

**The South West Heritage Trust**  
(A Charitable Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 October 2023**

**Company Number: 09053532**  
**Charity Registered in England and Wales Number: 1158791**

**The South West Heritage Trust**  
**Contents**  
**For the Year Ended 31 October 2023**

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**Trustee Directors**

Rev. P M Beacham  
G L Craig  
Cllr A Davis  
Prof. H R French  
D H Gwyther  
J Loader  
S V Maberley  
Lt Col. M J R Motum (Chair)  
A M D Smallwood  
Dr S A Windsor  
Cllr A R Wyke  
Prof. A Zalewska

**Chief Executive Officer**

T W Mayberry (until 31/12/2023)  
S Astill (from 01/01/2024)

**Charity Number**

1158791

**Company Number**

09053532

**Principal Address and Registered Office**

Somerset Heritage Centre  
Brunel Way  
Taunton  
Somerset  
TA2 6SF

**Auditors**

Albert Goodman LLP  
Goodwood House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

**Bankers**

NatWest  
26-27 Fore Street  
Taunton  
Somerset  
TA1 1JQ

**Solicitors**

Bates Wells Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

The Trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 October 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The full name of the Charity is The South West Heritage Trust. It was incorporated on 22 May 2014 as a company limited by guarantee. Its company registration number is 09053532. Its charity registration number is 1158791. The Charity is variously referred to throughout this report as either "the Charity", "the Company" or "the Trust".

### **References and Administrative Details**

Administrative information is given in a separate section at the front of these accounts.

### **Directors and Trustees**

The directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:

- Rev. P M Beacham
- G L Craig
- Cllr A Davis
- Prof H R French
- D H Gwyther
- J Loader
- S V Maberley
- Lt Col. M J R Motum (Chair)
- A M D Smallwood
- Dr S A Windsor
- A R Wyke
- Prof. A Zalewska

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.

## **Patrons**

The Trust is fortunate to have as Patrons three people who are prominent in the communities of Somerset and Devon:

- Lady Elizabeth Gass, DCVO
- Mr David Fursdon, Her Majesty's Lord-Lieutenant of Devon
- Mrs Annie Maw, CVO

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution and Formation of the South West Heritage Trust**

The South West Heritage Trust vested on 1 November 2014 as an independent company limited by guarantee with charitable status. The company is governed by its memorandum and articles of association. Its charitable objectives are set out in the Articles of Association as follows:

- the advancement of education;
- the promotion of arts, heritage, culture and science including by the preservation and safeguarding of such land, buildings, structures, archaeology, objects, records or books as may be of historic or educational interest or significance; and
- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trust has the heritage service responsibilities previously carried out by Somerset Council (formerly Somerset County Council) comprising the Archives and Local Studies, Museums and Historic Environment Services, and Devon County Council comprising the Archives and Local Studies Services.

A subsidiary trading company, South West Heritage Trust Trading Company Ltd (registered company number 09222720), was also formed on 1 November 2014.

The legal agreements which underpin the operation of the Trust are the Transfer Agreements, Grant Agreements and Collections Management Agreements between Somerset Council and the Trust and Devon County Council and the Trust. The Trust demonstrates its independence in line with Charity Commission guidance as set out in RR7. The current funding terms are in place until 31 October 2024.

### **Organisational Management**

The Board of Trustees meets on a quarterly basis to discuss the progress of the organisation and to agree strategic direction. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operation of the Trust and to provide leadership and direction for the implementation of the Business Plan.

Three Trustee committees meet quarterly to examine and deal with complex issues of the Charity, with powers to exercise authority where delegated by the Board:

- The Personnel Committee deals with all issues relating to human resources, terms and conditions and remuneration for all staff employed by the Trust (except the Leadership Team).

- The Audience Engagement Committee deals with the strategic direction of marketing, PR and communications as appropriate.
- The Finance Committee receives reports on income and expenditure and related activities to monitor financial stability and progress against the Business Plan.

The Leadership Team meets formally not less than 10 times a year to ensure consistent and collaborative management of services across the Trust and to progress the delivery of the Business Plan.

### **Selection and Training of Trustees**

The Board of Trustees has been selected using an open recruitment process. The experience and knowledge present within the Board of Trustees is considered from time to time to ensure that the correct mixture of skills is represented. Training is provided, as required, to develop knowledge and skills. A three-year term applies to all Trustees and may be extended by one term. Further extensions can be agreed by the Board under the terms of Article 26.12 of the Articles of Association.

The Annual Retirement Meeting for Trustees of the Trust took place on 27 April 2023. It was agreed that Michael Motum, Peter Beacham and David Gwyther should be elected to serve a third term. Lt Col. Michael Motum was reappointed as Chair.

The induction process for all new Trustees includes:

- Sharing key documents about the Charity, governance arrangements and expectations and responsibilities of a Trustee.
- Site visits to meet staff and volunteers and to view operations.
- Meetings with the Chair and Chief Executive Officer to share understanding of the strategic direction.

### **Risk and Risk Management**

A risk register is maintained and reviewed by the Board of Trustees on a regular basis. The register assesses risk based on likelihood and impact, providing information about actions and controls in place to manage risk.

Risks include those which are financial, operational or reputational or that would otherwise be of concern for the future of the charity. The Trustees are satisfied that the charity is a going concern and that key risks are being actively and appropriately managed.

## **OBJECTIVES, STRATEGY AND ACTIVITIES OF THE TRUST**

### **Objectives**

Our Vision and Mission in fulfilling our objectives are as follows:

#### ***Our Vision***

We will celebrate and protect our rich heritage, helping everyone to enjoy it now and in the future.

## ***Our Mission***

### Access, Learning and Enjoyment

- We will help people from all backgrounds to learn from our heritage and be inspired by it.
- We will encourage individuals and communities to get involved in our heritage.
- We will make our heritage as accessible as we can and will promote research and understanding.
- We will provide rich heritage experiences for everyone.

### Care, Conservation and Protection

- We will make sure our heritage is excellently cared for.

### Resilience

- We will build partnerships with funders and stakeholders to increase sustainability.
- We will strive for excellent, ambitious and entrepreneurial services.
- We will foster links between heritage, the arts, tourism and economic prosperity for the benefit of all.

### Staff and Volunteers

- We will ensure that our workforce is skilled, motivated and diverse.

## **Strategy**

The Trust's five-year strategy, 2020-2025, focuses on three major outcomes:

- **Supporting People and Communities:** We will support, empower and enrich people and communities.
- **Protecting Our Heritage:** We will preserve, protect and enhance our heritage, keeping it safe and accessible now and in the future.
- **Making an Impact:** We will be enterprising, innovative and influential, and stand up for the heritage of Devon and Somerset.

The strategy is supported by the following documents:

- Business Delivery Plan
- Audience Development Strategy
- Equalities Strategy and Action Plan

## **Service Areas**

Through our **Museums Service** we run three Accredited Museums – the Museum of Somerset and Somerset Military Museum in Taunton and Somerset Rural Life Museum in Glastonbury. We manage the Brick and Tile Museum in Bridgwater and provide curatorial support to Weston-Super-Mare Museum. Three million museum objects, ranging from outstanding geological, Iron Age and Roman collections to textiles and fine art, tell the story of Somerset and the South West.

We are the major custodians of written evidence about Devon and Somerset. Our Accredited **Archive and Local Studies Services** have centres in Taunton, Exeter and Barnstaple where we care for over 10 million archives dating from the 8th century to the present day. 200,000 printed reference works about the South West are held in the Local Studies collections. We also run the archive services on behalf of the unitary authorities of North Somerset and Torbay. Online access is provided through catalogues and indexes, and thousands of people use our digitised resources. We are working to preserve and make available digital archives.

Our **Historic Environment and Estates Service** supports local authorities, partners and the public by offering planning-related advice and information about Somerset's archaeology and built heritage. We also provide services to Bath & North East Somerset Council. We are a Registered Archaeological Organisation and are responsible for over 400 acres of historic landscapes, including Cothelstone Hill in the Quantock Hills, Deer Leap in the Mendip Hills and Norton Fitzwarren Hillfort.

Our **Learning Service** provides opportunities for people of all ages, including those with learning disabilities or affected by dementia. Over 15,000 children participate each year in workshops for Key Stages 1 and 2. We make authentic heritage objects available to schools for use in the classroom. Partnership projects to enhance learning take place with secondary schools and further and higher education institutions.

Our organisational culture is one of working together as a single trust to provide diverse heritage services. To achieve this aim we rely on our staff and volunteers, our Friends organisations, our Supporters and partners, and all those who champion our work. Our services are funded by core grants from Devon County Council and Somerset Council, by a wide range of contracts and by commercial activity. We also raise new income and attract grant investment from generous funders.

## **ACTIVITY REPORT**

### **Highlights and Achievements**

#### **Context**

The Trust's level of engagement with the public have continued to recover. At year end, annual visitor numbers to Trust's sites had exceeded pre-pandemic totals.

