bulmer for another generous personal donation this year.

The Trust has shown a net income on unrestricted funds of £3,138,552 (2019: £119,051). In the main, this large net income position was due to donations of £3,033,272 (2019: £3,800) and £175,150 (2019: £85,066) from The Gillian Bulmer Charitable Trust and one of the Trustees, Miss AG Bulmer respectively (as detailed in note 4).

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

INVESTMENT POLICY AND PERFORMANCE

The Trustees may invest any monies held at their absolute discretion and its now much larger investment portfolio is managed by Cazenove Capital Management Limited and CCLA Investment Management Ltd. This has been a volatile year for investments and these arrangements will be reviewed. An unrealised gain of £101,633 (2019: loss £13,757) has been made on the portfolio during the course of the year. The Trustees are aware of the age of the building and have designated funds for the future costs for maintenance and repairs.

In particular, work is being undertaken on a cellar that is structurally unsound with plans being developed to use this space to further enhance the visitor experience. The quinquennial review and strategic programme now underway are also expected to require significant investment.

KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees consider the board of Trustees and Museum Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 2 to the Accounts.

RISK MANAGEMENT

During the year the Trustees reviewed operational risks which are prioritised in terms of potential impact and likelihood of occurrence, and procedures have been put in place to mitigate risks. There is a programme of staff training.

RESERVES POLICY

The Trustees have reviewed the reserves of the charity. The review concluded that the reserves were largely invested in non-liquid assets which may fluctuate in value, but the income stream generated from these assets was reasonable, and required to maintain and develop Museum operations, including the Pippin orchards and the archive. Any major expansion arising from the strategic review would however need to be separately funded. The Trustees designated reserves for major repairs and maintenance, recognising the age of the building and the needs to safeguard the collection. The charity has a number of restricted funds which are detailed in the notes to the financial statements.

PLANS FOR THE FUTURE

The transformation of the Museum experience, for which work is now underway, will make the most of the building and the unique collections held by the Museum. Working in partnership with others, further exhibitions and events are planned including extending our reach overseas, educating new audiences, and attracting further volunteers.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Trustees responsibilities in relation to the Financial Statements:

The Charity Trustees are responsible for preparing a Trustees annual report and financial statements in accordance with applicable law and United Kingdom accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that year. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

On behalf of the Trustees



D Marshall

6 April 2021

Independent Auditor's Report to the trustees of Hereford Cider Museum Trust

Year ended 30 September 2020

Opinion

We have audited the financial statements of Hereford Cider Museum Trust (the 'charity') for the year ended 30 September 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005), and with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and with the Charities Act 2011.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

HEREFORD CIDER MUSEUM TRUST CHARITABLE ORGANISATION (CIO)

Independent Auditor's Report to the trustees of Hereford Cider Museum Trust

Year ended 30 September 2020

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Charities Act 2011

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

HEREFORD CIDER MUSEUM TRUST CHARITABLE ORGANISATION (CIO)

Independent Auditor's Report to the trustees of Hereford Cider Museum Trust

Year ended 30 September 2020

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

HEREFORD CIDER MUSEUM TRUST CHARITABLE ORGANISATION (CIO)

Independent Auditor's Report to the trustees of Hereford Cider Museum Trust

Year ended 30 September 2020

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.


James Harper (Senior Statutory Auditor)

For and on behalf of
Harper Sheldon Limited
Chartered accountants & statutory auditor
Midway House
Staverton Technology Park
Herrick Way, Staverton
Cheltenham, Glos.
GL51 6TQ

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

INCOME AND ENDOWMENTS FROM:	Note	Unrestricted funds	Restricted funds	Total 2020	Total 2019
		£	£	£	£
Donations and legacies	4	3,235,466	28,302	3,263,768	186,961
Charitable activities	5	84,595	2,842	87,437	123,335
Investments	6	10,708	-	10,708	59,114
Total income and endowments		3,330,769	31,144	3,361,913	369,410
EXPENDITURE ON:					
Expenditure on raising funds		(14,607)	-	(14,607)	(31,801)
Expenditure on charitable activities	7	(177,610)	(39,267)	(216,877)	(173,886)
Total expenditure		(192,217)	(39,267)	(231,484)	(205,687)
Net income / (expenditure)		3,138,552	(8,123)	3,130,429	163,723
Transfers between funds		(10,000)	10,000	-	-
Other recognised gains/(losses):					
Gains/(losses) on revaluation of investment assets	9	101,633	-	101,633	(13,757)
NET MOVEMENT IN FUNDS		3,230,185	1,877	3,232,062	149,966
Reconciliation of funds:					
Total funds brought forward		1,622,010	272,707	1,894,717	1,744,751
Total funds carried forward		4,852,195	274,584	5,126,779	1,894,717

All income and expenditure derive from continuing activities.

