

Charity number: 1163401  
Company number CE004599

**CARPET MUSEUM TRUST**

**UNAUDITED TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31st DECEMBER 2022**

---

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**

\*\*\*\*\*

**CONTENTS**

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 -18



## **CARPET MUSEUM TRUST**

### **TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022** **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**

\*\*\*\*\*

#### **Trustees**

E A Pugh-Cook  
J R Perrin  
D H Freeman  
G Cooper  
D V Adam  
J Smith  
D Wheadon  
D H Briggs  
V E Bagnall (Chair)  
G Gilbert  
D Ross  
L Warren  
J T Hopkins

#### **Charity Registered Number**

**1163401**

#### **Principal office**

Stour Vale Mill, Green Street, Kidderminster, Worcestershire, DY10 1AZ

#### **Independent Examiners**

Ormerod Rutter  
Chartered Accountants  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

#### **Bankers**

HSBC UK  
31 Church Street,  
Kidderminster  
DY10 2AY

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

The Trustees present their annual report together with the financial statements of the charity for the year to 31st December 2022. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

### **Objects**

The objects of the CIO are

To establish and maintain a museum and/or art gallery for the benefit of the public and to advance education for the benefit of the public.

Nothing in this constitution shall authorise an application of the property of the CIO for the Purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and Section 2 of the Charities Act (Northern Ireland) 2008.

### **Powers**

The CIO has power to do anything which is calculated to further its objects or is conducive or incidental to doing so. In particular, the CIO has power to:

(1) borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed. The CIO must comply as appropriate with sections 124 and 125 of the Charities Act 2011, if it wishes to mortgage land;

(2) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;

(3) sell, lease or otherwise dispose of all or any part of the property belonging to the CIO.

In exercising this power, the CIO must comply as appropriate with sections 117 and 119-123 of the Charities Act 2011 and adherence must be given to the Code of Ethics of the Museum's Association and its Disposal Kit as issued from time to time.

(4) employ and remunerate such staff as are necessary for carrying out the work of the CIO.

The CIO may employ or remunerate a charity trustee only to the extent that it is permitted to do so by clause 6 (Benefits and payments to charity trustees and connected persons) and provided it complies with the conditions of that clause;

(5) deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the CIO held in the name of a nominee, in the same manner and subject

to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

(6) the Museum shall be a public museum for the exhibition of items of local, historical and educational interest and in particular in any way connected to the manufacture of carpets and similar textiles.

(7) to hold and acquire collections for the long term public benefit.

### **Objectives and Activities**

#### **1. Policies and objectives**

The purpose of the charity is to establish and maintain a museum and/or art gallery for the benefit of the public and to advance education for the benefit of the public. The Museum, its Archives and Library were opened to the public on 19 October 2012.

The Museum explains the history of carpet weaving in Kidderminster with working hand and power looms, demonstrations of spinning yarn and weaving, exhibitions and assisted research facilities in its collections. It has a running programme of family, school and adult group visits. Due consideration has been given to the published guidance on the Public benefit requirement under the Charities Act 2011.



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

**2. Achievements and performance**

**a. Key financial performance indicators**

The charity had income of £101,248 during the year, of which £21,108 was for restricted purposes.

**b. Activities**

The year began with uncertainty following a new wave of coronavirus infections over the Christmas period.

On 24<sup>th</sup> February 2022 Russia invaded Ukraine and the appalling war that ensued shocked Europe and precipitated a further dip in confidence. As a result of the war, oil and food prices rose dramatically causing a cost of living crisis in the UK. The cost of running and maintaining the museum building increased so much that there was a danger that the museum would face closure. At the August meeting of the Board of Trustees it was agreed to apply to the 'Concerned about Closure' programme with West Midlands Museum Development. Following this we received support in the form of consultation meetings and were advised to apply to the Arts Council for funding. The result of this application was successful.

Thanks to the hard work and dedication of the trustees, volunteers and staff we have established a plan to take the museum forward. By making some changes to the way that we operate we can secure the future of the museum in the long term, but need funding to plug the gap. We are very grateful to all those who have made donations.

In order to create more financial resilience the trustees have agreed to hire the Education Space to the NCCA for 2023 (except during the summer exhibition period) creating a significant increase room hire revenue for the coming year.