The effects of inflation, and measures to mitigate them, have been a major preoccupation. Though the challenges are great, careful management of savings and income generation targets have helped to keep Trust finances stable. In these times of particular financial pressure the Trust greatly appreciates the continuing strength of its partnerships and especially the support of Somerset Council and Devon County Council.

The Trust was very pleased that its bid to Arts Council England (ACE) for funding as a National Portfolio Organisation (NPO) was successful. The bid proposals focus on increasing the engagement of underserved communities, and specifically on issues of rural isolation and low socio-economic status. The Trust welcomed senior staff of Arts Council England, including its Chief Executive, Darren Henley, for a tour of the Museum of Somerset.

We were able to make our own contribution to the celebrations for the King's Coronation in May, including through content shared online and exhibitions and events in Barnstaple and Taunton.

A rigorous, competitive and open recruitment process for appointing a new Chief Executive Officer was undertaken following the announcement by Tom Mayberry of his intention to retire on 31 December 2023. Trustees appointed Sam Astill, the Trust's current Head of Museums and Engagement. His appointment takes effect from 1 January 2024.



### ***Archives and Local Studies***

- The Somerset and Devon Archives Services were successfully reaccredited following a rigorous process including on-site assessments. Both services passed every criteria under the broad headings of governance, collections and engagement.
- A new digital preservation system was introduced to ensure the long-term accessibility of extensive digitally-based collections and a major project is underway to ingest digital archives into the system.
- The Trust is working with specialist consultants on a Passivhaus project to reduce the environmental impact of the strongrooms at the Somerset Heritage Centre.
- The rehousing of the West Country Studies Library was completed and collections development and profile-raising work is now underway.
- A partnership project is underway to catalogue and publicise the Devon and Cornwall Police archive, held at the Devon Heritage Centre. Cataloguing also continued on the Cary of Torquay estate collection project.
- An exhibition to celebrate the coronation of King Charles III was held at the Museum of Barnstaple and North Devon. It drew extensively on archives relating to 20th-century coronations.
- An online exhibition was created in partnership with the Met Office Archive, exploring themes of horticulture, the weather and climate change in Devon and Somerset.
- Indexes to Somerset poor law papers were published online, providing access to over 73,000 entries.
- The Quantock archive project was completed, resulting in improved access to collections through cataloguing and engagement work.
- The estate collection of the Huyshe family of Sand near Sidmouth was permanently allocated to Devon County Council under the government's Acceptance in Lieu process.
- After successful fundraising, the Isca photographic collection was acquired. This remarkable collection charts a century of change in Exeter from 1920 to 2020.
- A 1793 volume created by the watercolourist the Revd John Swete was acquired. This was previously unknown and is a very significant addition to the Devon collections.
- An oral history project captured the memories of former Debenhams employees who worked at the company's headquarters in Taunton.

### ***Historic Environment and Estates***

- The project to provide visitor access to the Avalon Archaeology site near Shapwick was completed. Landscaping works were undertaken and a range of engagement at the site was piloted, enabling a business plan to be developed. This project was funded by the National Lottery Heritage Fund.
- In partnership with Somerset Council work is continuing to evaluate a range of heritage assets for inclusion on the Local Heritage List. Further sites have now been added to the Somerset Historic Environment Record.
- A project at the Beckery Chapel site, Glastonbury, and associated building works linked to the proposed Brides Mound Centre, were taken forward. This included relevant agreements, a planning application and scheduled monument consent.
- As part of a Heritage at Risk scheme, funded by Historic England, the Trust investigated sites on the Quantock Hills and western Somerset. This has helped to identify where detailed conservation repairs are needed. Work included fieldwalking and a geophysical survey of a Roman fort at Wiveliscombe.

- The Trust has worked with Emily Estates to manage and better understand the archaeology of Castle Cary castle, originally a Norman structure of which nothing remains above ground.
- The Trust is collaborating with Somerset Council to support activity at Tone Works, Wellington, part of the former Fox Brothers textile manufacturing site.
- There has been further liaison and engagement with the Gravity Project, Puriton relating to the site's former identity as Royal Ordnance Factory 37.

### **Learning**

- The Trust's exceptionally strong performance in its engagement with schools continued, reaching over 15,000 students. Plans were put in place to maximise capacity to meet demand.
- The Together Again Project, funded by Arts Council England, was completed. The Trust learned a great deal about the value of social prescribing by undertaking this project and it has provided a strong foundation for further action.
- The Trust was awarded further funding by DfE/Arts Council England under the Museums and Schools Programme for the period April 2023 to March 2024. The programme connects museums with local schoolchildren, especially targeting schools with high premium levels and low cultural engagement.
- An extensive review of the Trust's safeguarding policy and procedures were completed. Related training for trustees, staff and volunteers was also undertaken.
- Reminiscence sessions continued to be popular. Audiences included care homes and dementia units, friendship, lunch and over 50s groups. The sessions are also designed for those living with dementia and have worked well in acute care settings.
- Sessions in partnership with Somerset Recovery College were held at the Brick and Tile Museum for people recovering from mental illness. Sessions sought to tackle loneliness and to provide them with achievable creative tasks.
- Demand for the Loans Service to schools remained in high and work was done to renew learning resources. A project was completed to ensure Christianity-themed loans boxes are appropriate and inclusive. A consultant from Somerset's Christian faith community redeveloped the boxes.
- A project with Eastover Community Primary School, Bridgwater, helped them celebrate their 150th anniversary with creative sessions at the Somerset Brick & Tile Museum. The resulting mural has now been installed at the school.

### **Museums**

- A varied exhibitions programme took place at the two principal museums:

#### **Museum of Somerset**

- *In Fashion: How a changing world shaped what we wear*, focused on elements of the Museum Service's rich costume collections.
- *Sentimental Journeys: The Art and Life of Ivy Millicent James*, celebrated an artist who was born in Somerset in 1879 and became part of the first generation of women to benefit from equal access to arts education.

- *Axel Scheffler: A Life in Illustration* brought together the most wide-ranging public display of his art ever to take place in Great Britain. The family-friendly show coincided with the 30th anniversary of the remarkable creative partnership between Scheffler and the author Julia Donaldson.

### **Somerset Rural Life Museum**

- *Gathering the Past* displayed objects acquired by the Trust since 2014, including archaeology, historic documents, paintings and sculpture.  
- *Mud, Music and Mayhem* brought together images from 20 years of the Glastonbury Festival as captured by the Somerset-based photographer Jason Bryant.  
- *Parallels: Sculpture + Drawing* by Simon Hitchins was the first public display of artworks created by this Somerset-based sculptor. It included a large concrete sculpture, *Bearing Witness to Things Unseen*, which was displayed in the Abbey Barn.

- Visitor numbers at the museums exceeded pre-pandemic levels, with school holiday periods being especially busy. The family-friendly Axel Scheffler exhibition alone attracted nearly 30,000 visitors.
- The Trust was able to acquire the Anglo-Saxon Cheddar Brooch, a high-status silver gilt brooch dating from AD 800-900. It is both nationally significant and unique in the South West and was found near Cheddar by a metal detectorist in 2019.
- A project funded by Historic England to create a Somerset Pottery Fabric Type Series for the medieval and post-medieval periods was completed.
- Funding from the British Museum for the Portable Antiquities Scheme was confirmed until March 2025.
- The Trust contributed to a pilot digitisation project with the Natural History Museum and South West Museum Development. Seaweed specimens collected in the 1800s were photographed and will be featured on a national database.
- In 2019 a nationally significant hoard of Saxon and Norman coins was found in the Chew Valley, Somerset. Consideration is being given to whether the Trust should take on the responsibility of providing a permanent home for this nationally exceptional group of coins.
- The Trust acquired a rare self portrait of the Somerset artist Sarah Biffin (1784-1850), a key item in the history of disability.

### **Partnerships and Sector Support**

We continued to provide support to a wide range of organisations.

We are an active participant in the South West Museum Development Programme and employ a full-time Museum Development Officer. The Programme supports more than 34 community museums in Somerset, offering advice and guidance about funding, training and cooperative projects.

In partnership with the British Museum and local authorities in Devon, Dorset and Somerset, the Trust provides the Portable Antiquities Scheme in the three counties. The number of finds reported continues to remain largely consistent throughout the year.

The Trust works closely with Weston Town Council to provide curatorial support and a temporary exhibitions programme for Weston Museum.

We look after the Archives of North Somerset Council and Torbay Council and are the designated repository for the Diocese of Bath and Wells and Diocese of Exeter. The Archives and Local Studies Services in Somerset and Devon are engaged with many partnership projects involving many community groups, societies and larger organisations including Barnstaple Town Council and North Devon Athenaeum.

The Historic Environment Service advises the Bath and Wells Diocesan Advisory Committee and provides heritage-related planning advice to Somerset Council and to Bath and North East Somerset Council. It publishes the Somerset Archaeological Handbook which is the central reference point for developers, advisors and Local Authorities.

## **FINANCIAL REVIEW AND RESERVES POLICY**

Unrestricted income in the year totalled £3,592,519 (2022: £3,131,966) and restricted income £543,337 (2022: £516,408).