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

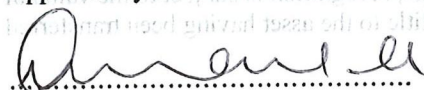
HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

BALANCE SHEET

FOR THE YEAR ENDED 30 SEPTEMBER 2020

FIXED ASSETS	Notes	2020 £	2019 £
Tangible fixed assets	8	987,063	763,271
Investments	9	3,831,693	930,216
		4,818,756	1,693,487
CURRENT ASSETS			
Stocks		39,078	40,926
Debtors	10	17,089	6,150
Cash at bank and in hand		260,990	174,222
		317,157	221,298
Creditors: amounts falling due within one year	11	(9,134)	(20,068)
Net current assets		308,023	201,230
Total assets less current liabilities		5,126,779	1,894,717
NET ASSETS		5,126,779	1,894,717
Restricted funds	12	274,584	272,907
Unrestricted funds			
General fund	13	3,854,213	613,966
Designated fund – maintenance and repairs		338,407	348,469
Fair value reserve		659,575	659,575
TOTAL CHARITY FUNDS		5,126,779	1,894,717

Approved by the Board of Trustees on 6 April 2021 and signed on its behalf by:



D Marshall

The notes on pages 10 to 21 form part of these accounts.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities", (revised 2005) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant area of adjustment and key assumptions that affect items in the accounts are to do with the valuation of stock.

(b) FUNDS STRUCTURE

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or Trust deed. There are several restricted funds and the purpose of each is stated in note 12.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

(c) INCOME RECOGNITION

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

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to funds, the income is deferred and not recognised until either those conditions are fully met or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Grants are credited as income in the year in which they are receivable, subject to the following:- Grants received for specific purposes are accounted for as restricted funds. Grants are not recognised as receivable until any conditions for receipt have been complied with. Where donor-imposed restrictions apply to the timing of the related expenditure as a pre-condition for its use the grant is treated as deferred income until those restrictions are met.

Grants receivable in respect of expenditure on tangible fixed assets are treated as deferred income and amortised by equal instalments on the same basis as the depreciation charge applicable to the asset concerned.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

(d) EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution please refer to note (g) below.

(e) IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory independent examination and legal fees together with an apportionment of overhead and support costs.

(g) CHARITABLE ACTIVITIES

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 7.

(h) TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £100 are capitalised and valued at historical cost.

Freehold property is valued on an existing use basis on an 8-year rolling cycle. The next professional valuation is due in 2022.

Plant and machinery is stated in the balance sheet at cost less depreciation. Distillery equipment includes certain gifted items stated at replacement valuation at time of acquisition. The following rates of depreciation are charged:-

- Freehold property – 2% straight line
- Plant & machinery etc – 20% straight line
- Piano – straight line over 50 years

(i) FIXED ASSET INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

(j) REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(k) PENSIONS

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 7. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within staff costs and charged to the unrestricted funds of the charity.

The money purchase plan is managed by NOW Pensions and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

The charity made £781 of contributions to the pension plan operated by NOW Pensions on behalf of the employees (2019: £742). For more information about the pension contributions refer to note 7.

(l) CONTINGENT LIABILITIES

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(m) STOCKS

Stocks are stated in the balance sheet at the lower of cost and net realisable value. Cost includes all expenditure incurred in bringing those stocks to their present location and condition.

(n) INALIENABLE OR HISTORIC ASSETS

The museum's collection has been gifted over many years and is not valued in the financial statements as the Trustees are of the opinion that no practical benefit would be achieved by attempting to place a value on these assets, which are not held for resale.

(o) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

(p) VOLUNTARY HELP AND GIFTS IN KIND

The Trustees gratefully acknowledge the many hours of voluntary help donated to the charity each year. No attempt has been made to quantify or value this assistance in the financial statements.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil). Expenses paid to the trustees in the year totalled £Nil (2019: £Nil).

