

CHARLES DICKENS MUSEUM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Charles Dickens Museum

CHARLES DICKENS MUSEUM

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CHARLES DICKENS MUSEUM

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

As I approach the end of my second term of office, both as Chair and as a member of the Museum's Board, I am secure in the knowledge that the Museum has successfully navigated the impact of the COVID-19 pandemic and has the strength to withstand the ongoing economic and political challenges facing the UK today.

It has been a joy to see visitors of all ages from all over the country, and the world, immersing themselves in the extraordinary collection we hold in the house in which Dickens lived when he established himself as a writer and achieved international fame. We also continued the vital and enriching work with our local community, providing a range of ways for people to engage with the Museum as visitors, participants, volunteers and partners.

Our changing programme of special exhibitions and our expanding online content have allowed us to enhance the understanding and appreciation of Charles Dickens, drawing out more of his personality, achievements and lasting legacy. Dickens was dynamic, driven, humorous, insightful and complex; his influence on the world during his lifetime was immense, and the timeless themes at the heart of his work remain meaningful today.

During the year, we said goodbye to Adam Kalinowski, latterly our Visitor Experience Manager, who had been with the Museum since 2016 and has joined the team at the Welcome Collection.

I am grateful to my Board colleagues for their dedication, advice and support, and for the work of the Museum's Director, Cindy Sughrue, who leads an excellent team of staff and volunteers with resilience, creativity, and skill. Sandra Lynes Timbrell will take over as chair from Autumn 2023, and I wish her, the Board, and the Museum team every success in the next chapter.

Lycia Lobo

Chair

Dated: 14 September 2023

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustee presents its report and financial statements for the year ended 31 March 2023. The Trustee has 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).

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 Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the charity is to promote, encourage, maintain, improve and advance education of the public in the life and works of Charles Dickens and to establish and maintain the property at 48-49 Doughty Street in the London Borough of Camden as a Museum to house and preserve all articles having connection with Charles Dickens.

The Charles Dickens Museum has Accredited Museum status and aims to be the leading centre for the study, appreciation and enjoyment of Charles Dickens's life and work. 48 Doughty Street is the only remaining house of Charles Dickens in London and the one in which he began married life, became established as a writer, and rose rapidly to international fame. The Charles Dickens Museum houses the world's finest and most comprehensive collection of material relating to Charles Dickens with over 100,000 items including furniture, personal effects, paintings, prints, photographs, letters, manuscripts, and rare editions. A temporary exhibition programme enhances and complements the Museum's permanent displays.

Public benefit

The Directors of the Trustee have referred to the Charity Commission's general guidance on public benefit, have considered their public benefit obligations under charity law, and believe that they comply with those obligations.

Volunteers

Our volunteers are drawn from a wide range of people, from local residents and students, to retired people with a wealth of knowledge of Dickens and the heritage sector. They are essential to the daily running of the Museum and take on a variety of roles. Many serve as room stewards, who act as guardians of the collection, but equally importantly engage with and inform the visiting public. We also have volunteers who work with the curatorial and learning teams, and others who maintain the Museum's garden.

During 2022/23, the Museum continued to develop its large team of volunteers through structured induction and training, and we continue to offer people keen to embark on a career in museums the opportunity to develop skills for future paid employment.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Operating environment

As 2022/23 commenced, and the impact of the COVID-19 pandemic continued to ease, we were heartened to see visitor numbers steadily increase, especially visitors from abroad, with the gradual removal of international travel restrictions, particularly in relation to our key US and European markets. However, our progress has been hampered by the dramatic increase in the cost of fuel and other supplies, as well as the impact of labour shortages and industrial action. With inflation reaching its highest rate in 40 years, the recovery of the UK visitor market has slowed amid ongoing economic uncertainty.

This set the context for reviewing and redeveloping our strategic plan, which was completed early in the year and approved by the Board in June 2022. Covering the period 2022-2027, it builds on the previous plan, evolving the direction of travel, and supporting five key aims that guide our work:

- ensure that our collection is at the forefront of all our activities;
- connect people with the work of Charles Dickens and the world in which he lived through our collection and engagement expertise;
- ensure that equality, diversity and inclusion are at the heart of all we do;
- embed environmental sustainability in all aspects of our work;
- operate with the highest levels of organisational and financial efficiency.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Charitable activities

Despite the challenging economic environment, 2022-23 was shaped by a welcome return to the full breadth of pre-pandemic activity onsite, while also continuing to offer online activity and digital resources for the benefit of those unable to reach the Museum in person. We continued to operate five days per week, Wednesday to Sunday, while adopting a hybrid model for special events and engagement activities to reach the widest possible audience.

Our visitor numbers continued to increase steadily across the year, rising from 54% of pre-pandemic footfall in April 2022 to 87% by March 2023. We welcomed a total of 38,410 visitors across the year, an increase of 97% on 2021/22, and we continued to benchmark well against other central London museums and heritage sites of a similar scale.

We continued to provide free entry opportunities through a number of community partners, as well as a range of free content and resources on our website, including an interactive digital tour and an audio-described tour to enhance the experience of people with visual impairments.

We presented a number of virtual events, including 'Mr Dickens is Coming,' a performance piece by Gerald Dickens (great, great grandson of Charles Dickens) that explored Dickens's personal life and how this shaped his literary works. We also released 'Ghosts & Murder', a new dramatic production of haunting tales by Charles Dickens and Wilkie Collins, performed by Dominic Gerrard. We re-released Dominic Gerrard's festive productions of 'A Christmas Carol' and 'The Chimes,' while also adding a new one, Dickens's fifth and final Christmas Book, 'The Haunted Man' adapted and performed by James Swanton. These virtual performances helped maintain an income stream for the Museum while also engaging people across the UK and around the world.