Total expenditure was £4,090,905 (2022: £4,097,959), of which £4,022,927 (98.3%) was for charitable purposes (2022: £4,038,940 (98.6%)). The remainder was for raising funds.

### **Pension schemes**

The Trust operates defined benefit (final salary) schemes for employees who were transferred from the Local Government Pension Schemes (LGPS) of either Devon or Somerset County Councils. Details are given in notes 1.14, 1.15 and 17 of the accounts.

The LGPS schemes are reviewed triennially to set the Trust's pension contribution rates for the following three years. Both schemes are subject to an annual actuarial valuation which features in the Statement of Financial Activities and the Balance Sheet. This valuation experiences significant annual volatility. In 2023 a nil balance was forecast, due to higher assumed mortality rates and a fall in life expectancy. Any actual deficit will only become payable when the final member leaves the relevant scheme, a date currently expected to be more than 25 years away. The deficit would then be likely to be repayable over a long period of years. The total pension fund value is indemnified against the possibility of the Trust's dissolution.

Staff who have entered the Trust's employment since it vested in 2014 have the right to be enrolled in a defined contribution scheme (NEST). The Trust pays a fixed monthly contribution into the scheme but has no further or future obligations.

### **Reserves**

The Board of Trustees agreed a Reserves Policy in September 2015. It states that 'the target provision of reserves should meet operational costs for three months' and should be achieved by 2025. The target is equivalent to unrestricted reserves of approximately £700k.

At year end the reserves, excluding the long-term pension reserve, were as follows:

	£'000
Unrestricted general funds	518
Designated funds	564
Restricted funds	316

Most of the Trust's reserves are cash or other current assets. Only £143,359 of fixed assets are recognised on the Balance Sheet.

### **Major Income Sources**

The Trustees are extremely grateful for the financial support and commitment of all funders of the Trust. In particular, the financial and other support provided by Somerset Council and Devon County Council is fundamental to the Trust's success and allows it to celebrate, preserve and make accessible the remarkable heritage of the two counties. We here express our thanks to both local authorities for their continued support. In the Trust year ending 31 October 2023, the core grants from the two Councils accounted for £2,178,802 of the Trust's total income (61% of the unrestricted income, 53% of the total income).

The Trustees are also grateful to other major funders, including Arts Council England, the National Lottery Heritage Fund and the British Museum. Further income is received for heritage services provided to North Somerset Council, Weston-super-Mare Town Council, Torbay Council and others. The Trustees also acknowledge individual donors and the Trust's Founder Members and Supporters. Their generosity and support are greatly appreciated.

### **Traded Income and Fundraising**

The Trust's income derives mainly from grants and from contracts for the provision of services. Traded activities are also undertaken across all service areas and contribute significantly to Trust turnover. We encourage users of our services to make donations and admission fees are charged at some sites and for some events.

Traded activity is managed through South West Heritage Trust Trading Limited, a wholly-owned subsidiary of the Trust. It generated a profit of £108,395 during the financial year. Details of trading performance are contained in Note 10 of the accounts, and a separate set of accounts is produced annually. Two trustees and the Trust's Chief Executive are the registered directors of the trading company.

The Trust is obliged to comply with the Charities (Protection and Social Investment) Act 2016 and to provide statements on specific areas of fundraising in the annual report. The Trust has facilities to accept digital and cash donations at its public sites and through carefully monitored activities such as its Supporters' Scheme. It does not engage in large-scale public fundraising campaigns or undertake door-to-door or private site fundraising. The Trust does not engage third-party membership or donation solicitation agencies. As a result, it has not been necessary to monitor the behaviour of, or investigate a complaint involving, a third-party acting on the Trust's behalf. The Trust has not bound itself to any voluntary scheme for regulating fundraising and has received no complaints about any fundraising activity it has undertaken.

### **Looking Forward**

The Trust has set a balanced budget for the financial year to 31 October 2024. The Trustees are aware of a number of longer-term budgetary risks that will need to be carefully managed in future years, including:

- the renewal of the core grant with Somerset and Devon at the end of the current grant period;
- the need to maximise traded income;
- the financial impacts Somerset Council having declared a financial emergency;

- increased inflation affecting many key supplies and services;  
the need to continue to win grants to carry out our charitable objectives, our vision and our mission.

The Trust's priorities for future years are set out in its three-year rolling Business Plan. They reflect the outcomes around which the Trust's five-year strategy is structured.

## **PUBLIC BENEFIT**

### **Social Benefits**

Our services are major contributors to personal wellbeing and a sense of place. We want our services to be accessible, to address issues of diversity and to promote and enable equality of opportunity for everyone.

Our large community of knowledgeable and dedicated volunteers are crucial to what we do. Volunteering also contributes directly to people's physical, emotional and mental wellbeing. We seek to ensure that volunteering takes place in an environment which is inclusive and supports and respects the needs of individuals.

Experiencing heritage enhances wellbeing and brings people together, whether through learning activities for children, access to inspirational art and exhibitions, the discovery of family or community history, dementia-friendly reminiscence sessions or visiting a landscape site.

### **Economic Benefits**

We are significant contributors to the local economy, fostering tourism, research, and the cultural and creative industries.

- Our museums are major tourist destinations in Somerset, attracting new visitors and actively promoting the county. The Museum of Somerset alone is estimated to provide £2.3 million of economic benefit to Somerset from 72,000 visits in a typical year.
- The heritage centres in Exeter, Barnstaple and Taunton attract researchers from around the world.
- Our heritage landscape sites have many tens of thousands of visitors each year and actively contribute to individual wellbeing and the local economy.

We prioritise local services and employment to ensure that we support our local economy. We are always seeking new sources of income through the provision of commercial services and traded activities. The profits we generate are reinvested to increase the public benefit we provide.

### **Environmental Sustainability**

The Trust adopted an Environmental Statement and Action Plan in the past year and is working towards a more complete policy. Our sites, including two Grade I listed buildings and a Victorian farmhouse, are managed carefully to ensure that their environmental footprint is minimised. We are working to make the strongrooms at Somerset Heritage Centre more energy efficient. We are committed to local procurement wherever possible to support the economy and livelihoods of people in Devon and Somerset. This helps us to reduce our carbon footprint.

The Historic Environment Service works to ensure that developers in Somerset operate ethically in relation to the county's built heritage and archaeology. The Service seeks to protect and promote the historic environment as an essential component in making communities economically and environmentally sustainable.

The Trust manages over 400 acres of heritage landscape sites across Somerset which provide open-access enjoyment to the public. The sites also offset more than 25% of the total carbon emissions produced by the Trust.

### **Statement of Trustees' Responsibilities**

The Trustees (who are directors of The South West Heritage Trust for the purposes of company law) are responsible for preparing the Trustee Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and the Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. 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 accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standard have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement as to disclosure to our auditors**

In so far as the Trustees are aware:

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


**AUDITORS**

The auditors, Albert Goodman LLP, are deemed to be re-appointed under Section 487(2) of the Companies Act 2006.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

By order of the Trustees.

  
.....  
Lt Col. M J R Motum  
Trustee  
The South West Heritage Trust

Date: 25 April 2024



## **The South West Heritage Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 October 2023

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### **Opinion**

We have audited the financial statements of The South West Heritage Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 October 2023, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated and parent charitable company Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, 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 group's and of the parent charitable company's affairs as at 31 October 2023 and of the group's 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's 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 entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report have 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 group and parent charitable company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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 are capable of detecting irregularities, including fraud is detailed below:

**The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity Act 2011, anti-bribery, employment, data protection and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation, claims and breaches of relevant legislation; and
- reviewing correspondence with the Charity Commission and other relevant regulators including the group's legal advisors and insurers.

## **The South West Heritage Trust**

Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 October 2023

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

### **Use of our report**

This report is made solely to the group and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and parent charitable company's members and trustees 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 group and parent charitable company and the group and parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Michelle Ferris BSC (Hons) FCA DChA (Senior Statutory Auditor)  
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

Date: 26/04/2024 .....

