

REGISTERED CHARITY NUMBER: 1183526

Harpenden and District Local History Society
Report of the Trustees and
Financial Statements for the Year Ended 31 December 2021

Harpenden and District Local History Society

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for the Year Ended 31 December 2021**

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Harpenden and District Local History Society

Report of the Trustees for the Year Ended 31 December 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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 2015).

With effect from 22nd May 2019, the Society is now constituted as a Charitable Incorporated Organisation (CIO) (charity number 1183526) with the same charity byname as the previously constituted unincorporated charity (277169). The assets of the old charity were transferred to the new charity in early 2020 and the old charity was formally dissolved on 22nd July 2020. This report covers the activities of the new charity (1183526) to which the activities of the old charity were transferred with effect from 1st January 2020.

OBJECTIVES AND ACTIVITIES

The Society's objectives as per its registered constitution as a CIO (Association) are to educate the public in the local history of Harpenden and District and to undertake research into the origins and development of buildings, organisations, crafts, trades and other aspects of historical interest and to publish the results of such research.

Nothing in the new constitution shall authorise an application of the property of the CIO for 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.

The Society's key objective has been, since losing its former museum premises attached to Harpenden Hall in 2003, to open a permanent Harpenden Museum. The Society holds a collection of artefacts and documents relating to Harpenden's history totalling 1000s of documents; 100s of OS maps of different dates and scales, 1000s of artefacts, large and small, well over 16000 photos and over 100 original paintings. Many of these items were collected for a future museum of Harpenden from the early 1900s. This collection is growing and will develop rapidly when Harpenden Museum opens.

The Society embraces its Mission Statement in all that it currently undertakes and the plan for opening a museum in the Eric Morecambe Centre in Rothamsted Park provides a major opportunity to achieving our key objective and to increase access to the collection thereby providing a greater knowledge of local history–

The Society's aims have not materially changed since the 2019 report and can be summarised as:

Aim 1: To make a valuable contribution to the cultural life of Harpenden and the surrounding area

Aim 2: To provide a quality service which is accessible and enjoyable to all, without charge

Aim 3: To promote the Harpenden History website as a source for all types of learning for schools, groups, families and individuals

Aim 4: To encourage users to explore the archives for research. This will be greatly enhanced with the opening, of the museum

Aim 5: To encourage members and the public to be actively involved in all the Society's activities

Aim 6: To recruit and train volunteers to assist the team in achieving the Society's aims, particularly helping run the Museum and its archives

Aim 7: To continue to care for, preserve, add-to and document the collection, to develop a digital version of significant items in the collection and to publish articles and photos on the Society's website and in the Society's Newsletter.

Aim 8: To maintain long-term financial sustainability

In order to fulfil these aims, the following key objectives have been established:

- a. To collect, preserve and exhibit artefacts, documents, photographs and recordings, which describe the history of the local area
- b. To maintain the current collection in a safe storage environment fully indexed and capable of being used for display purposes and for research
- c. To selectively source new objects and photographs to enhance the current collection and to digitise items from the collection as appropriate
- d. To use the collection for themed exhibitions
- e. To offer elements of the collection as an educational resource
- f. To reach diverse and wider audiences, through the website and other means
- g. To partner and collaborate with other community groups for mutual advantage and for the good of the local area.

ACTIVITIES

Current:

The following activities, while not exhaustive, are the key areas of the Society's' focus:

- a. Exhibitions in the Museum
- b. Displays at local community events such as the Harpenden Carnival
- c. Programme of monthly evening meetings with guest speakers open to members and visitors
- d. Talks to local societies and schools, some of which will be chargeable to aid income generation
- e. Visits to places of interest - chargeable to cover any related costs.
- f. Printed publications including reprints of popular monographs such as Harpenden Races, a short illustrated booklet: 'Story of Harpenden'. and local Town Trails
- g. Regular Newsletters for members, with articles on local history topics
- h. The Society's interactive website (www.harpenden-history.org.uk) is open to contributions from members and the general public. Currently with nearly 800 pages, it covers a wide range of local history topics.
- i. Displays in Harpenden Library which are regularly refreshed
- j. Responses to some 150 research enquiries per annum, by providing information, with a request for donations or expenses where possible.
- k. Use of media – through the Society's Facebook page and contributions to Old Harpenden Years Gone By and other local Facebook pages; advertising in Harpenden Forum, Harpenden Society newsletters and local directories - increases the Society's exposure to the community
- l. Curating of the Society's collection of artefacts, documents, photos etc.