3. AUDIT / INDEPENDENT EXAMINERS REMUNERATION

Auditor / Independent examiners remuneration comprises:

Audit / Independent examiners services

Management accounts, other and software transition

Payroll bureau services including furlough claims

2020	2019
£	£
3,420	3,400
5,406	-
2,145	1,101
<u>10,971</u>	<u>4,501</u>

4. DONATIONS AND LEGACIES

Church Street Charitable Trust
NACM - archive of cider pomology
The Herefordshire Community Foundation – Becket Bulmer fund
E F Bulmer Benevolent Fund
Miss AG Bulmer
PCC Holy Trinity Church
Gillian Bulmer Charitable Trust
Community Art Project – Herefordshire Council
THE APPLE WORLD – Hereford City Council
THE APPLE WORLD – Art Fund with Weston Loan Programme
THE APPLE WORLD - East Malling Trust
THE APPLE WORLD - Heineken
John Ellerman Foundation
Community First
Sundry donations and gift aid

2020	2019
£	£
15,000	16,000
2,500	2,500
14,651	14,566
-	500
175,150	85,066
4,000	2,750
3,033,272	3,800
377	8,443
3,000	-
14,025	-
-	5,000
400	-
-	42,000
-	2,000
1,393	4,336
<u>3,263,768</u>	<u>186,961</u>

5. CHARITABLE ACTIVITIES

Museum shop, café, room hire and orchard income
Museum admissions
Covid-19 grants

2020	2019
£	£
48,222	92,827
9,714	30,508
29,501	-
<u>87,437</u>	<u>123,335</u>

6. INCOME FROM INVESTMENTS

Listed investments income
Realised (loss)/profit on the sale of Cazenove Investments

2020	2019
£	£
84,025	25,054
(73,317)	34,060
<u>10,708</u>	<u>59,114</u>

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	2020 £	2019 £
Governance costs:		
Museum director salary and bookkeepers charges	40,882	39,686
Telephone and internet costs	1,543	1,350
Auditor/Independent examiners remuneration	10,971	4,501
Legal and professional fees	8,998	4,999
Depreciation	2,454	1,891
Bank charges	604	942
Administrative costs:		
Premises costs	44,321	44,135
Motor and travel costs	398	529
Printing, stationery and advertising	4,824	4,382
Exhibits and equipment	33,628	2,816
Depreciation	16,000	16,000
Sundry expenses	2,235	1,000
Staff costs:		
Wages and salaries	48,246	50,361
Social security costs	992	552
Pension costs	781	742
	216,877	173,886

The average number of employees, calculated on a full-time equivalent basis, analysed by function, was:

	2020	2019
Governance staff	2	2
Other staff	11	11
	13	13

No employees received total employee benefits (excluding employer pensions costs) of more than £60,000.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Total £
COST OR VALUATION			
Balance at 1 October 2019	800,000	143,504	943,504
Additions	240,000	2,454	242,454
Revaluations	-	-	-
Balance at 30 September 2020	1,040,000	145,958	1,185,958
ACCUMULATED DEPRECIATION			
Balance at 1 October 2019	88,000	92,233	180,233
Charge for the year	16,000	2,662	18,662
Revaluation adjustments	-	-	-
Balance at 30 September 2020	104,000	94,895	198,895
NET BOOK VALUE			
At 30 September 2020	936,000	51,063	987,063
At 30 September 2019	712,000	51,271	763,271

Revaluation

Freehold Property was revalued on an Existing Use Value basis on 21 February 2014 by Jonathan D Preece BSC MRICS.

If Freehold Property had not been revalued it would have been included at a historical cost of £353,207 with aggregate depreciation of £209,843 (2019: £353,207 historical cost with aggregate depreciation of £202,779). Freehold property includes land valued at £240,000 which is not depreciated.

9. FIXED ASSET INVESTMENTS

	2020 £	2019 £
Market value at 1 October 2019	930,216	823,259
Net gains/(losses) on revaluation at 30 September 2020	101,633	(13,757)
Eliminated on disposal	(1,108,211)	(240,243)
Purchased in year	1,203,567	360,957
Investments donated by The Pippin Trust	2,704,488	-
Market value at 30 September 2020	3,831,693	930,216
Historical cost as at 30 September 2020	3,633,915	834,045

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

9. FIXED ASSET INVESTMENTS - continued

	2020 £	2019 £
UK Equities	296,468	129,700
International Equities	996,180	361,387
UK Bonds	416,014	194,943
North America Bonds	207,778	62,020
Portfolio Funds	485,135	182,141
COIF Charity Funds	1,430,093	-
Unlisted Securities - at cost		
£25 Hereford Co-operative Housing Ltd	25	25
4% loan stock		
	3,831,693	930,216

10. DEBTORS

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	-	3,590
Other debtors	17,089	2,560
	17,089	6,150

11. CREDITORS

	2020 £	2019 £
Amounts falling due within one year:		
Trade creditors	1,745	2,402
Taxation and social security payable	820	1,039
Accruals	6,420	3,458
Other creditors	149	13,169
	9,134	20,068