**The South West Heritage Trust**

Consolidated Statement of Financial Activities (including an Income & Expenditure account)  
For the Year Ended 31 October 2023

				2023			2022
		Unres-	Res-	Total	Unres-	Res-	Total
	Notes	tricted	tricted		tricted	tricted	
		£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	162,368	23,830	186,198	114,888	24,504	139,392
Charitable activities	3	3,048,846	513,401	3,562,247	2,723,420	469,745	3,193,165
Other trading activities	4	369,333	5,538	374,871	293,606	22,159	315,765
Investments	5	11,972	568	12,540	52	-	52
<b>Total income</b>		<b>3,592,519</b>	<b>543,337</b>	<b>4,135,856</b>	<b>3,131,966</b>	<b>516,408</b>	<b>3,648,374</b>
<b>Expenditure on:</b>							
Raising funds	6	67,564	414	67,978	59,019	-	59,019
Charitable activities	6	3,375,836	647,091	4,022,927	3,515,335	523,605	4,038,940
<b>Total expenditure</b>		<b>3,443,400</b>	<b>647,505</b>	<b>4,090,905</b>	<b>3,574,354</b>	<b>523,605</b>	<b>4,097,959</b>
<b>Net (expenditure)/income</b>		<b>149,119</b>	<b>(104,168)</b>	<b>44,951</b>	<b>(442,388)</b>	<b>(7,197)</b>	<b>(449,585)</b>
Transfer between funds		(101,860)	101,860	-	(77,613)	77,613	-
<b>Other recognised gains</b>							
Actuarial (losses)/gains on defined benefit pension schemes		(1,876,000)	-	(1,876,000)	9,330,000	-	9,330,000
<b>Net movement in funds for the year</b>		<b>(1,828,741)</b>	<b>(2,308)</b>	<b>(1,831,049)</b>	<b>8,809,999</b>	<b>70,416</b>	<b>8,880,415</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		2,910,330	318,358	3,228,688	(5,899,669)	247,942	(5,651,727)
<b>Total funds carried forward</b>		<b>1,081,589</b>	<b>316,050</b>	<b>1,397,639</b>	<b>2,910,330</b>	<b>318,358</b>	<b>3,228,688</b>

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

All income and expenditure derive from continuing activities.

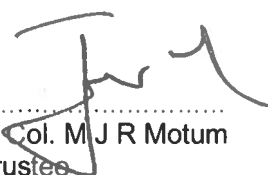
**The South West Heritage Trust – Company Registration Number: 09053532**  
**Balance Sheet and Consolidated Balance Sheet**  
**As at 31 October 2023**

	Notes	2023 £ Group	2023 £ Charity	2022 £ Group	2022 £ Charity
<b>Fixed assets</b>					
Tangible fixed assets	9	143,359	143,359	149,603	149,603
Investments	10	-	1	-	1
		<u>143,359</u>	<u>143,360</u>	<u>149,603</u>	<u>149,604</u>
<b>Current assets</b>					
Stock	11	20,940	-	15,445	-
Debtors	12	1,313,731	1,417,972	522,483	616,777
Cash at bank and in hand		1,080,338	864,186	1,852,746	1,686,139
		<u>2,415,009</u>	<u>2,282,158</u>	<u>2,390,674</u>	<u>2,302,916</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(1,160,729)	(1,136,275)	(1,122,589)	(1,108,138)
		<u>1,254,280</u>	<u>1,145,883</u>	<u>1,268,085</u>	<u>1,194,778</u>
<b>Net current assets</b>					
		<u>1,397,639</u>	<u>1,289,243</u>	<u>1,417,688</u>	<u>1,344,382</u>
<b>Net assets excluding pension liabilities</b>					
Defined benefit pension scheme asset/(liabilities)	17	-	-	1,811,000	1,811,000
		<u>1,397,639</u>	<u>1,289,243</u>	<u>3,228,688</u>	<u>3,155,382</u>
<b>Total net liabilities including pension liabilities</b>					
		<u>1,397,639</u>	<u>1,289,243</u>	<u>3,228,688</u>	<u>3,155,382</u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General funds		517,956	409,560	572,170	498,864
Designated funds		563,633	563,633	527,160	527,160
		<u>1,081,589</u>	<u>973,193</u>	<u>1,099,330</u>	<u>1,026,024</u>
Unrestricted funds excluding pension reserve		1,081,589	973,193	1,099,330	1,026,024
Pension reserve		-	-	1,811,000	1,811,000
		<u>1,081,589</u>	<u>973,193</u>	<u>2,910,330</u>	<u>2,837,024</u>
Total unrestricted funds	14	1,081,589	973,193	2,910,330	2,837,024
Restricted funds	14	316,050	316,050	318,358	318,358
		<u>1,397,639</u>	<u>1,289,243</u>	<u>3,228,688</u>	<u>3,155,382</u>
<b>Total charity funds</b>					
		<u>1,397,639</u>	<u>1,289,243</u>	<u>3,228,688</u>	<u>3,155,382</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 23 - 52 form part of these accounts.

Approved by the Board for issue on 25 April 2024 and signed on their behalf by:

  
.....  
Lt Col. M J R Motum  
Trustee

M. Motum

**The South West Heritage Trust**
**Statement of Cash Flows and Consolidated Statement of Cash Flows**  
**For the Year Ended 31 October 2023**

		<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Notes</b>	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
<b>Cash flows from operating activities</b>					
Net expenditure for the year		44,951	9,861	(449,585)	(459,267)
Adjustments to cash flows from non-cash items:					
Depreciation and amortisation	9	48,783	48,783	47,419	47,419
Interest receivable	5	(12,540)	(12,540)	(52)	(52)
Defined benefit pension scheme cost less contributions payable		(90,000)	(90,000)	122,000	122,000
Defined benefit pension scheme finance cost		25,000	25,000	332,000	332,000
		16,194	(18,896)	51,782	42,100
Working capital adjustments					
Decrease / (increase) in stocks	11	(5,495)	-	1,997	-
(Increase) / decrease in debtors	12	(791,248)	(801,195)	341,832	321,475
Increase / (decrease) in creditors	13	38,140	28,137	(60,444)	(60,981)
Net cash flow from operations		(742,409)	(791,954)	335,167	302,594
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	9	(42,539)	(42,539)	(173,640)	(173,640)
Interest received	5	12,540	12,540	52	52
		(29,999)	(29,999)	(173,588)	(173,588)
Net increase in cash and cash equivalents		(772,408)	(821,953)	161,579	129,006
Cash and cash equivalents at the beginning of the reporting period		1,852,746	1,686,139	1,691,167	1,557,133
Cash and cash equivalents at the end of the reporting period		1,080,338	864,186	1,852,746	1,686,139
Cash & Cash equivalents reconciliation:					
Cash at bank		1,080,338	864,186	1,852,746	1,686,139
Total cash & cash equivalents at the end of the reporting period		1,080,338	864,186	1,852,746	1,686,139



## **1 Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are:

### **1.1 Basis of accounting**

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The South West Heritage Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) and all amounts are presented in £ sterling.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, The South West Heritage Trust Trading Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of The South West Heritage Trust Trading Limited and The South West Heritage Trust.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

### **1.2 Legal status of the Trust**

The Trust 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 company is incorporated in England and Wales and the company registered office is detailed on page 1, reference and administration details.

### **1.3 Going Concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting when preparing the financial statements.

**1.4 Income**

Income from grants and donations is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured. Where income has not been received for gift aid claims relating to donations received in the year, income is accrued.

Income from government 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. Where no conditions are attached to the grant income they are recognised within donations and legacies and where conditions relating to performance of services are attached, grant income is recognised in income from charitable activities within the Statement of Financial Activities.

Income from charitable activities includes membership and admissions income. Membership income is accounted for in full in the year that the membership commences. Admission income is recognised on a cash basis, in the year the income is physically received.

Income from other trading activities, including rental income, is included in the period in which the group is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured.

The charity receives income from its subsidiary under gift aid and this is recognised upon physical receipt.

The charity notes the requirement of the SORP that large charities must report their results on an activities basis. The charity considers that they produce one activity – the deliverance of heritage services – and therefore reports on that basis.

**1.5 Interest receivable**

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.

**1.6 Expenditure**

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Raising funds is expenditure incurred in generating the trading subsidiary funds and from other trading activities carried out by the trust.

Charitable activity expenditure comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. Grants payable are at the discretion of the Trustees. Governance costs are those costs associated with the governance arrangements of the charity and relate to general running of the charity as opposed to those costs associated with charitable activities.

**1.7 Operating leases**

The trust classifies the lease of properties as operating leases as title remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

**1.8 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of Trust.

Restricted funds are from donations and grants in which the donor or funder has specified are to be solely used for particular areas of the Trust's work or for specific projects being undertaken by the Trust.

**1.9 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Fixed assets under £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Fixtures and fittings	5 years straight line
Computer equipment	5 years straight line
Motor Vehicles	5 years straight line
Leasehold improvements	5 years straight line

**1.10 Debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Trust will not be able to collect all amounts due to according to the original terms of the receivables.

Other debtors comprise amounts due from funders, prepayments and accrued income. Amounts due from funders are recognised when the Trust is entitled to the money, prepayments arise from the payments for services prior to benefit from those services, and accrued income is amounts due for services provided, recognised at the point of provision of the services.

**1.11 Stock**

Stock consists of shop stock for resale and publication stocks. Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock.

**1.12 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.13 Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.14 Defined contribution pension**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised as staff pension expense through the profit and loss when they are due.

**1.15 Defined benefit pension obligation**

The majority of employees of the charity are members of the Local Government Pension Schemes (LGPS) managed by Devon and Somerset County Councils.

These are funded defined benefit schemes where the assets are held separately from those of the charity in separate Trustee administered funds. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one of more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of the plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately in other gains and losses.

The net liability in the schemes at the date of the transfer of the employees from the respective councils is shown as a separate item in the Statement of Financial Activities.