The government's COVID restrictions have prevented many activities since March 2020. However, the Society has maintained its online presence with the publication and distribution of newsletters and the continuation of website activity. Face-to-face meetings resumed in September 2021.

Medium term objectives

The Society has developed and refined its long-term Business Plan which centres on the development of a museum in the Cultural Hub. The legacy receipt of £673k in 2019 from the estate of the late Leslie Casey underpins the financial requirements of the museum development project and appropriate resources will be therefore be available, when required, to fund both its development and operation.

The Society signed a long-term lease and a Memorandum of Understanding in late 2021 with St Albans District Council for a museum display space, an archive room and a storage area in the Eric Morecambe Centre. (see Financial Review below)

During 2022 the Society aims to develop these spaces into Harpenden Museum.

Longer term objectives include:

- Working towards regaining formal museum accreditation
- Developing on-line access to digital indexes of the Society's collections
- Transferring the digital indexes to a museum cataloguing database

In the view of the Society's rapidly evolving development plans, the trustees aim to implement the proposals in this report but will naturally review these in response to changed circumstances, particularly relating to COVID.

Charitable status and public benefit

The Society continues to provide, within the current government COVID restrictions, many opportunities for the wider community to secure greater knowledge of local history and see this as a key part of our educational and heritage-protecting role. We also support and encourage our members to get involved with other local and national organisations operating in the local history sphere.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees therefore consider that the Society is charitable both in its intention and practice and provides substantial public benefit to the local community and wider world.

ACHIEVEMENT AND PERFORMANCE

Introduction

Now the long-term lease has been completed, the Society can commence the fitting and equipping of the new museum and related storage. This will eventually involve consolidating the collection in the Eric Morecambe Centre spaces.

The Society's collection of artefacts and archives

Work on sorting and indexing the artefacts in store at Sandridgegate and the archives at Park Hall continued throughout the year, with the welcome assistance of volunteers.

Exhibitions

No exhibitions were held due to COVID restrictions.

Newsletters

Newsletters 143, 144 and 145 were produced, printed and distributed to members in the normal way.

Society Meetings

Meetings resumed in autumn 2021 as follows.

28 September Colin Oakeshott Nursing: Florence Nightingale and Mary Seacole

26 October Bill Davies On and Off the Footplate

23 November Annual General Meeting and talks by members

Visits

It was not possible to undertake any visits in 2021. We are still seeking a new visits organiser.

Publications

A further reprint of *Story of Harpenden* was delivered in February 2020. Sales continued, but, with the impact of COVID restrictions on our bookshop vendors, these have reduced materially in comparison to earlier years.

Society Website

The Society Website has continued to attract many comments, enquiries and new contributors from local residents and those researching their ancestors in Harpenden. New pages are added regularly, based on articles and research recorded in past newsletters or from items discovered in the archives. The graphic design features of the website have now been upgraded and re-launched in September 2021.

Membership

There were 247 members at the end of the current year.

FINANCIAL REVIEW

Financial position

The financial results for the year are shown on pages 14 to 23.

The formation of the Society as a Charitable Incorporated Organisation (1183526) on 22nd May 2019 was registered with the Charity Commission in 2019 with a new constitution based on the model Charity Commission template.

Having converted to a CIO and, although gross income has not exceeded £250k in the year, trustees have chosen to prepare the accounts for the current year on an accruals basis. As the Society is no longer a 'larger charity' (income over £500k), annual accounts are accompanied by this Trustees Annual Report but not a cash flow statement as this is not now required. The accounts have been independently examined but no audit is required.

Total Income for the year amounted to £16,777 (2020 - £15,119) of which; £13,872 (2020 - £11,843) was generated by investment income (see note 4) and £2,799 from membership subscriptions (2020 - £3,087).