12. RESTRICTED FUNDS

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	A G Bulmer Education Fund £	Museum Development Fund £	Archive of Cider Pomology Fund £	Collection Fund £	Community Art Project £
Balance at 1 October 2019	323	202,692	19,997	1,082	113
Received during the year	-	-	12,842	-	377
Transfers from general fund	-	-	-	-	-
Cash expended	-	-	(7,113)	(50)	(377)
Balance at 30 September 2020	323	202,692	25,726	1,032	113

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

12. RESTRICTED FUNDS - continued

	THE APPLE WORLD exhibitions £	John Ellerman Foundation £	Total £
Balance at 1 October 2019	6,500	42,000	272,707
Received during the year	17,925	-	31,144
Transfers between funds	14,500	(4,500)	10,000
Cash expended	(7,568)	(24,159)	(39,267)
Balance at 30 September 2020	31,357	13,341	274,584

The AG Bulmer Education Fund was established to enable the Museum to provide further education for Museum staff.

The Museum Development Fund was established to be used towards the development of the Museum premises and exhibits.

The Archive of Cider Pomology Fund was established to record the history of pomology of cider, its manufacture, and associated crafts.

The Collection Fund was established for the restoration of the museum collection exhibits.

The Community Art Project relates to funds received to work with the local community and artists to improve the environment around the museum, in particular to improve and enhance the visual appeal and feel of the area adjacent to the footpath running alongside the museum and the commission of a new sculpture by Walenty Pytel.

THE APPLE WORLD exhibitions to articulate the story of the apple have been deferred due to the COVID-19 pandemic but a digital programme will start in 2021, to which the Museum has contributed, together with additional funding from others and agreed use of existing funds to support the digital development. Grant funding has been received from the East Malling Trust, the Worshipful Company of Fruiterers, the John Ellerman Foundation, Art Fund with Weston Loan Programme, and a private donor, and further funding will be received in the next year.

The John Ellerman Foundation is providing funding over three years to support work to transform the Museum, including increased curatorial capacity and partnership delivery of THE APPLE WORLD exhibition programme.

These funds are held in the bank account of the Trust and in investments held by Cazenove.

13. GENERAL FUND

	£
At 1 October 2019	613,966
Incoming resources	3,330,769
Outgoing resources	(182,155)
Transfers (to) restricted funds	(10,000)
Gains on investment assets	101,633

At 30 September 2020 3,854,213

14. CAPITAL COMMITMENTS

There were no capital commitments contracted for but not provided in the accounts at the year end.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

15. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 30 September 2020 are represented by:			
Tangible fixed assets	987,063	-	987,063
Investments	3,629,001	202,692	3,831,693
Current assets	245,265	71,892	317,157
Current liabilities	(9,134)	-	(9,134)
Total net assets	4,852,195	274,584	5,126,779

Unrealised (gains) included above on tangible fixed assets	(659,575)
Unrealised (gains) included above on investment assets	(172,899)
Total unrealised (gains) at 30 September 2020	(832,474)

Reconciliation of movement in unrealised (gains) and losses on freehold property and investment assets:

Unrealised (gains) at 1 October 2019	(730,841)
Net (gains) arising on revaluation of investment assets in the year	(101,633)

Unrealised (gains) at 30 September 2020	(832,474)
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16. RELATED PARTY TRANSACTIONS

During the year, Miss A G Bulmer (a Trustee) donated £175,150 (2019: £85,066) to the charity. There was no restriction placed on how the funds can be used.

During the year, The Gillian Bulmer Charitable Trust (of which Miss A G Bulmer and C Fairs were Trustees), was wound-up and the following donations were made to the charity:-

- Investments with a value of £2,704,488.
- An orchard with a value of £240,000.
- Cash of £81,284.

There was no restriction placed on how the above funds can be used.

During the year, The Gillian Bulmer Charitable Trust (of which Miss A G Bulmer and C Fairs were also Trustees), donated £7,500 (2019: £3,800) to the charity towards the cost of running the Archive of Cider Pomology Restricted Fund.

During the year, The Church Street Charitable Trust (of which Miss A G Bulmer is also a Trustee), donated £15,000 (2019: £16,000) to the charity. There was no restriction placed on how the funds can be used.

HEREFORD CIDER MUSEUM TRUST CHARITABLE INCORPORATED ORGANISATION (CIO)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

16. RELATED PARTY TRANSACTIONS - continued

D Marshall (a Trustee) is also a director of Damage Limited, an Associate consultant with the Brightspace Foundation, which is a partner with the Museum in THE APPLE WORLD exhibition programme. Because the exhibition programme is being developed and managed in partnership, some transactions relating to the exhibition pass between the Museum and the Brightspace Foundation. Potential conflicts of interest have been declared and are avoided by an independent trustee representing the Museum on THE APPLE WORLD partnership project board.