**1.16 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 October 2023. Any differences between the figures derived from the roll forward approach and a full valuation would impact on the carrying amount of the pension liability.

The present value of the Local Government Pension Scheme as calculated by the actuary is an asset of £1,520,000. The asset has been limited to a £0 as the trustees believe that the criteria for recognition of an asset have not been met.

**1.17 Taxation**

As a registered charity, the company is not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax (VAT) is partially recoverable by the company. Any irrecoverable VAT is added to the relevant cost and charged as an expense in the Statement of Financial Activities.

## 1.18 Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and deposit accounts– is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security and the LGPS are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

## 2 Donations and legacies

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Donations and bequests	162,368	23,830	186,198	91,720	24,504	116,224
<b>Exceptional government funding</b>						
Other Covid grants*	-	-	-	23,168	-	23,168
	<u>162,368</u>	<u>23,830</u>	<u>186,198</u>	<u>114,888</u>	<u>24,504</u>	<u>139,392</u>

The charity has been eligible to claim additional funding in the prior year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

\*Denotes government grants

As at the year end, the charity had been notified of a legacy totalling approximately £40,000, which has not been included in the Statement of Financial Activities due to the conditions of recognition not being met.

**3 Income from charitable activities**

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
<b>Fees for services and grants</b>						
<u>Heritage services</u>						
Somerset County						
Council*	1,762,016	-	1,762,016	1,626,688	-	1,626,688
Devon County Council*	416,786	-	416,786	415,041	-	415,041
North Somerset Council*	179,926	-	179,926	159,792	-	159,792
Weston-Super-Mare						
Town Council*	84,252	-	84,252	74,540	-	74,540
Torbay Council*	109,168	-	109,168	97,988	-	97,988
						-
<u>Other services</u>						
SCC - Records*	55,057	-	55,057	59,733	-	59,733
						-
<u>Grant income</u>						
Bath & North East						-
Somerset Council*	-	-	-	64,911	-	64,911
South Somerset						-
District Council*	-	-	-	12,489	-	12,489
Somerset County History						-
Trust*	-	-	-	-	26,676	26,676
Ministry of Housing,						-
Communities & Local						-
Government*	-	-	-	-	34,962	34,962
North Devon Athemaeum	-	39,838	39,838	-	37,417	37,417
Mendip District Council*	-	-	-	-	15,567	15,567
Heritage Lottery Fund	43,782	-	43,782	-	48,048	48,048
The British Museum	-	87,013	87,013	-	57,951	57,951
Somerset County						
Council*	90,705	25,080	115,785	45,742	62,335	108,077
Arts Council England*	26,000	169,849	195,849	-	94,397	94,397
Bideford Town Council*	-	-	-	-	12,000	12,000
DEFRA*	10,479	-	10,479	14,627	-	14,627
Devon County Council*	-	58,001	58,001	-	32,521	32,521
Emily Estate	-	-	-	42,441	-	42,441
Museum of Policing in						
Devon & Cornwall	-	25,875	25,875	-	-	-
Under £10k	233,179	107,745	340,924	76,397	47,871	124,268
	3,011,350	513,401	3,524,751	2,690,389	469,745	3,160,134
Memberships and	37,496	-	37,496	33,031	-	33,031
and subscriptions						
	3,048,846	513,401	3,562,247	2,723,420	469,745	3,193,165

\*Denotes government grants

#### Government grants

Income from government grants comprises grants made by local authorities to fund the principal activities and objectives of the charity via core funding and funding for specific projects. See above and note 2 for more information, including the amount and source of these grants. There are no unfulfilled conditions or other contingencies attached to these grants.

#### **4 Other trading activities**

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
<b>Merchandising income</b>						
Shop sales	44,185	-	44,185	57,568	-	57,568
Café concession	34,118	-	34,118	16,966	-	16,966
	78,303	-	78,303	74,534	-	74,534
<b>Events and other sales</b>						
Digital images, publications and research income	96,342	-	96,199	81,070	10,449	91,519
Room hire	6,772	-	6,772	5,434	-	5,434
Education income	92,918	1,186	94,104	15,935	11,650	27,585
Rental income	27,705	-	27,705	29,893	-	29,893
Other income	67,293	4,352	71,788	86,740	60	86,800
	291,030	5,538	296,568	219,072	22,159	241,231
	369,333	5,538	374,871	293,606	22,159	315,765

#### **5 Investment income**

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Bank interest	11,972	568	12,540	52	-	52

## 6 Expenditure

### Split by fund:

	Unres- tricted £	Res- tricted £	2023 Total £	Unres- tricted £	Res- tricted £	2022 Total £
<b>Cost of raising funds</b>						
Trading costs	67,564	414	67,978	59,019	-	59,019
<b>Charitable activities</b>						
Archives and local studies	992,852	216,359	1,209,211	1,000,798	182,772	1,183,570
Museums	1,096,071	215,959	1,312,030	1,179,591	173,598	1,353,189
Historic environment and estates services	334,004	141,488	475,492	436,793	82,827	519,620
Heritage services	829,223	-	829,223	898,153	67,397	965,550
Closed projects	123,686	73,285	196,971	-	17,011	17,011
	<u>3,443,400</u>	<u>647,505</u>	<u>4,090,905</u>	<u>3,574,354</u>	<u>523,605</u>	<u>4,097,959</u>

### Split by cost:

	Staff costs £	Other Direct costs £	2023 Total £	Staff costs £	Other Direct costs £	2022 Total £
<b>Cost of raising funds</b>						
Trading costs	-	67,978	67,978	-	59,019	59,019
<b>Charitable activities</b>						
Archives and local studies	977,262	231,949	1,209,211	1,035,524	148,046	1,183,570
Museums	869,238	442,792	1,312,030	957,008	396,181	1,353,189
Historic environment and estates services	408,785	66,707	475,492	439,447	80,173	519,620
Heritage services	257,488	571,735	829,223	489,652	475,898	965,550
Closed projects	149,645	47,326	196,971	-	17,011	17,011
	<u>2,662,418</u>	<u>1,428,487</u>	<u>4,090,905</u>	<u>2,921,631</u>	<u>1,176,328</u>	<u>4,097,959</u>



**6 Expenditure (continued)**

	Charity		Subsidiary		Total	Total
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Depreciation of owned assets	48,783	47,419	-	-	48,783	47,419
Operating lease expenses	33,401	32,889	-	-	33,401	32,889
Auditors' remuneration for:						
Current auditors						
- Audit services	7,580	6,950	1,520	1,250	9,100	8,200
- Other services	3,220	4,714	650	750	3,870	5,464

**7 Trustee directors**

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2022: £nil).

Three charity trustees were reimbursed £998 for travel expenses during the year (2022: three trustees - £421).

No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

## 8 Employees

### Number of employees

The average monthly head count was 107 staff (2022: 103 staff) and the average number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2023	2022
Management	5.8	6.0
Finance and admin	4.5	7.0
Service provision	62.4	56.0
	<u>72.7</u>	<u>69.0</u>

Employment costs	2023 £	2022 £
Wages and salaries	2,247,651	2,011,672
Social security costs	192,485	179,915
Redundancy pay	2,575	-
Pension costs	219,707	730,044
	<u>2,662,418</u>	<u>2,921,631</u>

During the year, costs totalling £2,575 were paid to one employee in respect of a redundancy. The amounts are full and final, and no amounts have been accrued at the balance sheet date (2022: £nil).

The number of employees whose annual emoluments were £60,000 (excluding employer pension costs) or more were:

	2023 number	2022 number
£70,000 - £80,000	<u>1</u>	<u>1</u>

This employee is a member of the defined benefit pension scheme, into which contributions of £15,276 (2022: £15,631) were made.

The key management personnel of the group comprise those of the Trust and the key management personnel of its wholly owned subsidiary South West Heritage Trust Trading Company Ltd. The key management personnel of the group comprises of the Chief Executive Officer. The total employee benefits (includes gross pay, employer pension and employer national insurance) of the key management personnel of the Trust were £99,275 (2022: £96,824).

## Employees (continued)

### Pension costs

The company operates both defined benefit and defined contribution pension schemes. The charge to the Statement of Financial Activities for the year is shown above.

Contributions totalling £32,167 (2022 - £31,377) were payable to the schemes at the end of the year and are included in creditors. Further details of the defined benefit schemes are given in note 17.

## 9 Tangible fixed assets

### Group

	Leasehold improvements £	Computer equipment £	Motor Vehicles £	Fixtures & fittings £	Total £
<b>Cost</b>					
At 1 November 2022	554,978	311,589	37,000	101,659	1,005,226
Additions	16,685	21,188	-	4,666	42,539
At 31 October 2023	571,663	332,777	37,000	106,325	1,047,765
<b>Depreciation</b>					
At 1 November 2022	520,016	249,860	37,000	48,747	855,623
Charge for the year	12,078	22,545	-	14,160	48,783
At 31 October 2023	532,094	272,405	37,000	62,907	904,406
<b>Net book value</b>					
At 31 October 2023	39,569	60,372	-	43,418	143,359
At 31 October 2022	34,962	61,729	-	52,912	149,603

The above assets are all held by the charity.