Realised gains and losses on disposal of investments were £1,134 during the year (2020- £307) which, with the surplus on revaluation of investments at 31st December 2021 of £18,818 (2020 - -£28,252), resulted in an overall net gain on investments of £19,952 (2020 - £28,559) as shown on the Statement of Financial Activities.

Overall unrestricted expenditure for the year amounted to £9,107 (2020 - £8,462). Of this total, £4,059 (2020 - £3,457) related to investment management fees; £2,569 related to website costs, including £2,100 for the

completion of the graphic design upgrade, (2020 - £2,322), £260 for collection maintenance costs (2020 - £1,424 including £1,020 for asbestos treatment), £555 for museum development costs (2020 - £nil) and £1,664 for sundry costs (2020- £1,259).

Trustees are encouraged that, in spite of the adverse influences of the COVID restrictions, the financial status of the Society has not deteriorated during 2021, mainly as a result of continuing strong investment performance. Memberships have stabilised with some minimal loss but donations continue to be under pressure. Expenditure has risen by £645 with higher variable costs as some of the Society's normal activities re-commenced in September 2021. The website upgrade was completed in the year with a final payment of £2100 (total project cost - £3,900).

The overall surplus for the year was £27,622 (2019- £35,216).

Reserves policy

The Society's Financial Reserves Policy deals with the unrestricted General Fund. Other Funds, detailed in these accounts, but which do not form part of Reserves for purposes of measurement of the Financial Reserves Policy below are:

Museum Development Fund (Designated)

Balances and movements (including transfers) on all these Funds are shown in Note 18.

1. General Fund

As a charity with a considerable range of activities, the Society aims to hold sufficient liquid reserves in the unrestricted General Fund to cover up to six month's expenditure of a non-discretionary nature. Any significant reduction in gross income, that the trustees considered likely to be permanent, will activate cost reduction measures. Trustees remain comfortable with a policy that establishes a range of cover between 25% and 50% of the annual expenditure levels as defined above.

In framing this policy, trustees are mindful of establishing the correct balance between financial prudence and properly expending funds raised for the Society's charitable objectives.

Forward forecasting is very difficult at present due to the ongoing COVID restrictions plus the currently imprecise financial impacts of the Museum opening programme. At 31 December 2021, the unrestricted General Fund balance (before transfers) at £90,356 (see note 18), is very considerably in excess of that required by the Financial Reserves Policy and trustees have decided to transfer £40,000 from the General Fund to the Museum Development Fund as at 31st December 2021. The remaining £50,356 in the General Fund is still in excess of that required by the Financial Reserves Policy but, having assessed forward risk, trustees propose to leave this elevated level of general reserves in place but review this regularly.

3. Designated Funds

As mentioned above, the Society is committed, during 2022, to developing a modern and exciting museum in the new Eric Morecambe Centre.

At 31st December 2021, the Society has circa £719,887 (2020 - £735,984) of longer term investments, short term liquid investments and free cash reserves, having expended £43,934 on the acquisition of tangible fixed assets during the year. £672,387 of its liquid funds were transferred into a designated Museum Development Fund as at 31st December 2019 plus a further £40,000 in the current year to eventually finance both the remaining initial capital costs of the museum and the ongoing additional revenue costs, including the anticipated annual rental payments to SADC. Such remaining capital expenditure will include the fittings, furniture and equipment (conservatively estimated at £170,000).

Since these costs are fully covered by the Museum Development Fund, no external grants are envisaged nor are there currently plans for an appeal to the membership for financial support towards the capital and revenue costs of developing the museum. However, it is acknowledged that the membership's support is vital in providing volunteers to run the new operation. It is also envisaged that grant funding may indeed be sought for specific augmentation projects.

The support of the museum community, such as Herts Association of Museums and the St Albans Museum Service, will be important in assisting the Society in the process of establishing the museum.

Longer term security over 25 year lease term has now been secured from SADC to ensure protection of the Society's capital investment and the ongoing service provision to the Town.