We hosted a number of free virtual talks during the year, including 'Dickens and Travel' with Lucinda Hawksley, as well as several free onsite talks, including a fascinating insight into Dickens's health by Dr Nicholas Cambridge and an exploration of the enduring friendship between Dickens and his sister-in-law, Georgina Hogarth by Prof Christine Skelton.

In total, we welcomed 984 people to free events, and 1,859 to ticketed events, giving us a special event reach of 2,843 people.

Our digital engagement grew significantly during the year, despite several setbacks due to the tumultuous nature of current social media platforms. We introduced new video formatting that enabled us to make more direct, personal engagement posts that resonated more powerfully with our audiences. Our digital engagement allowed us to generate wider press coverage, such as our 'Free Dickens' campaign, launched after we were inadvertently banned from TikTok. We developed a number of blogs specifically to boost search engine optimisation (SEO), such as '10 Facts about Charles Dickens,' and led to the Museum overtaking Wikipedia within Google search results, which is an enviable position in the digital marketing world.

Our website attracted over 241,000 unique users during the year, while our social media platforms achieved a combined following of 57,872, a 14% increase. Our online presence remained global; after the UK, our top countries were the USA, Italy, Canada, France, Germany, India, Australia, the Netherlands, and Spain. Facebook remained the largest platform with just over 19,000 followers, followed by Twitter with 18,445 and Instagram with 15,699. We grew our TikTok from zero to over 1,000 followers, and YouTube increased to just over 3,000 subscribers during the year. The most significant platform remained Instagram, which has a much higher engagement rate.

We use a variety of criteria and measures to assess our success including visitor numbers, visitor feedback (comments book, post-visit survey, and TripAdvisor reviews), learning activity evaluation, website traffic and social media engagement.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Exhibitions

In addition to permanent displays, CDM presents an ongoing series of special exhibitions that allow for in-depth exploration of themes and for the contemporary relevance of Dickens's work to be drawn out. Special exhibitions are central to our audience development strategy, encouraging repeat visits, attracting different audiences, and providing opportunities for new learning and engagement activities. Exhibitions also drive press coverage, which in turn boosts the Museum's visibility and profile, as demonstrated by our track-record in achieving substantial national and international media exposure.

The year began with *Picturing Pickwick: The Art of 'The Pickwick Papers'*, which opened on 6th April 2022 and ran until 11th September 2022. Supported by generous donations from the Dickens Fellowship, the City Pickwick Club, Dickens Pickwick Club, Pickwick Bicycle Club, the Pickwick Ladies Club of London, the Philadelphia Pickwick Club, and several individual donors, the exhibition explored the connection between Dickens's first novel, *The Pickwick Papers*, and illustration, as well as the rise of a phenomenon that continues today, the appreciation society or fan club. The exhibition featured the earliest known real Pickwick Club minute book, dating from 1837, alongside contemporary club memorabilia and an array of illustrations spanning nearly a century, including an extensive display of illustrations by the Sardinian artist Anna Marongiu.

Alongside this, we mounted a temporary display to coincide with the Platinum Jubilee of Queen Elizabeth II. This featured items relating to Dickens's connection with the Royal family, including the Guild of Literature and Art subscription book, which notes a donation by Queen Victoria and Prince Albert.

This was followed by a display of a selection of previously unpublished letters, all of which were simultaneously published on our open-access online collection database. These cover a range of topics, from assorted invitation notes, writing projects and publishing matters, to concerns about changes in the local postal service and an account of a period when Dickens and his family resided in Switzerland. Whether it was the timeless appeal of Dickens or the humorous and topical nature of some of the content, the story gained a phenomenal amount of traction and was covered by a range of local, national and international news media including broadcasts on the BBC and ITV National News, print and online coverage in *The Times*, *The Guardian*, *The Independent*, *The Daily Telegraph*, *The Washington Post* and *The Smithsonian Magazine*, amongst others.

The second exhibition of the year – *To Be Read At Dusk: Dickens, Ghosts and the Supernatural* – opened on 5th October 2022 and ran until 5th March 2023. It formed part of a project exploring Dickens's fascination with ghosts in the context of both the 19th century and today, drawing out contemporary attitudes to the spirit world. The exhibition was developed through consultation and creative engagement with our community forum and a local youth group, and examined Dickens's interest in the paranormal, his 'hankering after ghosts', and how he became a master ghost storyteller, publishing over 20 works. Star objects included a copy of *The Chimes* that Dickens gifted to fellow author Hans Christian Anderson, original sketches of some of Dickens's ghosts by the artist and illustrator John Leech, and images from the Brian May Archive of Stereoscopy. We enhanced the exhibition with a substantial events programme, including free online and onsite talks by writer and BBC 'Uncanny' presenter Danny Robins and photo historian Denis Pellerin of the Brian May Archive of Stereoscopy. We also presented a range of ticketed events to engage new audiences. Over 19,000 people visited the exhibition in person, with a further 135,000 people accessing online content. The exhibition attracted considerable local, national and international media coverage, including broadcast and print/online media in the USA, Canada, France, Germany, Italy, Spain, Greece, Poland, Slovakia, Hungary, China, Morocco and Australia.

A further temporary display during the festive season celebrated the arrival of five first editions of Dickens's 'Christmas Books' donated from the Blavatnik Honresfield Library.