Sue Hetherington, Lee Warren, Heather Freeman and Geoff Gilbert have started to work towards commercialising the design archive. We have agreed to licence a collection of rug designs to Forte Cloth. Grosvenor Wilton have expressed an interest in licencing a design collection from the archive.

Thanks to funding from the Town Council we were able to offer free school visits in the spring term. This proved very popular and we delivered around 25 school visits with excellent feedback. Group visits have also started to return to the museum as confidence grows following the coronavirus pandemic. We completed work on the 'New Talks for New Audiences' project and worked with Dave Lavery to develop the second new talk in the series 'Carpet People' which describes the lives of people working in the carpet industry and is illustrated with photos and oral history recordings from the collection.

The summer exhibition 2022, 'Magnificent Design', was an exhibition of historic carpets and contemporary designs, celebrating the 10th anniversary of the opening of the Museum of Carpet. Birthdays are a time to look back and wonder at the past, celebrate the present and look forward to future possibilities. The exhibition was created through collaborations between the Museum of Carpet, our industry partners and textile design graduates.

Magnificent carpets from the past were collected and saved by the founders of the Museum. The breadth of the collection is hard to grasp with an enormous range of designs and styles. We are proud to share a selection of designs from the collection.

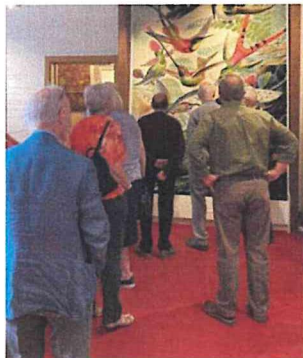
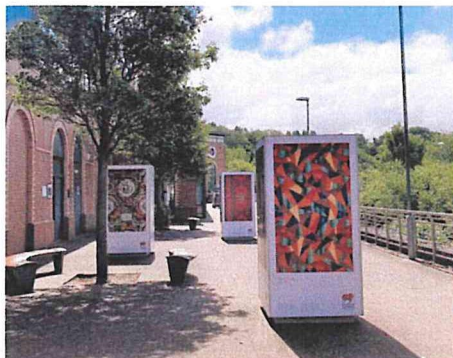
Modern technology allows the present carpet industry to produce carpets and rugs fit for the 21<sup>st</sup> century. We are very grateful to our industry partners, who loaned and donated the carpets and rugs for display.

By connecting with recent textile design graduates we are inspired and challenged to embrace new ideas.

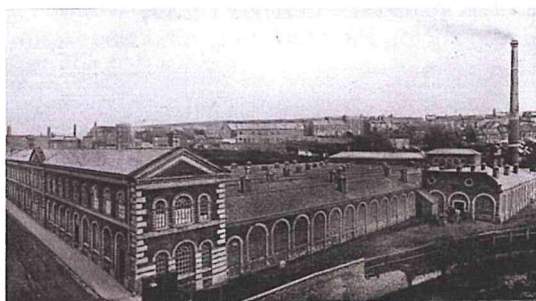


**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

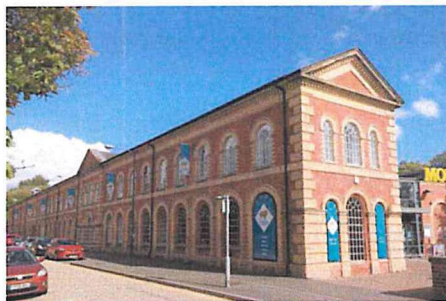
\*\*\*\*\*



The 10<sup>th</sup> anniversary of the opening of the Museum of Carpet was a significant milestone. We marked the event in October by inviting volunteers, friends of the museum and supporters to join us for an event that looked back at the history of the grade II listed building. Originally a carpet factory, then derelict and finally transformed into the bright and modern community facility that the Museum of Carpet is today. The poet Heather Wastie performed some of her work that commemorates the carpet industry. The chair of trustees, Vicky Bagnall, spoke about the current situation and encouraged guests to continue their support of the museum through the difficult times ahead. Following the anniversary local press published an appeal to support the museum which has resulted in a significant number of generous donations.



The Stour Vale Mills.—Messrs. Woodward, Grosvenor & Co.