Ongoing revenue funding

As mentioned above, the now agreed 'occupancy charges' for the museum reflect the 'community value' of the new facility and the Society is confident in committing to such a level of annual charges by utilising the Museum Development Fund.

Crucially, the balance of liquid resources from the 2019 legacy prompted the introduction of an Investment Policy. Annual returns in the region of 3% (gross of charges) are anticipated in the longer term from the remaining investments having paid for the Museum Fit-out. It is believed that this is realistic based on targets agreed with our investment managers.

Investment Policy

Whilst the bequeathed funds have now been secured, the majority of their application will not be needed until 2022 onwards when they will be used to finance the remaining initial capital costs but also the ongoing additional revenue obligations of the Museum. The receipt of these funds in 2019 required the Society to develop an Investment Policy to secure appropriate returns on the capital not immediately required but with a similarly appropriate level of investment risk.

The developed and approved policy is as follows:

The constitution of the Society, as a Charitable Incorporated Organisation, states that the trustees have the power to: -

- (i) deposit or invest funds;
- (ii) employ a professional fund manager; and
- (iii) arrange for investments or other property of the charity to be held in the name of a nominee.

The basic principle governing trustees' decisions about investing the Society's funds is that a prudent approach must be taken and that trustees seek to strike the right balance between: -

1. providing an income to help the Society to carry out its purposes effectively in the short term to medium term and
2. maintaining and, if possible, enhancing, the value of the invested funds, so as to enable the Society to effectively carry out its purposes in the longer term.

The approved investment policy seeks to address the following considerations: -

1. the need for enough resources for the Society to carry out its present and future activities effectively;
2. the level of acceptable risk and how to manage it

The Society wishes to maintain financial resources that provide a stable foundation for its current and future operational activities and support the related cash flow requirements. In addition, the Society has requirements from time to time for capital for ad-hoc projects that fall within its strategic objectives.

It is to be noted that the Society entered into a discretionary client agreement with Sarasin Partners in July 2019 to appoint Sarasin to manage the bulk of the Society's investments in accordance this investment policy, Trustees undertake regular reviews with Sarasin to ensure that the agreed investment parameters are being met over the longer term.

Short-term funds (up to 2 years)

Financial resources should be maintained in cash or equivalents at a level equivalent to the working capital required for the current year.

The Treasurer will normally prepare a revenue/capital budget and cash flow calculation in December prior to the start of each financial year, based on relevant operational and financial information developed by the trustees; with due regard to any higher risk forecast cash flows. This calculation will cover unrestricted (including designated) activities for the period. As mentioned above, this is very difficult this year in view of COVID restrictions but a rudimentary forward appraisal does not expose any material financial risks that cannot be adequately covered by the Society's existing financial resources.

Currently £170,930 (31st December 2020 - £246,318) has been invested in the Blackrock ICS Sterling Liquidity Fund, which, with the £27,415 (31st December 2020 - £43,276) of bank deposits at 31st December 2021, will enable the initial capital costs of the new Museum to be funded, as required, by mid-2022. See notes 13 and 15.

Once the Museum Fit-Out is complete, a new long term finance plan will be prepared and, if necessary, funds will be moved from the two longer term investment funds to ensure adequate short-term liquidity is in place.

Medium-term funds (2-5 years)

Funds required for the medium-term is to be held primarily in bonds/gilts or investment vehicles designed to hold medium term funds.

The medium-term requirements are to be reviewed on at least an annual basis by trustees to ensure that sufficient funds are in place to meet strategic plans and to ensure a level of buffer for risks considered by the Society as part of its regular review of risks.

£225,000 of the monies received from the estate of the late Leslie Casey were placed, in August 2019, into the Sarasin Income and Reserves Fund, which has investment parameters matching those outlined above. Current investment value £195,734 (31st December 2020 - £ 242,732 - see note 12) having transferred £50,000 to the longer-term Endowment Fund during the year to maximize returns.

Long-term funds (5+ years)

Remaining financial resources should be invested in a spread of asset classes (primarily equities) to generate an income for the Society plus a level of capital appreciation in the longer term.