As the year came to an end, we prepared for the next special exhibition *A Great and Dirty City: Dickens and the London Fog*, which opened on 29th March 2023 and runs until 22nd October 2023. With support from an Arts Council England National Lottery Project Grant, we continued to strengthen our relationship with our local community, inviting them to get involved, from the outset, in developing the exhibition themes and content. This was conducted through a series of onsite and online workshops with our community forum, and local youth and school groups, in which we explored the impact of climate change from Victorian England through to today, giving voice to participants, and the wider public, on the risk, dangers, fear, and growing impact that pollution and climate change had throughout Dickens's lifetime and through to the present day.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Collection Care & Development

Preventative and remedial conservation work on the collection and building continued during the year, with routine deep cleaning and environmental monitoring. We continued to work our way through the quinquennial inspection action plan, including replacing two sets of external staircases in spring 2022 and substantial internal refurbishment works that were carried out during a three-week planned closure period in January 2023. This provided the opportunity to implement our rotation plan for paper items on permanent display, including replacing a number of key objects with facsimiles to allow the originals to rest from long-term exposure to light, thereby ensuring their preservation.

We continued to extend our collection reach and impact by progressing digitisation and adding content to our Collections Online database. This work has been extended for a further year (until December 2023) by a second generous grant from the Murray Family, which is supporting a fulltime Collection Cataloguer to help clear the cataloguing backlog, an essential foundation on which further access to the collection depends. As the content on our collection database grows, we are benefitting from licensing opportunities and a greater number of researcher, image and loan requests. This included the loan of two books and two scrapbooks to St Albans Museum and Gallery for an exhibition about Frederick Kitton, a prominent Dickensian, from September 2022 to January 2023. It was attended by 16,174 people.

Although the nature and pace of recovery from the pandemic means we have been unable to pursue acquisitions as actively as before, we continued to develop the collection through accepting several important donations, including:

- eleven first and rare editions from the Blavatnik Honresfield Library donated by the Friends of the National Libraries, including first editions of all five 'Christmas Books' (1843-1848) and *Oliver Twist* (1838);
- a substantial scrapbook compiled by one of Charles Dickens's great-granddaughters, which offers an interesting insight into the family and Dickens's legacy;
- a range of memorabilia from the oldest extant Pickwick Club, the Pickwick Bicycle Club, formed two weeks after Dickens's death in 1870;
- a small archive and two original sketches by Percy Home of Dickens's home at No 1 Devonshire Terrace, where he and his family lived from December 1839 until November 1851. These items show how Dickens's legacy was tied to the property until its demolition in 1957.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Education & Engagement

The Museum aims to be the world's leading centre for the study, appreciation and enjoyment of Charles Dickens's life and works. Our activities are targeted at all users and visitors, from children to academics and researchers, and with a view to ensuring that those who engage with the Museum and its work reflect the diversity of our community.

Our suite of sessions for UK schools, which spans Key Stage 1 through to Key Stage 5, provides clear links to the National Curriculum and to individual examination boards. In addition to perennial content, we continued to integrate special exhibition themes and material.

Our school sessions continued to be very well received, with formal feedback consistently achieving ratings of 'very good' or 'excellent'. Over the course of the year, we reached 3,654 children and young people in formal school settings, an increase of 62% from the previous year and a return to pre-pandemic levels. Although the majority of these attendances were onsite at the museum, we also continued to deliver virtual content, reaching 368 pupils during the year.

We grew and strengthened the team of freelance educators that supports our Learning Manager with programme delivery, increasing from seven to 19 people. This has enabled us to further diversify our workforce and talent pool.

To accompany our special exhibition *To Be Read At Dusk: Dickens, Ghosts and the Supernatural*, we developed a new escape-box workshop and tour for Key Stages 3 and 4. Whilst learning about Victorian supernatural beliefs in general and Scrooge's character in particular, students work collaboratively using literary and problem-solving skills to 'free' Scrooge's trapped heart. The workshop was very well received and has become part of our ongoing schools offer.

We further developed our 'Dear Mr Dickens' school session for Key Stage 2, in partnership with the Jewish Museum and the author of the book *Dear Mr Dickens*, Nancy Churnin. This book tells the story of Eliza Davis confronting Charles Dickens about his anti-Semitic portrayal of Fagin in *Oliver Twist*. The session explores conscious and unconscious bias, and empowers children to call out stereotyping and make a stand against discrimination, while also exploring social issues, such as child poverty, that concerned Dickens and remain with us today.

In addition to family trails and interactives onsite, we continued to offer family events during school holidays linked to special exhibition. Together, these informal learning opportunities benefited over 1,800 children.

We continued to offer specialist sessions for undergraduate students and for overseas education groups through a combination of onsite and virtual delivery.

During 2022/23 the Museum continued to partner the University of Buckingham in delivering the MA in Dickens Studies, now in its seventh year. We remain grateful to Prof John Drew and Dr Pete Orford for providing online alternatives where necessary, which we supported with remote access to our collection and research library. We also made links with other MA courses in related subjects such as Victorian Studies and are working with universities such as Birkbeck, University of London, to provide visits and sessions on the importance of our collections and introducing the concept of curation.

We continued to support the academic community by providing access to the Suzanet Research Library and by responding to research enquiries. We welcomed 19 researchers to the library in person to consult original material from our collections. We also continued to respond to queries remotely and provide support with digital sources where possible.

Environmental Sustainability

Having previously achieved net-zero carbon emissions, we continued to embed environmental sustainability further into our ways of working. We successfully applied to the Mayor of London's Business Climate Change Challenge programme, which includes a comprehensive energy audit with recommendations on how to further improve energy efficiency, as well as access to funding for implementation. Meanwhile, we remain committed to using renewable energy providers and to pursuing our own renewable energy supply.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Partnerships

The Museum continued to work both formally and informally with a range of local and sector-specific organisations, including Camden Third Age Project, Coram's Fields, the Duchess of Cornwall's Reading Room (now The Queen's Reading Room), English Heritage, The Foundling Museum, Goodenough College, Great Ormond Street Hospital, Holborn Community Association, The Jewish Museum, Knowledge Quarter, the National Justice Museum, Phillip Mould & Co, The Peel Institute, The Postal Museum, Quentin Blake Centre for Illustration (formerly The House of Illustration), the Ragged School Museum, the Renaissance Foundation, St George the Martyr Church of England Primary School, Victoria & Albert Museum, Worcester Polytechnic Institute, and the Wilkie Collins Society.