Marketing the museum offer has improved enormously thanks to Alison's work. Our social media profile, website and work with the press have all grown and developed in quality and output. At the beginning of the year Sue and Geoff were interviewed for BBC Breakfast and in May, Anthea, Audrey and Tony were filmed for BBC Bargain Hunt. Under the direction of Geoff Gilbert the collections team has rationalised picture store, removing duplicates books and periodicals. The Museum objects have been separated from the Brinton collection, and the framed pictures are now in accession number order. Now this is done they plan to move objects from archive to the picture store to create space for new acquisitions.



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

The collection team have delivered a series of popular talks and tours of the archive, enabling us to share the collection more widely.

The Corporate Partners scheme continues to grow and we have been able to recruit new members including Manx Tomkinson, Brinton Carpets, Floor Skills and Innovate Recycle.

Building partnerships with community groups and education institutions has developed our offer. As a result of our work with BCU textile department we were invited to present the Museum of Carpet design award at the undergraduate degree show this summer. Partnering with Wolverhampton Embroiderers we have been able to exhibit the work they created in response to a visit to the museum and volunteers from the group have led children's embroidery activities during the school summer holidays. We have donated display panels to the warm hub that has been established in Weavers Wharf shopping centre. A free visit to the museum was enjoyed by a group of refugees from the Ukraine.

Although not all our volunteers have returned after the pandemic we are gradually recruiting new team members and rebuilding our work.

It has been a rollercoaster year, but thanks to the dedication of the team at the museum we continue to offer enriching and rewarding opportunities to all our visitors.

### **3. Financial Review**

The budget deficit was projected as £15,000 but the out turn was a small surplus of £964, before depreciation charge and un-restricted funds at 31<sup>st</sup> December 2022 were £36,826 compared with £35,862 the previous year.

We were also able to claim from the Retail and Leisure Grant Fund, made available by the Government, £6,000 compared with £36,214 in 2021. Grants by individuals were £25,671 an increase of £22,008 over 2021. The net reduction in expenditure was small, but we were able to charge £2,109 staff costs against the School Visits and also £2,511 in admission charges which offset some of the increased costs elsewhere.

We received £10,000 rent from our new tenants Forte International, they are still on a 'Tenancy at Wil' since the lease has not yet been signed when this is completed we will be able to also make a service charge to them.

Some of the extra income has been spent in solicitor's costs and agent fees regarding our leases of office space.

#### **c. Going Concern**

We consider that with additional funding for in 2023, and the use of some reserves we will still be able to operate as a going concern in 2023 but by the end of 2023 will have used all our reserves and so it is imperative we secure a stable and lasting additional income source. An grant application has been made to the Arts Council for 2023 which was successful.

#### **d. Reserves policy**

The Trustees have established the Charity's Reserves Policy with reference to the Charity Commission guidance (CC 19) and accounting standards (FRS 102). The intention is to have 3 months Unrestricted Reserves which would be £20,000 and cash flow is monitored carefully on a continuing basis to meet this objective. At the end of 2022 there were free reserves of £18,076 and Designated Funds of £18,750 of which £17,500 was a Safety Net provision.

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

**4. Structure, governance and management**

**a. Constitution**

The nature of the governing document is a Charitable Incorporated Organisation entered on 3 September 2015. The Deed regulates the election and appointment of the first and subsequent trustees.

In 2018 the Charity Commission had recommended a new governance code for smaller charities. The trustees embrace the aspirations of that code and have implementing its principles and practices.

In 2019 the Constitution was amended to include additional powers to be able to achieve accreditation during 2020.

**b. Method of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Charitable Incorporated Organisation.

**c. Policies adopted for the induction and training of Trustees**

All the Trustees use the Charity Commission guidelines for trustees as a reference.

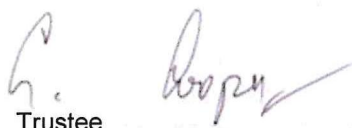
**d. Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**5. Future developments**

A Summer Exhibition in 2023 is being planned but the emphasis will be on fundraising to meet potential deficit.

This report was approved by the Trustees at its meeting on 22nd February 2023 and signed on their behalf by:

  
Trustee



**CARPET MUSEUM TRUST**

**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

**Independent Examiner's Report to the Trustees of Carpet Museum Trust (the 'charity')**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2022..

**Responsibilities and Basis of Report**

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

Your attention is drawn to the fact that the charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Following my examination I can confirm that no matters have come to my attention in connection with the examination which give me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed



07/06/23.