These financial reserves would be exposed to volatility in the financial markets. However, as they would not be required in the short to medium-term, the Society will not be forced into a sale in a difficult market.

£225,000 of the monies received from the estate of the late Leslie Casey was placed, in August 2019, into the Sarasin Endowment Fund which has investment parameters matching those outlined above. The current investment value is £325,808 (31st December 2020 - £203,658 -see note 12) having received, during the year, a transfer of £50,000 from the Sarasin Income and Reserves Fund and £45,000 from the Blackrock ICS Sterling Liquidity Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its new constitution as Charitable Incorporated Organisation (Association).

Organisational structure and management

Its current correspondence address is c/o C. Bristow, Secretary, 5 Tuffnells Way, Harpenden, Herts, AL5 3HJ

Trustees are appointed and re-appointed by the Annual General Meeting as required by the constitution.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees regularly examine the principal areas of the Society's operations and consider the major risks faced in each of these areas.

The Society believes that it has addressed the four key areas of risk and sustainability:

- Funding of the capital and revenue costs of the new facility
- Succession planning for key personnel
- Volunteer development more generally
- Increased access to the collection by the community without charge, particularly younger residents.

Progress on continuing to implement these programmes will be constantly monitored by Trustees

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1183526

Principal address

C/o C Bristow (Secretary)
5 Tuffnells Way
Harpenden, Herts,
AL5 3HJ

Principal Officers

Gavin Ross	Chairman
Christine Bristow	Secretary
John Bristow	Treasurer

The details of principal officers are shown above. Those who served as trustees during the year and to the date of this report are as follows:

Trustees

G Ross	Chairman
C Bristow	Secretary
J Bristow	Treasurer
D Keen	Curator
C Brimblecombe	Membership Secretary
J Keen	Programme Secretary
J Wassell	Newsletter Editor
R Ross	Archive and Website Administrator

Bankers

Lloyds Bank
Business Banking
BX1 1LT

Investment Managers

Sarasin Partners LLP
Juxon House
100, St. Paul's Churchyard
London
EC4M 8BU

TRUSTEES RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution 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 charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 21 February 2022 and signed on its behalf by:

G Ross - Trustee



Report of the Independent Examiner to the Trustees of Harpenden and District Local History Society

I report to the trustees on my examination of the accounts of the Harpenden and District Local History Society for the year ended 31 December 2021.

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 Act').

I report in respect of my examination of the Society'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 Act.

The charity's gross income did not exceed £250,000 in the period but I can confirm that I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that, in any material respect:

1. the accounting records were not kept in respect of the Society as required by section 130 of the 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:



Name: Harry Stalker Downie
Institute of Chartered Accountants of Scotland:
Address: 66, Eastmoor Park
Harpenden,
Herts
AL5 1BW

Harpenden and District Local History Society

Statement Of Financial Activities for the Year Ended 31 December 2021

	Notes	31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
Income and endowments from:			
Donations and legacies	2	2,799	3,087
Other trading activities	3	106	189
Investment Income and Interest	4	13,872	11,843
Other income		-	-
Total Incoming resources		<u>16,777</u>	<u>15,119</u>
Expenditure on Charitable Activities			
Charitable activities	5	9,107	8,462
Total expenditure		<u>9,107</u>	<u>8,462</u>
Net income/(expenditure) for the period		<u>7,670</u>	<u>6,657</u>
Net gains/(losses) on investments	14	19,952	28,559
Net Income/(expenditure)		<u>27,622</u>	<u>35,216</u>
Reconciliation of funds:			
Total funds brought forward		735,122	699,906
Total funds carried forward		<u>762,744</u>	<u>735,122</u>

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

All of the above relate to continuing activities

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Statement Of Financial Activities for the Year Ended 31 December 2021

	Notes	31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
Fixed assets			
Tangible assets	11	43,787	-
Heritage assets		-	-
Investments held for more than one year	12	521,542	446,390
Total fixed assets		565,329	446,390
Current assets			
Debtors	16	499	204
Investments held for less than one year	13	170,930	246,318
Cash at bank and in hand	15	27,415	43,276
Total current assets		198,844	289,797
Creditors: amounts falling due within one year	17	1,429	1,065
Net current assets/(liabilities)		197,415	288,732
Total assets less current liabilities		762,744	735,122
Funds of the Charity			
Unrestricted funds	18	762,744	735,122
Total funds		762,744	735,122

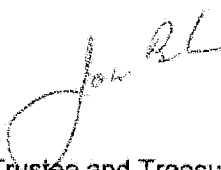
The notes on pages 16 to 23 form part of these statements.