We continued to have excellent working relationships with various Dickens organisations and collections, including the Dickens Fellowship, Dickens Society, Dickens's Birthplace Museum in Portsmouth, Dickens House in Broadstairs, Gad's Hill Place Trust, and Medway Council's Eastgate House and Guildhall Museum. We were delighted to host the opening reception of the annual Dickens Society Symposium, which was held in London in July 2022, the first in-person meeting of the Society since the pandemic.

Dickens Fellowship

The Museum continued its close and valued relationship with the Dickens Fellowship, the organisation that originally purchased Nos 48 & 49 Doughty Street for posterity in 1922 and opened the Museum in 1925. The Museum serves as the Fellowship's headquarters and hosts regular meetings and occasional events. In addition, we worked with the Carrara Branch and in partnership with the Villa Duchessa di Galliera in Genoa on an exhibition about Charles Dickens and his time in Genoa and its influence on his second Christmas book, *The Chimes*. 'Genova e il Natale con gli occhi di Dickens' ran from 9th December 2022 to 6th January 2023 and attracted local and national news coverage in Italy. Although the venue did not record general visitor numbers, visits by schools and other groups benefited nearly 1,200 people.

Academic Advisors & Patrons

The Museum is extremely grateful for the advice and guidance it receives from its honorary Academic Advisors: Prof Michael Slater MBE, Prof Jenny Hartley OBE, Dr Lee Jackson, Dr Leon Litvack, Dr Pete Orford and Dr Tony Williams. We also are most grateful to our Patrons – Simon Callow, Mark Dickens, Lucinda Hawksley and Miriam Margolyes – all of whom give of their time so generously to support and promote the Museum.

Donors & Supporters

We are most grateful for the financial support received during the year from a range of private and public sources, including Arts Council England National Lottery Project Fund, The Dickens Fellowship, the City Pickwick Club, Dickens Pickwick Club, the Pickwick Bicycle Club, the Pickwick Ladies Club of London, the Philadelphia Pickwick Club, and the John R Murray Charitable Trust. We are also extremely thankful for the generosity of the hundreds of people who support us in an individual capacity through donations and by joining our Friends scheme.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Total income was £747,204, of which £0 was spent on heritage assets (2022: £10). Total expenditure was £994,550 (2022: £697,459) of which £128,741 (2022: £0) was from funds designated by the Trustee for maintenance expenditure identified in the quinquennial inspection.

General unrestricted funds available to the Trustee on 31 March 2023 were £306,805 (2022: £371,366) with further funds of £215,244 (2022: £354,034) designated by the Trustee predominantly for maintenance expenditure identified in the quinquennial inspection. The restricted funds decreased from £5,056,069 to £5,007,693 mainly due to depreciation charge allocated to restricted funds.

The Museum normally generates all of the income required to meet its annual operating costs, with 50% coming from admissions, 34% from shop and café, 9% from events and hires, and the remaining 7% from curatorial and learning activity, the Friends scheme, bank interest & investment income, and onsite donations. Fundraising is normally undertaken for special projects and acquisitions. In 2022/23, as the impact of the COVID-19 pandemic eased and the visitor market began to recover, our self-generated income streams began to improve. Although visitor numbers gradually increased during the course of the year, ancillary spend failed to keep pace, with market research supporting our own observations that visitors were cautious about spending due to cost of living concerns. Although trading income increased substantially on 2021/22, it reached only 77% compared with 2019/20.

Staff remuneration is reviewed annually with reference to sector benchmarking. The Museum does not use unpaid interns but does provide formal short-term work experience placements directly related to a course of study, as well as a range of volunteering opportunities.

Reserves policy

The Charles Dickens Museum holds in trust the property at 48-49 Doughty Street, including the Grade I historic house in which Dickens lived, and an extensive collection of material relating to Dickens's life and work. The Trustee is responsible for the care of these heritage assets and for providing public access in line with its charitable objectives. In addition to designating funds for specific purposes from time to time, the Trustee wishes to ensure that any unplanned closure, or other interruption to income generation, does not threaten the long-term viability of the organisation. The Museum's income streams normally are varied and relatively predictable and fixed costs are stable. However, as a result of the COVID-19 pandemic and the subsequent falling away of insurance cover for communicable diseases, we feel it prudent to hold a minimum of six months' overheads (approximately £300,000).

Investment policy and objectives

In accordance with the trust deed, the Trustee has the power to invest in such stocks, shares, investments, and property in the UK as they see fit. The current policy is to adopt a low-risk investment strategy based on maximising income within this strategy.

Risk management

The Trustee has examined the major strategic and operational risks that the charity faces and confirms that, where possible, measures are in place to manage the significant risks, which it has identified as:

- Budget deficit or cashflow issues due to failure to meet income targets or expenditure overspends.
- Inability to deliver core functions and projects due to loss of staff, long-term illness, or organisational exhaustion.
- Major, unforeseen repair or conservation work required to building or object.
- Property development/building work in neighbouring properties impacts on ability to operate (e.g. access, quality or visitor experience, use of garden etc.) with resulting loss of income and potential reputational damage.

A Risk Register is maintained and regularly reviewed.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

FUTURE PLANS

We are currently preparing for the next special exhibition, which will celebrate the friendship and creative partnership between Charles Dickens and fellow writer, Wilkie Collins. The exhibition – the first in the world to feature Collins – will explore their professional and personal relationship and its impact on their literary careers and private lives. It will include loans of objects from the Wilkie Collins Society not previously on public display, alongside gems from our own collection, including letters from both Dickens and Collins, and between them, as well as annotated copies and playbills of some of their collaborative work, such as *The Frozen Deep*, which dramatised the ill-fated Franklin expedition in search of the Northwest Passage. The exhibition will coincide with the bicentenary of Wilkie Collins' birth and will run from 15th November 2023 until 25th February 2024.