Colm McGrory  
Ormerod Rutter Limited, Chartered Accountants  
The Oakley,  
Kidderminster Road  
Droitwich,  
Worcestershire  
WR9 9AY



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNT 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

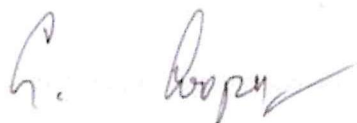
		<b>Unrestricted Funds 2022</b>	<b>Restricted Funds 2022</b>	<b>Total Funds 2022</b>	<b>Total Funds 2021</b>
	Notes	£	£	£	£
<b>Income from:</b>					
Donations and Legacies	3	25,671	-	25,671	3,663
Activities for Generating funds	4	41,841	818	42,659	70,975
Income Sources from Charitable Activities	5	12,628	20,290	32,918	46,172
<b>Total income</b>		<u>80,140</u>	<u>21,108</u>	<u>101,248</u>	<u>120,810</u>
<b>Expenditure on:</b>					
<b>Fundraising</b>	6/7	9,472	-	9,472	11,376
<b>Charitable Activities</b>					
Museum	6/7	53,849	-	53,849	66,766
Community	6/7	7,888	-	7,888	9,470
Collections	6/7	5,951	-	5,951	6,149
Summer Exhibition	6/7	-	10,000	10,000	11,574
School Visits	6/7	-	5,160	5,160	
Oral History Project	6/7	-	5,130	5,130	1,230
Retail Shop	6/7	2,016	818	2,834	2,422
Accreditation		-	-	-	144
<b>Total outgoing resources</b>		<u>79,176</u>	<u>21,108</u>	<u>100,284</u>	<u>109,131</u>
<b>Net movement in funds before Transfers</b>		964	-	964	11,679
<b>Depreciation Charge</b>	8	<u>-</u>	<u>(31,125)</u>	<u>(31,125)</u>	<u>(68,693)</u>
<b>Net Income/(Expenditure) for the year</b>		964	(31,125)	(30,161)	(57,014)
<b>Reconciliation of Funds</b>					
Total funds brought forward		<u>35,862</u>	<u>1,254,173</u>	<u>1,290,035</u>	<u>1,347,049</u>
<b>Total funds carried forward</b>		<u>36,826</u>	<u>1,223,048</u>	<u>1,259,874</u>	<u>1,290,035</u>

**+++CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

	Notes	2022 £	2022 £	2021 £
<b>Fixed Assets</b>				
Tangible Fixed Assets	8		1,223,048	1,254,173
<b>Current Assets</b>				
Stocks	11	3,705		3,289
Debtors	12	7,376		12,317
Cash at Bank and In Hand		40,695		47,981
		<u>51,776</u>		<u>63,587</u>
<b>Creditors</b>				
Amounts falling due within one year	13	<u>14,950</u>		<u>27,726</u>
<b>Net Current Assets</b>			<u>36,826</u>	<u>35,861</u>
<b>Net Assets</b>			<u>1,259,874</u>	<u>1,290,035</u>
<b>Income Funds</b>				
<u>Unrestricted Funds</u>				
Revenue		18,076		
Revenue - Designated		<u>18,750</u>	36,826	35,862
<u>Restricted</u>				
Capital		1,223,048		1,254,173
Revenue		-	<u>1,223,048</u>	<u>-</u>
Total Funds			<u>1,259,874</u>	<u>1,290,035</u>

The Financial Statements were approved by the Trustees and signed on their behalf.



The notes on pages 10 to 19 form part of these Financial Statements

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**1. Accounting Policies**

**Legal status**

The Carpet Museum Trust is a Charitable Incorporated Organisation (CIO), whose registered office is Stour Vale Mill, Green Street, Kidderminster, Worcestershire, DY10 1AZ.

**a) Accounts Convention.**

The accounts have been prepared in accordance with the Charity's Constitution, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (effective 1<sup>st</sup> January 2019). The charity is a Public Benefit Entity as defined by FRS102.

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

The accounts have been prepared under the historical cost convention.

Capital grants are recognised as designated income when receivable and this departure from financial reporting standards is necessary in order to show a true and fair view, in accordance with SORP (FRS 102)

Three types of fund are held, restricted, general or designated safety net funds cannot be used without the approval of the Directors/Trustees.

When possible, expenditure is charged to the charitable activity to which it relates. Costs that cannot be dealt with in this way are apportioned as a percentage overhead. Apportioned costs are premises and office costs.