## 10 Investments

	Charity	
	Total 2023 £	Total 2022 £
South West Heritage Trust Trading Limited Ordinary shares of £1 each	1	1

### Investments (continued)

South West Heritage Trust Trading Limited (company no 09222720) was incorporated on 17 September 2014 as a wholly owned trading subsidiary of The South West Heritage Trust. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.

The principal activities of the company are the operation of a retail outlet at The Museum of Somerset and other trading activities. The registered office is the same as that of the Trust, detailed on page 1. The subsidiary gift aids its taxable profits to The South West Heritage Trust, and files audited accounts with the Registrar of Companies.

A summary of the trading results is shown below:

	2023	2022
	£	£
Turnover	323,031	270,813
Cost of sales	(67,564)	(59,019)
Gross profit	255,467	211,794
Administrative expenses	(147,072)	(138,488)
Operating profit	108,395	73,306
Investment income	-	-
Profit before tax & profit for the financial year	108,395	73,306
Retained earnings brought forward in subsidiary	73,306	63,624
Gift aid to The South West Heritage Trust	(73,306)	(63,624)
Retained earnings carried forward in subsidiary	108,395	73,306
The assets and liabilities were:		
Current assets	266,923	206,592
Current liabilities	(158,527)	(133,285)
Total net assets	108,396	73,307
Called up share capital	1	1
Profit and loss reserve	108,395	73,306
	108,396	73,307

## 11 Stocks

	<b>Group</b>	<b>2023</b>	<b>Group</b>	<b>2022</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Goods for resale	20,940	-	15,445	-

Stock recognised in the Statement of Financial Activities as an expense is £37,784 (2022: £43,157).

## 12 Debtors

	<b>Group</b>	<b>2023</b>	<b>Group</b>	<b>2022</b>
	<b>£</b>	<b>Charity</b>	<b>£</b>	<b>Charity</b>
		<b>£</b>		<b>£</b>
Trade debtors	941,869	927,825	361,421	355,242
Prepayments and accrued income	371,711	356,074	159,201	142,701
Other debtors	151	-	1,861	-
Amounts owed by group undertakings	-	134,073	-	118,834
	<b>1,313,731</b>	<b>1,417,972</b>	<b>522,483</b>	<b>616,777</b>

**13 Creditors: Amounts falling due within one year**

	<b>2023</b>		<b>2022</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	102,783	94,213	91,791	88,397
Other creditors	43,733	43,733	33,564	33,564
Accruals and deferred income	854,688	852,300	809,302	807,302
Taxation and social security	159,525	146,029	187,932	178,875
	<u>1,160,729</u>	<u>1,136,275</u>	<u>1,122,589</u>	<u>1,108,138</u>

**Deferred Income**

	<b>2023</b>		<b>2022</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income at 1 November 2022	704,466	704,466	697,683	697,683
Released from previous years	(704,466)	(704,466)	(697,683)	(697,683)
Resources deferred in the year	718,771	718,771	704,466	704,466
	<u>718,771</u>	<u>718,771</u>	<u>704,466</u>	<u>704,466</u>

At the balance sheet date the trust was holding funds received in advance from Somerset County Council and Devon County Council and subscriptions received in advance.

#### 14 Summary of movement in funds- Group

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	572,170	3,528,890	(3,315,552)	(267,552)	517,966
<b>Designated funds - Group and Charity</b>					
Somerset Rural Life Museum (Leasehold improvements fund)	-	-	-	-	-
National Archives	27,114	553	(8,003)	-	19,664
Capital reserve	200,000	-	-	(130,330)	69,670
Museum priorities	104,910	-	(34,211)	-	70,699
Archive & learning priorities	25,316	-	(16,907)	(2,580)	5,829
IT & resources priorities	129,820	-	(115,436)	130,330	144,714
Historic environment priorities	40,000	-	(2,937)	-	37,063
Invest to Save	-	13,076	(9,600)	30,000	33,476
Cheddar Brooch	-	50,000	-	5,000	55,000
Museum, Gallery and Exhibition Tax Relief	-	-	(5,754)	133,272	127,518
<b>Total designated funds</b>	<b>527,160</b>	<b>63,629</b>	<b>(192,848)</b>	<b>165,692</b>	<b>563,633</b>
<b>Pension fund</b>	<b>1,811,000</b>	<b>-</b>	<b>65,000</b>	<b>(1,876,000)</b>	<b>-</b>
	<b>2,910,330</b>	<b>3,592,519</b>	<b>(3,443,400)</b>	<b>(1,977,860)</b>	<b>1,081,589</b>

**14 Summary of movement in funds- Group (continued)**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Restricted funds - Group and Charity</b>					
Somerset Rural Life Museum (Leasehold improvements fund)	-	-	-	-	-
Archive and museum donations	53,972	568	(5,000)	-	49,540
Castle House Project	40,116	-	-	-	40,116
Historic Environment and Estates	35,841	63,204	(58,803)	-	40,242
Somerset Levels	11,725	-	(2,695)	-	9,030
HES Hinkley	-	-	-	-	-
Portable Antiques	-	83,618	(89,616)	5,998	-
North Devon Record Office	9,287	49,525	(50,215)	-	8,597
Museum Development Officer	-	29,583	(39,289)	9,706	-
North Somerset Collections	698	-	(59)	-	639
Museums and Schools	17,612	9,174	(40,749)	13,963	-
Museums and Schools 23-24	-	41,892	(32,535)	-	9,357
Charthouse/Blackmoor Land Holding	2,350	-	-	-	2,350
Avalon Archaeology Park	4,020	68	(47,870)	43,782	-
West Country Studies	39,461	24,371	(12,684)	-	51,148
Gravity project	11,278	-	-	-	11,278
North Devon Athenaeum	3,200	39,838	(43,038)	-	-
Somerset Pottery Fabric Type Series	7,454	12,000	(8,013)	-	11,441
Cary of Torquay Archive	21,400	2,000	(35,059)	11,659	-
Debenhams Archive	5,000	1,988	(2,100)	(1,888)	3,000
Quantock Landscape Partnership	9,105	24,188	(30,403)	-	2,890
Somerset VCH	25,717	839	(10,445)	-	16,111
Together Again	1,797	1,485	(3,282)	-	-
Glastonbury Town Investment Plan	5,775	8,314	(32,119)	18,030	-
Local Heritage List	12,550	-	-	-	12,550
Police Museums Archive	-	25,875	(6,448)	-	19,427
Resilience Project	-	15,607	(15,354)	-	253
National Portfolio Organisation	-	106,300	(78,219)	-	28,081
FLOW	-	2,900	(3,510)	610	-
	<b>318,358</b>	<b>543,337</b>	<b>(647,505)</b>	<b>101,860</b>	<b>316,050</b>
	<b>3,228,688</b>	<b>4,135,856</b>	<b>(4,090,905)</b>	<b>(1,876,000)</b>	<b>1,397,639</b>



**Summary of movement in funds- Charity**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	498,864	3,372,960	(3,194,712)	(267,552)	409,560
<b>Designated funds - Charity</b>	527,160	63,629	(192,848)	165,692	563,633
<b>Pension fund</b>	1,811,000	-	65,000	(1,876,000)	-
	<u>2,837,024</u>	<u>3,436,589</u>	<u>(3,322,560)</u>	<u>(1,977,860)</u>	<u>973,193</u>
<b>Restricted funds - Charity</b>	318,358	543,337	(647,505)	101,860	316,050
	<u><b>3,155,382</b></u>	<u><b>3,979,926</b></u>	<u><b>(3,970,065)</b></u>	<u><b>(1,876,000)</b></u>	<u><b>1,289,243</b></u>

The breakdown of designated and restricted funds is as per the group funds statement.