We are also progressing plans to mark the Museum's centenary in 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charles Dickens Museum is the working name of the Dickens House and Dickens House Fund, which was created by deed dated 9th June 1925. The Trust deed was replaced by a scheme of the Charity Commissioners dated 11th June 2002, which was in turn superseded by a further Scheme, dated 23rd November 2012.

The charity is controlled by its governing document, the deed of trust, and constitutes an unincorporated charity. The charity was originally registered with the Charity Commissioner (Registration No. 212172) on 24th August 1974, the main objective being to invest the Trustees with power to administer and manage, in conformity with the Trust Deed of 1925, the property and land with which the charity is possessed.

The Charles Dickens Museum Limited (Company Registration Number: 8204803) is the sole Trustee of the charity. Directors of the Charles Dickens Museum Limited are responsible for ensuring that the trustee company acts properly as the sole trustee of the charity.

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reference and administrative details

Registered Charity number

212172

Principal address

48-49 Doughty Street
London
WC1N 2LX

Trustee

The corporate Trustee is Charles Dickens Museum Limited (Company Number 8204803).

The directors of the Corporate Trustee for the period ended 31 March 2023 were:

Paul Barry Allen (Dickens Fellowship) (appointed 8 March 2023)

Neil Edward Francis Bennett

Elizabeth Bowers

Anne Dilys Byrne

Daisy Rose Christodoulou

Penelope Hines

Eddie Jones (Dickens Fellowship) (resigned 8 March 2023)

Peter Knowles

Lycia Henrietta Marie Lobo (Chair)

Sandra Lynes-Timbrell

Sarah Jane Ridley

Carol Seigel Eccleshare (Vice Chair)

Caroline Trehwitt

Claire Warrior

Board secretary

Dr Cindy Sughrue OBE

Chief executive

Dr Cindy Sughrue OBE

Auditors

SBM Associates Limited

24 Wandsworth Road

London

SW8 2JW

Solicitors

Farrer & Co. LLP

66 Lincoln's Inn Fields

London

WC2A 3LH

Bankers

Unity Trust Bank plc

Nine Brindley Place

Birmingham

B1 2HB

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Organisational structure

The Charity is controlled by a corporate trustee, The Charles Dickens Museum Limited, which has a board of up to thirteen members who meet at least four times a year, with some business devolved to committees. There is one standing committee, (Finance and Operations), which meets quarterly, and one specialist advisory group (Collections Advisory Group), which meets as required. The Board also periodically holds Away Days in order to give space and time to strategic issues and longer-term planning. The Charity employs a fulltime Director.

Recruitment and appointment of new board members

The Board of the corporate Trustee comprises interested and committed individuals from a variety of backgrounds and must include a member of the Dickens Fellowship. Board members may serve as appointed members for two three-year terms. There is also provision for co-opting members on an annual basis for a maximum of four years. To ensure that a range of expertise is maintained on the Board, new board members are appointed to meet specific expertise requirements, which is assessed through a skills and experience audit. Recruitment is carried out through open recruitment processes.

Following a review of the Museum's performance against the Charity Governance Code for Smaller Charities in 2019/20, which identified that good progress had been made with balancing gender and broadening age range, the Board acknowledged that further work was required to improve representation of disability, ethnicity and LGBTQ+. A diversity monitoring framework has been established, and subsequent recruitment processes have actively encouraged applications through explicit reference in briefing documents and through targeted advertising and networking channels. With appointments limited to a maximum of six years, there is scope for a step-change in the short-to medium term.

Induction and training of new board members

New Board members undergo structured induction and receive the Charity Commission's Charity Trustee Welcome Pack. We routinely circulate and discuss guidance and advice from agencies such as the Charity Commission, Charity Governance Code Steering Group, Companies House, Information Commissioners Office, HMRC, and sector bodies such as Arts Council England, Museums Association, Association of Independent Museums, Charity Finance Group, Clore Foundation, and Association of Chairs.

Ongoing training is available from a number of relevant organisations, such as the Association of Independent Museums and London Museum Development, which Board members are encouraged to attend.

Attendance at meetings

<u>Name</u>	<u>16th June</u> <u>2022</u>	<u>15th</u> <u>September</u> <u>2022</u>	<u>1st</u> <u>December</u> <u>2022</u>	<u>Away Day</u> <u>26th January</u> <u>2022</u>	<u>8th March</u> <u>2023</u>
Paul Allen	n/a	n/a	n/a	n/a	Yes
Neil Bennett	Yes	No	Yes	Yes	Yes
Elizabeth Bowers	Yes	No	Yes	Yes	Yes
Anne Byrne	Yes	Yes	Yes	Yes	Yes
Daisy Christodoulou	Yes	Yes	Yes	Yes	Yes
Penelope Hines	No	Yes	Yes	Yes	Yes
Eddie Jones	Yes	Yes	Yes	Yes	Yes
Peter Knowles	Yes	Yes	Yes	Yes	Yes
Lycia Lobo	Yes	Yes	Yes	Yes	Yes
Sandra Timbrell	Yes	No	Yes	Yes	Yes
Sarah Ridley	Yes	Yes	Yes	Yes	Yes
Carol Seigel	Yes	Yes	Yes	Yes	Yes
Caroline Trehitt	No	No	Yes	No	Yes
Claire Warrior	Yes	Yes	Yes	Yes	Yes

CHARLES DICKENS MUSEUM

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Board performance

The Board conducts a detailed review of its performance every three years, the most recent being in spring 2021. The review covers effectiveness, developing a shared understanding of strong governance, and maintaining a culture of learning and accountability. Board members provided written feedback to a set of questions covering operational effectiveness, Board knowledge, Board member engagement and scope for further contribution, training, and development needs. All Board members were offered the opportunity to discuss written feedback with the Chair. The Vice-Chair conducted a review of the Chair's effectiveness in relation to the Terms of Reference and the Association of Chairs' guidance *What Makes a Good Chair*, to which all Board members contributed. Recommendations for action were discussed and agreed at the June 2021 Board meeting and subsequently implemented.