**Going Concern**

At the time of preparing the accounts, the trustees had a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**Governance Costs**

Any costs that can be identified are charged direct. Staff time is allocated according to the percentage spent directly on governance, together with a proportion of premises and office costs. In accordance with SORP (FRS 102) governance costs are now treated as overheads and allocated over the other services.

**b) Incoming resources**

**Grants receivable**

- i) Grants made to finance the activities of the Museum are credited to the income and expenditure account in the period to which they relate.
- ii) Other income  
Sales of services are included in the income and expenditure account in the period to which they relate. Other income, including donations, gifts and covenants are included as they were received.
- iii) Deferred income  
Grants received in advance of the period in which the funder requires the expenditure to be applied will be reflected in deferred income within the balance sheet.



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**c) Resources expended**

All expenditure is accounted for on an accruals basis. All expenditure directly related to the provision of advice services is included within charitable expenditure. Other costs incurred have been allocated between fundraising and publicity and management and administration as appropriate. Where such costs relate to more than one functional cost category they have been split on an estimate of time or floor space basis, as appropriate.

**d) Basic financial assets**

Basic financial assets, which include debtors and bank balances, are initially measured at transaction price including costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**e) Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flow discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/ (expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised.

The impairment reversal is recognised in net income (expenditure) for the year.

**f) Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expires or are settled, or when the charity transfers the financial asset and substantially all the risks and reward of ownership to another entity, or if some significant risk and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**g) Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective rate method.

**h) Derecognition of financial liabilities**

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

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**i) Fixed assets and depreciation**

Fixed assets are included at cost less depreciation. Depreciation is charged on a straight line basis on the costs of the assets over their estimated useful lives as follows:

Long-term leasehold property	-	over the life of the lease
Fixtures and fittings	-	10% straight line
Office Equipment	-	33% Straight Line

The depreciation policy has been reviewed in accordance with FRS 102 and no change has been made from the previous year.

The provision for depreciation of fixed assets is shown as part of notes to the Statement of Financial Activities. Fixed assets are either financed from grants or by using Reserves. When Reserves are used the cost is written as a charge to Revenue, but when financed from a grant then the income resource is shown in the Statement of Financial Activities and credited to a Designated Capital Reserve.

**j) Restricted funds**

Income received for the restricted purposes is included in a separate restricted fund against which appropriate expenditure is allocated. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor that any unused funds may have to be refunded, if the objective of the funding is met and there is no obligation to refund any surplus then those funds are treated as unrestricted.

**k) Designated funds**

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

**l) Fund Accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

**m) Cash Flow**

The charity has taken advantage of the provisions in the SORP for charities applying FRS102 Update Bulletin 1 not to prepare a Statement of Cash Flow.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**n) Taxation**

The Carpet Museum Trust is registered with the Charity Commission and under the provisions of the Income and Corporation Taxes Act 1988 and exempt from liability to taxation.

**o) Capital Grants**

Capital grants are recognized as income in the designated fund when receivable and a departure from Financial Reporting Standards is necessary in order to show a true and fair view in accordance with the Statement of Recommended Practice SORP (FRS102).



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**p) Pensions**

All employees who qualify for a workplace pension have been enrolled in the National Employers Savings Trust (NEST) pension scheme and the statutory deductions are made or other such arrangements as agreed with employees.

**q) Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2. Role of Volunteers**

The charity has in the region of 35 volunteers. The value of these is not incorporated within the accounts.

<b>3. Income donations</b>	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Donations	25,671	-	25,671	3,663
<b>Total</b>	<b>25,671</b>	<b>-</b>	<b>25,671</b>	<b>3,663</b>

<b>4. Activities for Generating funds</b>	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Room Hire	11,856	-	11,856	12,910
Rental Income	14,317	-	14,317	18,447
Shop Sales	2,891	-	2,891	1,939
Mrs A Pugh Cook	-	818	818	-
Commission	749	-	749	324
Corporate Sponsorship	4,900	-	4,900	500
Fund Raising	641	-	641	-
Other Income	487	-	487	641
HMG – Retail Support	6,000	-	6,000	36,214
<b>Total</b>	<b>41,841</b>	<b>818</b>	<b>42,659</b>	<b>70,975</b>