**Summary of movement in funds – Group (2022)**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Group</b>					
General	538,859	3,128,205	(3,051,864)	(43,030)	572,170
<b>Designated funds - Group and Charity</b>					
Somerset Rural Life Museum (Leasehold improvements fund)	3,959	-	-	(3,959)	-
National Archives	27,313	3,761	-	(3,960)	27,114
Capital reserve	200,000	-	-	-	200,000
Museum priorities	115,200	-	(304)	(9,986)	104,910
Archive & learning priorities	110,000	-	(13,186)	(71,498)	25,316
IT & resources priorities	75,000	-	-	54,820	129,820
Historic environment priorities	40,000	-	-	-	40,000
Covid income support fund	55,000	-	(55,000)	-	-
<b>Total designated funds</b>	<u>626,472</u>	<u>3,761</u>	<u>(68,490)</u>	<u>(34,583)</u>	<u>527,160</u>
<b>Pension fund</b>	<u>(7,065,000)</u>	<u>-</u>	<u>(454,000)</u>	<u>9,330,000</u>	<u>1,811,000</u>
	<u><b>(5,899,669)</b></u>	<u><b>3,131,966</b></u>	<u><b>(3,574,354)</b></u>	<u><b>9,252,387</b></u>	<u><b>2,910,330</b></u>

**14 Summary of movement in funds – Group (2022) (continued)**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Restricted funds - Group and Charity</b>					
Somerset Rural Life Museum					
(Leasehold improvements fund)	-	-	(3,959)	3,959	-
Archive and museum donations	53,920	52	-	-	53,972
Castle House Project	40,116	-	-	-	40,116
Historic Environment and Estates	28,478	46,479	(36,189)	(2,927)	35,841
Somerset Levels	6,929	6,438	(1,642)	-	11,725
HES Hinkley	(1,845)	431	-	1,414	-
Portable Antiques	20,266	57,951	(78,217)	-	-
North Devon Record Office	2,258	64,300	(57,271)	-	9,287
Exeter Cathedral	2,678	2,778	(5,456)	-	-
Museum Development Officer	-	28,000	(37,482)	9,482	-
North Somerset Collections	698	-	-	-	698
Museums and Schools	5,687	76,023	(64,098)	-	17,612
Charthouse/Blackmoor					-
Land Holding	2,350	-	-	-	2,350
Avalon Archaeology Park	-	48,048	(44,028)	-	4,020
West Country Studies	8,881	1,273	(28,710)	58,017	39,461
Gravity project	11,278	-	-	-	11,278
Norman Garden	(461)	-	-	461	-
Culture Recovery Fund-Round 2	-	5,013	(5,013)	-	-
North Devon Athenaeum	5,000	37,417	(39,217)	-	3,200
Type Series	12,259	6,000	(10,805)	-	7,454
Shop Window Graphics	2,502	-	(2,582)	80	-
Torbay Schools	4,185	-	-	(4,185)	-
Digital Preservation Shared					-
Services	(1,371)	3,450	(2,079)	-	-
Diocese of Bath & Wells					-
Probate accounts conservation	23,028	5,626	(32,614)	3,960	-
Cary of Torquay Archive	-	18,500	(1,285)	4,185	21,400
Debenhams Archive	-	5,000	-	-	5,000
Quantock Landscape Partnership	-	9,563	(458)	-	9,105
Somerset VCH	-	26,676	(959)	-	25,717
Together Again	-	13,361	(11,564)	-	1,797
Lark Trust	-	3,500	(3,740)	240	-
Glastonbury Town Investment Plan	-	15,567	(9,792)	-	5,775
Local Heritage List	21,106	34,962	(46,445)	2,927	12,550
	247,942	516,408	(523,605)	77,613	318,358
	<b>(5,651,727)</b>	<b>3,648,374</b>	<b>(4,097,959)</b>	<b>9,330,000</b>	<b>3,228,688</b>

**Summary of movement in funds – Charity- 2022**

	Opening balance £	Income £	Expenditure £	Transfers & gains £	Closing balance £
<b>Unrestricted funds - Charity</b>					
General	475,235	3,034,238	(2,967,579)	(43,030)	498,864
<b>Designated funds - Charity</b>	626,472	3,761	(68,490)	(34,583)	527,160
<b>Pension fund</b>	(7,065,000)	-	(454,000)	9,330,000	1,811,000
	(5,963,293)	3,037,999	(3,490,069)	9,252,387	2,837,024
<b>Restricted funds - Charity</b>	247,942	516,408	(523,605)	77,613	318,358
	<b>(5,715,351)</b>	<b>3,554,407</b>	<b>(4,013,674)</b>	<b>9,330,000</b>	<b>3,155,382</b>

The breakdown of designated and restricted funds is as per the group funds statement.

**Purpose of material funds:**

- Designated Funds –Capital Fund - A fund held to enable cash-flow for the purchase or renewal of capital items.
- Designated Funds - Museum priorities - To fund specific projects within the Museum service to renew, repair and maintain the presentation of our collections in order to enhance the visitor experience.
- Designated Funds – Archive & Learning Priorities - To fund specific projects to improve the accessibility and storage of archive material and to continue the digitisation of the collection.
- Designated Funds – IT & Resource Priorities - To fund a number of core initiatives across the Trust, including improving our effectiveness in the use of IT equipment, a project to improve the efficient use of our financial systems and to seek alternative sources of potential income to improve financial resilience.
- Designated Funds – Historic Environment priorities - To fund a fixed-term conservation post, plus a joint management plan in conjunction with other bodies and site interpretation and promotional activities for our Heritage Landscape Sites.
- Designated Funds – Covid Income Support Fund - To set aside funding that was originally received as part of government grants to aid with the recovery from the pandemic. This will support the Trust's income generation budgets whilst visitor number recover during the 2021-2022 Trust year.
- Pension reserve – This fund represents the pension deficit for the Local Government Pension Scheme for both Somerset and Devon and its associated costs for the period.
- The Archive and Museum donations – Accumulated funds comprising of donations and bequests for acquisitions for the Somerset Archives and Museum services.
- Portable Antiques – Partnership project with the British Museum to employ Finds Liaison Officers in Somerset and Dorset, recording and where appropriate receiving finds and treasure discovered by metal detectorists.

**14 Summary of movement in funds (continued)**

**Purpose of material funds (continued):**

- Somerset Rural Life Museum – Project to undertake the interpretive design and fit-out of the newly refurbished museum, funded by Viridor Environmental Credits, HLF and Somerset County Council. The works are being undertaken as an appendix to the main five-year Grant Agreement in place with Somerset County Council. The balances held in designated funds and restricted funds represent the Net Book Value of the Fixed Asset.
- Historic Environment and Estates – Remaining funds from discrete projects which continue to have a low level of activity, including Somerset Churchyard Grant Scheme, Taunton Heritage project and Somerset Levels publications.
- North Devon Record Office – Archive service provided in Barnstaple to serve the North Devon area. Although linked to the Devon Archive and Local Studies Team, the funding is provided through a separate arrangement.
- Museums and Schools / Museums and Schools 23-24 - a project entitled 'Adventures in Time' funded by Arts Council England Museums and Schools programme. The project has enabled work with pupils and schools located in isolated rural areas.
- North Devon Athenaeum - The Trust provides archive services for the North Devon Athenaeum, which includes purchasing materials on their behalf for conservation and preservation. The Trust also operates a payroll service on behalf of the North Devon Athenaeum for their staff.
- Castle House Project - A capital fund was provided to the Trust by Somerset Building Preservation Trust which is to be used for maintenance or works which enhance Castle House or enable a contribution to the viability of the business.
- West Country Studies - A capital project to rehouse the WCSL in a more appropriate space within Great Moor House, with new mobile shelving, and a range of outreach and engagement to open up and celebrate the collections.
- Designated funds – Museum, Gallery and Exhibition Tax Relief is used to support the operations of the museums across the county of Somerset.
- Cary of Torquay Archive - Cataloguing the Cary of Torquay estate archive.
- Quantock Landscape Partnership - Cataloguing agreed archive collections relating to the Quantock area. Engagement work with groups relating to Quantock themes and working with volunteers.
- Police Museums Archive - Cataloguing, enquiry and engagement work relating to the Devon and Cornwall Police Archive, held at Devon Heritage Centre.
- National Portfolio Organisation - Arts Council England funding for a three-year programme of audience engagement in Somerset.

**15 Analysis of assets between funds – Group**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Debtors more than one year £</b>	<b>Total £</b>
Unrestricted funds	143,359	294,340	80,257	-	517,956
Designated funds	-	563,633	-	-	563,633
Restricted funds	-	222,365	93,685	-	316,050
Pension reserve	-	-	-	-	-
<b>As at 31 October 2023</b>	<b>143,359</b>	<b>1,080,338</b>	<b>173,942</b>	<b>-</b>	<b>1,397,639</b>

**Analysis of assets between funds – Charity**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Debtors more than one year £</b>	<b>Total £</b>
Unrestricted funds	143,360	78,188	188,012	-	409,560
Designated funds	-	563,633	-	-	563,633
Restricted funds	-	222,365	93,685	-	316,050
Pension reserve	-	-	-	-	-
<b>As at 31 October 2023</b>	<b>143,360</b>	<b>864,186</b>	<b>281,697</b>	<b>-</b>	<b>1,289,243</b>

**Analysis of assets between funds – Group - 2022**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	149,603	1,026,244	(603,677)	-	572,170
Designated funds	-	527,160	-	-	527,160
Restricted funds	-	299,342	19,016	-	318,358
Pension reserve	-	-	-	1,811,000	1,811,000
<b>As at 31 October 2022</b>	<b>149,603</b>	<b>1,852,746</b>	<b>(584,661)</b>	<b>1,811,000</b>	<b>3,228,688</b>

**Analysis of assets between funds – Charity – 2022**

	<b>Tangible fixed assets £</b>	<b>Cash at bank and in hand £</b>	<b>Other net current assets/ (liabilities) £</b>	<b>Creditors more than one year £</b>	<b>Total £</b>
Unrestricted funds	149,604	859,637	(510,377)	-	498,864
Designated funds	-	527,160	-	-	527,160
Restricted funds	-	299,342	19,016	-	318,358
Pension reserve	-	-	-	1,811,000	1,811,000
<b>As at 31 October 2022</b>	<b>149,604</b>	<b>1,686,139</b>	<b>(491,361)</b>	<b>1,811,000</b>	<b>3,155,382</b>

**16 Income and expenditure account of the Trust**

The company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

Prior to gift aid amounts received from the subsidiary, The South West Heritage Trust has net expenditure for the year of £187,574 (2022 - expenditure £522,891) based on income of £3,812,819 (2022 - £3,490,783). Gift aid distributions from trading subsidiary of £73,307 (2022: £63,624) were received in the year, in which the amount relates to the prior year trading profits.