The Trustee's report was approved by the Board of the Trustee on 14 September 2023 and signed on its behalf by:

Lycia Lobo for and on behalf of The Charles Dickens Museum Limited, the Corporate Trustee

CHARLES DICKENS MUSEUM

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustee is responsible for preparing the Trustee's Report 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 requires the Trustee 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 of the Charity for that year.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charity will continue in operation.

The Trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and 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. The trustee is 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.

CHARLES DICKENS MUSEUM

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF CHARLES DICKENS MUSEUM

Opinion

We have audited the financial statements of Charles Dickens Museum (the 'Charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual 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 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.

CHARLES DICKENS MUSEUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEE OF CHARLES DICKENS MUSEUM

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the statement of Trustee's responsibilities, the Trustee is 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 Trustee determines 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 Trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the Charity 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach was as follows:

To identify risks of material misstatement due to irregularities we assessed events or conditions that could lead to irregularities. Our risk assessment procedures included:

- Enquiring of Trustees, the Finance and Operations committee ("FINOPS"), and management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect irregularities, as well as whether they have knowledge of any actual, suspected, alleged fraud or breaches of relevant laws and regulations.
- Reading Board, Finance and Operations committee ("FINOPS"), minutes.
- Using analytical procedures to identify any usual or unexpected relationships.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the Trustees and management (as required by auditing standards). We communicated with the Trustees and management the policies and procedures in place regarding compliance with laws and regulations.

We identified the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the Charities Act 2011, The Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (the SORP), and relevant tax legislation.

CHARLES DICKENS MUSEUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF CHARLES DICKENS MUSEUM

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. We identified the following areas as those most likely to have such an effect: health and safety and employment law, recognising the nature of the Charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will cannot be relied upon to detect that breach.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The engagement partner considers the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

As required by auditing standards, and taking into account possible pressures to internal key performance indicators and our knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that income is recorded in the incorrect accounting period and the risk that management may be in a position to make inappropriate accounting entries.

We assessed the risks of material misstatement in respect of fraud as follows:

- We considered the use of remuneration incentive schemes and performance targets for management and did not identify any additional fraud risks
- Our audit team discussed whether there were any areas that were susceptible to misstatement as part of our fraud discussion.
- We challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including, designing appropriate audit procedures, including:

- Incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures;
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation;
- Inspecting the relevant income agreements and their accounting to confirm their recognition in line with the SORP for different revenue streams;
- Inspecting stock count sheets;
- Obtaining third party bank confirmations; and
- Assessing the design and effectiveness of controls in place over areas such as procurement and cash.

CHARLES DICKENS MUSEUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEE OF CHARLES DICKENS MUSEUM

Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to the improper recognition of revenue. To address this risk, we obtained an understanding of the company's revenue recognition policies and compared these to the accounting standard, performed a walkthrough to confirm our understanding of the processes and controls through which the business initiates, records, processes and reports revenue transactions. We tested a sample of revenue transactions to supporting evidence and tested, on a sample basis, revenue related balances in the balance sheet.

We considered the extent to which the audit was considered capable of detecting irregularities: There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

SBM Associates Limited

14 September 2023

**Chartered Accountants
Statutory Auditor**

24 Wandsworth Road
London
SW8 2JW

SBM Associates Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHARLES DICKENS MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations, legacies and grants	3	36,700	-	79,131	115,831	228,301
Charitable activities	4	407,583	-	-	407,583	482,554
Income from trading activities	5	217,297	-	-	217,297	129,388
Income from investments	6	6,493	-	-	6,493	2,723
Total income		668,073	-	79,131	747,204	842,966
Expenditure on:						
Cost of raising funds	7	183,596	-	-	183,596	113,511
Costs of charitable activities	8	544,548	128,741	137,665	810,954	583,948
Total expenditure		728,144	128,741	137,665	994,550	697,459
Net gains/(losses) on investments	13	(4,381)	-	-	(4,381)	5,549
Net (outgoing)/incoming resources before transfers		(64,452)	(128,741)	(58,534)	(251,727)	151,056
Net (outgoing)/incoming resources before transfers		(64,452)	(128,741)	(58,534)	(251,727)	151,056
Gross transfers between funds		(109)	(10,049)	10,158	-	-
Net movement in funds		(64,561)	(138,790)	(48,376)	(251,727)	151,056
Fund balances at 1 April 2022		371,366	354,034	5,056,069	5,781,469	5,630,413
Fund balances at 31 March 2023		306,805	215,244	5,007,693	5,529,742	5,781,469

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

All income and expenditure derive from continuing activities.