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

<b>5. Charitable Income</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Admissions	9,692	-	9,692	5,346
Kidderminster Town Council	-	8,160	8,160	415
Arts Council – Cultural recovery Grant	-	-	-	27,558
Grant – WCC (Div Funds)	-	-	-	-
Newcomen Society	-	-	-	2,000
Community Activities	2,138	-	2,138	208
Grant – Arts Society	-	-	-	1,074
Edward Cadbury Trust	-	3,000	3,000	-
William Cadbury Charitable Trust	-	1,000	1,000	-
Elmley Foundation Trust	-	3,000	3,000	-
National Heritage Lottery Fund	-	5,130	5,130	1,231
HMRC – CJRS	-	-	-	7,988
Other Income	798	-	798	352
	<b>12,628</b>	<b>20,290</b>	<b>32,918</b>	<b>46,172</b>
<b>Total</b>	<b>80,140</b>	<b>21,108</b>	<b>101,248</b>	<b>120,810</b>

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

**6. Direct Costs**

Item	Museum £	Community £	Collection £	Retail £	Fundraising £	School Visits £	Exhibition £	Oral History £	Total £	2,021 £
Staff – Pay, NI and Pensions	34,001	4,944	1,236	1,236	2,472	2,109	954	-	46,952	54,141
Admission Charges	-	-	-	-	-	2,511	-	-	2,511	-
Card Reader Charges	79	-	-	82	-	-	-	-	161	103
Consultants Fees	-	-	-	-	-	-	-	2,100	2,100	461
Subscriptions	65	-	-	-	-	-	-	-	65	62
Marketing	0	-	-	-	-	-	-	-	-	18
Advertising, Leaflets	131	-	-	-	-	-	385	879	1,395	4,823
Travel Costs	-	-	-	-	-	540	-	-	540	85
Fundraising	-	-	-	-	-	-	-	-	-	-
Children's Craft Materials	-	-	-	-	-	-	-	-	-	-
Fees	-	-	-	-	-	-	1,910	-	1,910	-
Refreshments	-	332	-	-	-	-	0	-	332	185
Volunteers Expenses	-	13	-	-	-	-	-	-	13	10
Conservation	-	-	350	-	-	-	-	-	350	91
Exhibition & Event Costs	-	-	-	-	-	-	6,751	-	6,751	7,065
Stationary, Equipment & Fittings	241	-	-	20	17	0	-	1,951	2,229	918
Axial Software	-	-	1,453	-	-	-	-	-	1,453	2,037
Professional Services	500	-	-	-	1,159	-	-	-	1,659	3,362
Room Hire	-	-	-	-	-	-	-	200	200	-
Overheads	18,832	2,599	2,912	1,496	5,824	-	-	-	31,663	35,770
<b>Total</b>	<b>53,849</b>	<b>7,888</b>	<b>5,951</b>	<b>2,834</b>	<b>9,472</b>	<b>5,160</b>	<b>10,000</b>	<b>5,130</b>	<b>100,284</b>	<b>109,131</b>

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**7. Support Costs**

Item	Museum £	Community £	Collection £	Retail £	Fundraising £	Total £	2021 £
Staff - Pay, NI and Pensions	5,762	585	910	440	1,819	9,516	9,620
Bank Charges	35	35	7	7	14	98	-
Building Maintenance Contracts	2,089	-	308	126	616	3,139	3,787
Building Repairs	927	-	137	56	273	1,393	7,397
Examiners Fee	325	325	65	65	130	910	850
Furniture & Equipment	-	-	-	-	-	-	104
Gas	3,329	-	491	200	981	5,001	4,317
Insurance	3,169	-	467	190	934	4,760	3,904
IT Services, etc	155	155	31	31	62	434	334
Kidderminster BID	376	376	75	75	151	1,053	1,072
Payroll Processing	207	207	41	41	83	579	540
Sanitary & Cleaning	358	-	53	22	106	539	560
Security Key Holding & Call Outs	426	-	63	26	126	641	336
Stationary & Postages	58	58	12	12	23	163	182
Subscriptions	43	43	9	9	17	121	-
Sundries	28	29	4	4	9	74	39
Telecoms	750	750	150	150	300	2,100	2,080
Training	186	27	7	7	14	241	-
Travel & Expenses	63	9	2	2	5	81	7
Waste Disposal	198	-	29	12	58	297	273
Water	348	-	51	21	103	523	368
<b>Total</b>	<b>18,832</b>	<b>2,599</b>	<b>2,912</b>	<b>1,496</b>	<b>5,824</b>	<b>31,663</b>	<b>35,770</b>