**17 Pension commitments**

The majority of the Trust's employees belong to the Local Government Pension Schemes (LGPS) managed by Devon County Council ("DCC") and Somerset County Council ("SCC").

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation for both LGPSs was 31 March 2022.

At the year end there were outstanding contributions due to the schemes totalling £22,586 which are included within creditors.

The schemes are funded defined benefit pension schemes, with assets held in separate Trustee-administrated funds. The total contributions made for the year ended 31 October 2023 were £284,000 of which employer's contributions totalled £214,000 and employees' contributions totalled £70,000. The current employer contribution rates for future years are:

- Somerset County Council 19.1% (April 2023 to March 2026)
- Devon County Council 25.5% (April 2023 to March 2026).

The LGPS obligation relates to employees of the Trust who transferred as under the transfer agreements when the activities of the Trust were transferred from DCC and SCC on 1 November 2014. The obligation in respect of employees who transferred represents their cumulative service both prior to the transfer and following it.

**Summary of net pension liability as at 31 October 2023:**

	<b>SCC £'000</b>	<b>DCC £'000</b>	<b>Total £'000</b>
Present value of defined benefit obligations	(6,991)	(3,227)	(10,218)
Fair value of share of scheme assets	8,283	3,455	11,738
Impact of asset ceiling	(1,292)	(228)	(1,520)
(Deficit)/surplus in the schemes	-	-	-

**Summary of net pension liability as at 31 October 2022:**

	<b>SCC £'000</b>	<b>DCC £'000</b>	<b>Total £'000</b>
Present value of defined benefit obligations	(6,676)	(3,060)	(9,736)
Fair value of share of scheme assets	8,083	3,464	11,547
(Deficit)/surplus in the schemes	1,407	404	1,811

**Somerset County Council Pension Scheme**

**Principal Actuarial Assumptions**

	<b>At 31 October 2023</b>	<b>At 31 October 2022</b>
Salary increases	3.90%	3.70%
Pension increases	2.90%	2.70%
Discount rate	5.75%	4.75%

The current mortality assumptions include sufficient allowance for the future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	<b>At 31 October 2023</b>	<b>At 31 October 2022</b>
<i>Retiring today</i>		
Males	21.1	21.4
Females	22.9	23.2
<i>Retiring in 20 years</i>		
Males	22.3	22.7
Females	24.3	24.6



The Trust's share of the assets and liabilities in the Somerset County Council Pension Fund are as follows:

**Pension Commitments - Assets/liabs in SCC Pension Fund**

	<b>As at 31 October 2023</b>		<b>As at 31 October 2022</b>	
	Fair value £'000	% of total scheme assets	Fair value £'000	% of total scheme assets
Equities	6,218	74%	5,942	70%
Gilts	254	4%	323	7%
Other bonds	873	9%	725	10%
Property	672	9%	734	7%
Cash	266	4%	359	6%
Total market value of assets	8,283	100%	8,083	100%
Present value of scheme liabilities - funded	(6,991)		(6,676)	
Impact of asset ceiling	(1,292)		-	
Deficit in the scheme	-		1,407	

**Amounts recognised in the statement of financial activities are as follows:**

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Current service cost	(181)	(438)
Net interest cost	70	(93)
Administration expenses	(8)	(5)
<b>Total</b>	<b>(119)</b>	<b>(536)</b>

**Movements in the present value of defined benefit obligations were as follows:**

	<b>At 31 October 2023 £'000</b>	<b>At 31 October 2022 £'000</b>
<b>At 1 November 2022</b>	(6,676)	(14,062)
Current service cost	(181)	(438)
Interest cost	(316)	(246)
Past service costs	-	-
Estimated benefits paid	120	67
Employee contributions	(56)	(53)
Actuarial gains/(losses)	118	8,056
<b>At 31 October 2023</b>	<b>(6,991)</b>	<b>(6,676)</b>

**Movements in the fair value of the charity's share of scheme assets were as follows:**

	<b>At 31 October 2023 £'000</b>	<b>At 31 October 2022 £'000</b>
<b>At 1 November 2022</b>	8,083	8,688
Interest income	386	153
Expected return on Fund assets less interest	(149)	(909)
Other actuarial gains/(losses)	(132)	-
Employer contributions	167	170
Employee contributions	56	53
Estimated benefits paid	(120)	(67)
Administrative expenses	(8)	(5)
<b>At 31 October 2023</b>	<b>8,283</b>	<b>8,083</b>

**Devon County Council Pension Scheme**

**Principal Actuarial Assumptions**

	<b>2023</b>	<b>2022</b>
Salary increases	3.95%	3.80%
Pension increases	2.95%	2.80%
Discount rate	5.70%	4.80%

The current mortality assumptions include sufficient allowance for the future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	<b>At 31 October 2023</b>	<b>At 31 October 2022</b>
<i>Retiring today</i>		
Males	21.4	21.7
Females	22.6	22.9
<i>Retiring in 20 years</i>		
Males	22.7	23.0
Females	24.0	24.3

The Trust's share of the assets and liabilities in the Devon County Council Pension Fund are as follows:

**Pension Commitments - Assets/liabs in DCC Pension Fund**

	As at 31 October 2023		As at 31 October 2022	
	Fair value £'000	% of total scheme assets	Fair value £'000	% of total scheme assets
Gilts	-	0%	-	13%
UK equities	49	8%	274	8%
Overseas equities	1,736	45%	1,551	55%
Property	311	10%	345	8%
Infrastructure	356	8%	294	4%
Target return portfolio	105	9%	295	8%
Cash	85	1%	27	1%
Other bonds	814	20%	681	2%
Alternative assets	(1)	0%	(3)	n/a
Private equity	-	0%	-	0%
Total market of assets	3,455	100%	3,464	100%
Present value of scheme liabilities - funded	(3,227)		(3,060)	
Impact of asset ceiling	(228)		-	
Deficit in the scheme	-		404	

Amounts recognised in the statement of financial activities for are as follows:

	At 31 October 2023 £'000	At 31 October 2022 £'000
Current service cost	(48)	(102)
Net interest cost	20	(29)
Administration expenses	(2)	(2)
<b>Total</b>	<b>(30)</b>	<b>(133)</b>

**Movements in the present value of defined benefit obligations were as follows:**

	At 31 October 2023 £'000	At 31 October 2022 £'000
<b>At 1 November 2022</b>	(3,060)	(5,508)
Current service cost	(48)	(102)
Past service costs	-	-
Interest cost	(145)	(95)
Estimated benefits paid	96	180
Employee contributions	(14)	(14)
Actuarial gains/(losses)	(56)	2,479
<b>At 31 October 2023</b>	<b>(3,227)</b>	<b>(3,060)</b>

**Movements in the fair value of the charity's share of scheme assets were as follows:**

	At 31 October 2023 £'000	At 31 October 2022 £'000
<b>At 1 November 2022</b>	3,464	3,817
Interest income	165	66
Expected return on Fund assets	(84)	(296)
Other actuarial gains	(53)	-
Employer contributions	47	45
Employee contributions	14	14
Estimated benefits paid	(96)	(180)
Administrative expenses	(2)	(2)
<b>At 31 October 2023</b>	<b>3,455</b>	<b>3,464</b>

## 18 Obligations under leases

### Operating leases-

The total future minimum rentals payable under non-cancellable operating leases funded by unrestricted funds are as follows:

	2023	2022
	£	£
<b>Land and Buildings</b>		
Expiry date:		
Within one year	30,328	30,328
Within two and five years	121,312	121,312
More than five years	531,263	561,580
<b>Other</b>		
Expiry date:		
Within one year	8,258	3,073
Within two and five years	15,732	9,732
	<u>706,893</u>	<u>726,025</u>

The rent payable above is funded by the Council. The funding from Council to the Trust to pay for the rent on leased and sub-leased properties shall be a sum equivalent to the full value of the rent. This sum is ring-fenced and is not included in the core funding it receives from the Council for charitable activities.

## 18 Capital commitments

Capital commitments contracted for, but not provided for in the financial statements totalling £72,000 (2022: £nil)

## 19 Related party transactions

The charity has taken advantage of the exemption in FRS 102 "Related Party Disclosures" from disclosing transactions with other members of the group.

There were no other related party transactions other than with members of the group (2022: none).