CHARLES DICKENS MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income from:</u>					
Donations, legacies and grants	3	195,723	-	32,578	228,301
Charitable activities	4	482,554	-	-	482,554
Income from trading activities	5	129,388	-	-	129,388
Income from investments	6	2,723	-	-	2,723
Total income		810,388	-	32,578	842,966
<u>Expenditure on:</u>					
Cost of raising funds	7	113,511	-	-	113,511
Costs of charitable activities	8	513,548	-	70,400	583,948
Total expenditure		627,059	-	70,400	697,459
Net gains/(losses) on investments	13	5,549	-	-	5,549
Net (outgoing)/incoming resources before transfers		188,878	-	(37,822)	151,056
Gross transfers between funds		(221,372)	300,034	(78,662)	-
Net movement in funds		(32,494)	300,034	(116,484)	151,056
Fund balances at 1 April 2021		403,860	54,000	5,172,553	5,630,413
Fund balances at 31 March 2022		371,366	354,034	5,056,069	5,781,469

CHARLES DICKENS MUSEUM

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	2,088,395		2,142,709	
Heritage assets	16	2,923,703		2,923,703	
Investments	17	63,879		68,260	
		<u>5,075,977</u>		<u>5,134,672</u>	
Current assets					
Stocks	18	31,148		35,812	
Debtors	19	32,428		28,382	
Cash at bank and in hand		505,101		673,496	
		<u>568,677</u>		<u>737,690</u>	
Creditors: amounts falling due within one year	20	<u>(114,912)</u>		<u>(40,893)</u>	
Net current assets			453,765		696,797
Total assets less current liabilities			5,529,742		5,831,469
Creditors: amounts falling due after more than one year	21		-		(50,000)
Net assets			<u>5,529,742</u>		<u>5,781,469</u>
Income funds					
Restricted funds	23	5,007,693		5,056,069	
<u>Unrestricted funds</u>					
Designated funds		215,244		354,034	
General unrestricted funds		<u>306,805</u>		<u>371,366</u>	
			522,049		725,400
			<u>5,529,742</u>		<u>5,781,469</u>

The financial statements were approved by the Trustee on 14 September 2023

Lycia Lobo for and on behalf of The Charles Dickens Museum Limited, the Corporate Trustee

CHARLES DICKENS MUSEUM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(174,888)		176,835
Investing activities					
Purchase of tangible fixed assets		-		(2,715)	
Purchase of heritage assets		-		(10)	
Investment income received		6,493		2,723	
Net cash generated from/(used in) investing activities			6,493		(2)
Financing activities					
Repayment of borrowings		(50,000)		-	
Repayment of bank loans		50,000		-	
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(168,395)		176,833
Cash and cash equivalents at beginning of year			673,496		496,663
Cash and cash equivalents at end of year			505,101		673,496

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Charles Dickens Museum is an unincorporated charity registered with the Charity Commission in England and Wales under registered charity Number 212172. The charity's registered address is 48 Doughty Street, London, WC1N 2 LX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention modified to include certain financial investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity's forecasts and projections, taking account of reasonably possible changes in admission numbers show that the trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of its charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.5 Resources expended

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 cost 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.

1.6 Tangible fixed assets

Assets for use by the charity are capitalised if costing more than £1,000 otherwise cost of such assets is written off in the year of acquisition.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- Over 50 years on a straight-line basis
Property improvements	- Over 3 years on a straight-line basis
Fixtures and fittings	- Over 3 years on a straight-line basis
Computers	- Over 3 years on a straight-line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Heritage assets

Heritage assets are capitalised upon acquisition provided reliable cost information is available. If the Trustee does not believe it possible to attribute a value to donated historic assets, such assets are excluded from the balance sheet.

Heritage assets are not depreciated.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.10 Stocks

Stocks are valued at the lower of cost and estimated selling price, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.13 Taxation

As a registered charity the Museum benefits from rates relief and is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is shown as a separate expense in the Statement of Financial Activities rather than included in the cost of those items to which it relates. The Trustee considers the cost of detailed calculations and additional record keeping required to allocate VAT irrecoverable under the partial exemption regime would exceed the potential benefit.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Donated goods

Other than heritage assets, no value is attributed to donated goods or services.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations, legacies and grants

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	32,690	500	33,190	24,775	30,564	55,339
Grants	-	78,631	78,631	166,278	2,014	168,292
Friends' subscriptions	4,010	-	4,010	4,670	-	4,670
	36,700	79,131	115,831	195,723	32,578	228,301
Grants receivable for core activities						
Local Government Covid Support	-	-	-	26,000	-	26,000
Cultural Recovery Fund Grant	-	-	-	133,238	-	133,238
Coronavirus Job Retention Scheme Grants	-	-	-	7,040	-	7,040
Other	-	78,631	78,631	-	2,014	2,014
	-	78,631	78,631	166,278	2,014	168,292

The funds received from the Cultural Recovery Fund provided by Arts Council England were fully expended in the period in compliance with the conditions of the grant.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities	Operation of museum		Events programme		Educational programmes		Total 2023		Operation of museum		Events programme		Educational programmes		Total 2022	
	2023	£	2023	£	2023	£	£	£	2022	£	2022	£	2022	£	2022	£
Sales within charitable activities	331,457		44,619		31,507		407,583		127,747		33,519		22,423		183,689	
Insurance claim	-		-		-		-		298,865		-		-		298,865	
	331,457		44,619		31,507		407,583		426,612		33,519		22,423		482,554	

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Income from trading activities

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Reprographic income	1,853	3,661
Filming	6,840	1,200
Private viewings	16,107	10,781
Shop income	150,779	98,943
Café income	41,718	14,803
	<hr/>	<hr/>
Income from trading activities	217,297	129,388
	<hr/>	<hr/>

6 Income from investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Income from listed investments	1,875	1,831
Interest receivable	4,618	892
	<hr/>	<hr/>
	6,493	2,723
	<hr/>	<hr/>

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Cost of raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Shop and cafe costs</u>		
Opening stock	35,712	30,770
Purchases	90,980	52,994
Closing stock	(31,148)	(35,712)
Other fundraising costs	8,726	11,718
Staff costs	74,146	52,888
	<hr/>	<hr/>
Shop and cafe costs	178,416	112,658
	<hr/>	<hr/>
<u>Other trading costs</u>		
Museum hire and walking tour costs	5,180	853
	<hr/>	<hr/>
	183,596	113,511
	<hr/> <hr/>	<hr/> <hr/>