**8. Tangible Fixed Assets**

	Long Term Leasehold Property £	Fixtures & Fittings £	Office Equipment £	Total £
<b>Cost</b>				
At 1st January 2022	1,556,255	346,904	36,742	1,939,901
Disposals	-	-	-	-
At 31st December 2022	1,556,255	346,904	36,742	1,939,901
<b>Depreciation</b>				
At 1st January 2022	302,082	346,904	36,742	685,728
Charges in year	31,125	-	-	31,125
At 31st December 2022	333,207	346,904	36,742	716,853
<b>Net Book Value</b>				
At 1st January 2022	1,254,173	-	-	1,254,173
At 31st December 2022	1,223,048	-	-	1,223,048

**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**  
\*\*\*\*\*

**9. Net Income (expenditure)**

This is stated after charging	2022	2021
	£	£
Depreciation of tangible fixed assets -owned by charity	31,125	68,693

Independent examiners remuneration.

The Independent Examiner's remuneration amounts to an Independent Examination fee of £910 (2021 - £850).

**10. Net Movement of Funds**

	At 1.1.2022	Net Movement in Funds	Transfers between Funds	At 31.12.2022
	£	£	£	£
<b>Unrestricted Funds</b>				
General Funds	35,862	964	-	36,826
<b>Total</b>	35,862	964	-	36,826
	£	£	£	£
<b>Restricted Funds</b>				
General Funds	-	-	-	-
Capital Fund	1,254,173	(31,125)	-	1,223,048
<b>Total</b>	1,254,173	(31,125)	-	1,254,173
<b>Total Both</b>	1,290,035	(30,161)	-	1,259,874

The Capital Fund is the amount spent on renovation and fitting out of the building and is written down each year.

<b>11. Stocks</b>	2022	2021
	£	£
Merchandise	<u>3,705</u>	<u>3,289</u>

<b>12. Debtors</b>	2022	2021
	£	£
Trade Debtors	1,275	696
Other Debtors	661	-
Prepayments and Accrued Income	<u>5,440</u>	<u>11,621</u>
<b>Total</b>	<u>7,376</u>	<u>12,317</u>



**CARPET MUSEUM TRUST**  
**TRUSTEES ANNUAL REPORT AND ACCOUNTS 2022**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

\*\*\*\*\*

**13. Creditors**

	2022 £	2021 £
Creditors	14,768	15,317
Accruals and Deferred Income	182	12,409
<b>Total</b>	<b><u>14,950</u></b>	<b><u>27,726</u></b>

**14. Deferred Income**

	2022 £	2021 £
1 <sup>st</sup> January 2022	10,480	11,500
Resources Deferred during year	182	3,700
Amounts Released from previous year	<u>(10,480)</u>	<u>(4,720)</u>
<b>Deferred Income 31<sup>st</sup> December 2022</b>	<b><u>182</u></b>	<b><u>10,480</u></b>

**15. Financial Instruments**

	2022 £	2021 £
Financial assets measured at amortised cost	<u>41,970</u>	<u>49,982</u>
Financial liabilities measured at amortised cost	<u>14,767</u>	<u>16,927</u>

Financial assets measured at amortised cost comprising cash at bank and in hand, and trade debtor.

Financial liabilities measured at amortised cost comprising trade creditors, VAT, PAYE and other creditors and accruals.

**16. Staff Costs**

	2022 £	2021 £
Staff costs were as follows		
Wages and salaries and pension contributions.	<u>56,468</u>	<u>63,761</u>

No employee received remuneration amounting to more than £60,000 in either year. The key management personnel of the charity consist of the Trustees and the Museum Manager. The total remuneration paid to the key management personnel during the year was £27,640 (2021 - £25,299). Average staff 2022 – 4 and 2021 – 2.51. During the year, no Trustees received any remuneration (2021 - £NIL). During the year, no trustees received any benefits in kind (2021 - £NIL). During the year, no trustees received any reimbursement of expenses (2021 - £NIL).

**17. Operating lease commitments**

At 31 December 2022 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
<b>Amount payable</b>		
After more than 5 years	<u>1</u>	<u>1</u>

**18. Related party transactions**

There were no related party transactions during the year.