The financial statements were approved by the Board of Trustees and authorised for issue on

21 February 2022 and were signed on its behalf by:



G Ross - Trustee and Chairman



N J Bristow - Trustee and Treasurer

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Harpenden and District Local History Society was registered with the Charity Commission of England and Wales on 22nd May 2019 as a Charitable Incorporated Organisation – Association (No. 1183526) and these accounts are prepared in accordance with the Charities SORP (FRS 102) '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 the Republic of Ireland (FRS 102) (effective 1st January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention. Harpenden and District Local History Society is a public benefit entity under FRS 102.

Income and expenditure

Income is accounted in the accounting period to which it relates providing that any unpaid income at the end of each accounting period is considered by Trustees to be fully recoverable.

Income from interest and dividends is included in the accounts when certain and the amount receivable can be measured reliably. Income from gains and losses includes any realised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the accounting period

Expenditure is accounted for on an accruals basis.

Income tax is recoverable from the HM Revenue and Customs on Gift Aided donations, and is accounted for on an accruals basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The trustees have reviewed the disclosure of charitable activities costs in the accounts. In their opinion, the Society has only one overall activity for accounts disclosure purposes.

Allocation of costs

Costs are allocated to the specific fund to which they relate.

Tangible fixed assets (see note 11)

Museum Leasehold Property

The Society has entered into a long-term lease for 25 years with St Albans District Council commencing on 24th November 2021 for 1100 square feet of space in the Eric Morecambe Centre in Rothamsted Park, Harpenden. The initial rent under this lease is £17,500 per annum until the first review in November 2031 at which time the rent will increase by a maximum of 3%. Additionally, an annual service charge is payable under the terms of the lease commencing at £2,500 with annual reviews capped at no more than 3%.

Expenditure incurred during 2021 on acquiring and improving the leasehold premises has been capitalised in the sum of £38,258. Of this amount, £24,417 represents improvements undertaken and £13,841 represents legal fees and disbursements incurred in negotiating and completing the legal documentation required. Depreciation on leasehold premises is being provided at 4% per annum on a straight-line basis

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

1 ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets (continued)

Fixtures, fittings and equipment

Expenditure on fixtures and fittings is being capitalised and, in 2021, £5,676 was expended being the deposit payment for the installation of a roller racking system in the Archive Room for the Museum. The balance of £11,369 for this equipment, contracted in 2021, will be expended in early 2022 (see Note 19 below).

A project plan is currently being drawn upon to confirm the further expenditure on fixtures, fittings and equipment required to complete the Fit-Out programme before the Museum can open.

Depreciation on these expenditures will be provided at 10% per annum on a straight-line basis commencing when the Museum opens, currently anticipated for mid-2022.

Taxation

The Society's surpluses are derived from, and are applied towards, the maintenance of charitable activities and as such are not subject to taxation.

Fund accounting

Details of the nature and purpose of each fund is set out in note 18.

Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued initially at cost and subsequently at market value at the year end.

Investments held for resale and cash or cash equivalents with a maturity date of less than one year are listed as current asset investments.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

	Notes	31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
2. DONATIONS AND LEGACIES			
Membership subscriptions		2,032	2,104
Income tax refunds		475	522
Gifts and donations		292	461
Legacies received		-	-
		<u>2,799</u>	<u>3,087</u>
Gifts and donations			
		31/12/2021 Total Unrestricted funds	31/12/2020 Total Unrestricted funds
3. OTHER TRADING ACTIVITIES			
Sales of literature and publications		106	189
		<u>106</u>	<u>189</u>
		31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
4. INVESTMENT INCOME			
Interest receivable on Sarasin Endowment Fund	12	1	7
Interest receivable on Sarasin Income and Reserves Fund	12	1	10
Interest receivable on Blackrock Liquidity Income	13	1	35
Bank deposit interest	-	135	32
Dividends and other investment income - Sarasin long term funds	12	13,735	11,759
		<u>13,872</u>	<u>11,843</u>
5. CHARITABLE ACTIVITIES COSTS			
	Direct Costs note 6 £	Support Costs Note 7 £	Total Costs £
Charitable Activities	4,381	4,726	9,107
	<u>4381</u>	<u>4726</u>	<u>9107</u>

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

	31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
6. DIRECT COSTS OF CHARITABLE ACTIVITIES		
Museum operating costs	555	-
Meetings expenses	502	202
Website costs	2,569	2,322
Costs of maintaining the collection	260	1,424
Publications costs	-	406
Newsletter costs	494	430
	4,381	4,784

7. SUPPORT COSTS

	Admin.	Finance	Investment Management	Support Costs £
Charitable activities	398	270	4,059	4,726
	398	270	4,059	4,726

8. TRUSTEES' REMUNERATION AND BENEFITS

No trustee received any remuneration or benefits during the period

There were no trustees' expenses paid during the period

9. STAFF COSTS

There were no employees during the period

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

As funds are all unrestricted, comparative figures are shown on the face of the statement of financial activities above

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

11. TANGIBLE FIXED ASSETS

	Leasehold Property	Fixtures & Fittings	Total
COST			
at 1st January 2021	-	-	-
Additions	38,258	5,676	43,934
at 31st December 2021	<u>38,258</u>	<u>5,676</u>	<u>43,934</u>
DEPRECIATION			
at 1st January 2021	-	-	-
Charge for the year	147	-	147
at 31st December 2021	<u>147</u>	<u>-</u>	<u>147</u>
NET BOOK VALUE			
at 31st December 2021	<u>38,111</u>	<u>5,676</u>	<u>43,787</u>
at 31st December 2020	<u>-</u>	<u>-</u>	<u>-</u>

The Society entered into a lease with St Albans District Council on 24th November 2021 for a period of 25 years at an initial rent of £17,500 per annum plus an initial service charge of £2,500. The rental payment will next be reviewed in November 2031 and any increase limited to 3%. The service charge will be reviewed annually to an agreed formula. There is a rent free period to 24th August 2021.

The expenditure in the year represents the costs financed by the Society of improvements to the premises plus the legal fees incurred in completing the lease transaction. These costs are being depreciated over the term of the lease.

During 2021 and 2022, the Society will be financing the Fit-Out of the Museum and to date £5,676 has been expended but the asset acquired was not in use at 31st December 2021. When the Fit-Out is complete, the assets will be capitalised as Fixtures and Fittings and depreciated at 10% per annum on a straight line basis.

12. INVESTMENTS HELD FOR MORE THAN 1 YEAR

	31/12/2021 Sarasin Endowment Fund £	31/12/2021 Sarasin Income & Reserves £	31/12/2021 Sarasin Total Funds £	31.12.20 Sarasin Total Funds £
Opening valuation	203,658	242,732	446,390	455,158
Transfer to Blackrock ICS Sterling Fund (Note 13)	95,000	(50,010)	44,990	45,291
Investment charges levied	(1,732)	(1,782)	(3,514)	(2,884)
Interest received	1	1	1	17
Realised Gain/Losses (see note 14)	-	1,134	1,134	135
Investment income	7,129	6,606	13,735	11,759
Surplus on valuation (see note 14)	21,752	(2,946)	18,806	27,496
Closing valuation at market value	<u>325,808</u>	<u>195,734</u>	<u>521,542</u>	<u>446,390</u>

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

13. INVESTMENTS HELD FOR LESS THAN 1 YEAR

	31/12/2021 Blackrock ICS Sterling Fund £	31/12/2020 Blackrock ICS Sterling Fund £
Opening valuation	246,318	200,509
Transfer to Sarasin Funds (see Note 12)	(44,990)	45,291
Transfer to Lloyds Bank current account	(30,000)	-
Interest received (see note 4)	1	35
Charges taken from fund	(410)	(446)
Realised gains/(losses)	-	172
Surplus on valuation (see note 14)	12	756
Closing valuation at market value	170,930	246,318

14. NET/GAINS/(LOSSES) ON INVESTMENTS

	31/12/2021 Total Unrestricted funds £	31/12/2020 Total Unrestricted funds £
Surplus on valuation at 31/12/2021 for long term funds (gross of charges)	18,806	27,496
Surplus on valuation at 31/12/2021 for short term funds	12	756
Realised gains/(losses) from long term funds	1,134	135
Realised gains/(losses) from short term funds	-	172
	19,952	28,559

15. CASH AT BANK AND IN HAND

	31/12/2021 Total Funds £	31/12/2020 Total Funds £
Shawbrook Bank 60 day notice account - Issue 2	7,123	7,061
Shawbrook Bank 12 month fixed rate account	-	5,000
Lloyds Bank 32 day notice deposit account	-	20,018
Lloyds Bank current account	20,292	11,197
	27,415	43,276

16. DEBTORS:AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/2021 Total Funds £	31/12/2020 Total Funds £
Prepayments	499	204
	499	204

17. CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/2021 Total Funds £	31/12/2020 Total Funds £
Accruals and deferred income	1,429	1,065
	1,429	1,065

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

18. MOVEMENT IN FUNDS	at 01.01.21	Net Movement in Funds	Transfers between funds	at 31.12.21
Unrestricted Funds	£	£	£	£
General Fund	62,735	27,622	(40,000)	50,356
Designated Fund - Museum Development	672,387	-	40,000	712,387
Total Unrestricted Funds	735,122	27,622	0	762,744

Net movements in funds, included in the above are as follows

Unrestricted Funds	Incoming Resources £	Resources Expended £	Movement in Funds £
General Fund	36,728	(9,107)	27,622
Designated Fund - Museum Development	-	-	-
Total Unrestricted Funds	36,728	9,107	27,622

Comparatives for movements in funds

Unrestricted Funds	at 01.01.20	Net Movement in Funds	Transfers between funds	at 31.12.20
	£	£	£	£
General Fund	27,519	35,216	-	62,735
Designated Fund - Museum Development	672,387	-	-	672,387
Total Unrestricted Funds	699,906	35,216	0	735,122

Net movements in funds, included in the above are as follows

Unrestricted Funds	Incoming Resources £	Resources Expended £	Movement in Funds £
General Fund	43,678	(8,462)	35,216
Designated Fund - Museum Development	-	-	0
Total Unrestricted Funds	43,678	(8,462)	35,216

The Museum Development Fund was established in 2019 by transferring, during the previous period, the £659,437 received from the Estate of L Casey (deceased 25/11/2017) in relation to the sale of the house bequeathed to the Society on his death plus £12,950 being the Museum Development Fund established in the old Society unincorporated charity and transferred hereto in 2019.

It will be used to finance the initial and (where required) ongoing costs of the new Museum in the Eric Morecambe Centre

The notes on pages 16 to 23 form part of these statements.

Harpenden and District Local History Society

Notes to the Financial Statements for the Period ended 31 December 2021 (Continued)

19. CAPITAL COMMITMENTS

A contract was formalised, in December 2021, with Rackline Limited for the provision of a roller racking filing system for the Archive Room in the Museum to be developed by the Society in 2022. The total cost of this element of the Fit-Out project for the Museum is £17,045, of which a deposit payment of £5,676 was made in December 2021. The remainder will be paid, on installation, in early 2022.

Although further contracts will be negotiated for the remainder of the Fit-Out project during 2022, no further contracts have been formalised as at 31st December 2021.

There are no other liabilities, contingent or otherwise, that are not provided in these accounts.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.

21. COMMITMENTS UNDER OPERATING LEASES

Annual commitments under non-cancellable operating leases (see Note 11) were as follows:

	31/12/2021	31/12/2020
	£	£
Leases expiring in:		
One year	9,167	0
Two to five years	80,000	0

The notes on pages 16 to 23 form part of these statements.