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Costs of charitable activities

	Operation of museum 2023 £	Operation of museum 2022 £
Staff costs	341,399	262,469
Depreciation and impairment	54,313	57,122
Rates	3,640	1,113
Insurance	11,994	7,288
Light and heat	24,498	14,463
Telephone	7,494	8,129
Office supplies	3,388	2,309
Advertising and marketing	12,193	12,060
Sundries	3,437	1,605
Volunteer expenses	1,747	1,648
Repairs and maintenance	149,854	45,481
Cleaning	23,000	21,618
IT expenses	7,943	7,959
Bank and other financing charges	16,518	13,179
Research and collection	2,296	8,433
Staff travel and expenses	666	1,596
Exhibition expenses	45,154	33,029
Other charitable expenditure	91,073	68,530
	<u>800,607</u>	<u>568,031</u>
Share of support costs (see note 9)	1,292	1,552
Share of governance costs (see note 9)	9,055	14,365
	<u>810,954</u>	<u>583,948</u>
Analysis by fund		
Unrestricted funds - general	544,548	513,548
Unrestricted funds - designated	128,741	-
Restricted funds	137,665	70,400
	<u>810,954</u>	<u>583,948</u>

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Director's expenses	378	-	378	185	-	185
Conservation and design professional fees	618	-	618	939	-	939
Board expenses	296	-	296	428	-	428
Audit fees	-	9,055	9,055	-	8,690	8,690
Accountancy	-	-	-	-	5,675	5,675
	<u>1,292</u>	<u>9,055</u>	<u>10,347</u>	<u>1,552</u>	<u>14,365</u>	<u>15,917</u>
Analysed between Charitable activities	<u>1,292</u>	<u>9,055</u>	<u>10,347</u>	<u>1,552</u>	<u>14,365</u>	<u>15,917</u>

10 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2023 £	2022 £
Audit of the Charity's annual accounts	<u>8,075</u>	<u>8,690</u>
Non-audit services		
Audit-related assurance services	-	1,500
All other non-audit services	<u>980</u>	<u>4,175</u>
Total non-audit fees	<u>980</u>	<u>5,675</u>

11 Trustee

None of the directors of the Trustee (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

12 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
<u>17</u>	<u>12</u>

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	376,510	288,132
Social security costs	29,365	19,359
Other pension costs	9,670	7,866
	<u>415,545</u>	<u>315,357</u>

There was one employee who received total employee benefits of more than £60,000 (2022: None).

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

2023 Number	2022 Number
1	-

13 Net gains/(losses) on investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Revaluation of investments	<u>(4,381)</u>	<u>5,549</u>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Tangible fixed assets

	Freehold buildings £	Property improvements £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2022	2,675,923	78,298	98,464	5,546	2,858,231
At 31 March 2023	2,675,923	78,298	98,464	5,546	2,858,231
Depreciation and impairment					
At 1 April 2022	535,025	78,298	98,464	3,736	715,523
Depreciation charged in the year	53,408	-	-	905	54,313
At 31 March 2023	588,433	78,298	98,464	4,641	769,836
Carrying amount					
At 31 March 2023	2,087,490	-	-	905	2,088,395
At 31 March 2022	2,140,899	-	-	1,810	2,142,709

16 Heritage assets

	Collection and library £
At 1 April 2022 and at 31 March 2023	2,923,703

The heritage assets represent the collection and library. The heritage property of 48 Doughty Street, originally endowed to the charity in 1925, is carried at nil value.

The collection and library represent the books, manuscripts, paintings, and other historic items associated with Charles Dickens, all of which are open to public access during the Museum's opening hours. The Museum's registration with the UK Museum Accreditation Scheme includes a commitment never to dispose of its historic assets.

5-year summary of transaction	£	£
Balance at 31 March 2018		899,520
Purchases:		
Year ended 31 March 2019	15,795	
Year ended 31 March 2020	2,006,330	
Year ended 31 March 2021	2,048	
Year ended 31 March 2022	10	
Year ended 31 March 2023	-	
		2,024,183
		2,923,703

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	68,260
Valuation changes	(4,381)
	<hr/>
At 31 March 2023	63,879
	<hr/>
Carrying amount	
At 31 March 2023	63,879
	<hr/> <hr/>
At 31 March 2022	68,260
	<hr/> <hr/>

18 Stocks

	2023 £	2022 £
Finished goods and goods for resale	31,148	35,812
	<hr/>	<hr/>

19 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	12,222	5,767
Other debtors	8,262	2,298
Prepayments and accrued income	11,944	20,317
	<hr/>	<hr/>
	32,428	28,382
	<hr/> <hr/>	<hr/> <hr/>

20 Creditors: amounts falling due within one year

	2023 £	2022 £
Notes		
Heritage Lottery Fund Loan	50,000	-
Trade creditors	24,535	16,935
Other creditors	11,254	2,031
Accruals and deferred income	29,123	21,927
	<hr/>	<hr/>
	114,912	40,893
	<hr/> <hr/>	<hr/> <hr/>

The loan of £50,000 from the Heritage Lottery Fund, repayable by 30 June 2023, was repaid on 12 May 2023.

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	-	50,000
	<u> </u>	<u> </u>

22 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £9,670 (2022:£7,866).

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Movement in funds			Balance at 1 April 2022 £	Movement in funds			Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Museum redevelopment 2012	2,277,349	-	(53,407)	(36,055)	2,187,887	-	(53,408)	-	2,134,479
Grants for purchase of desk, chair, painting, jewellery, ceramic jug & Pickwick Minute Book	847,412	-	-	-	847,412	-	-	-	847,412
Pickwick Exhibition	-	10,564	(6,209)	-	4,355	500	(4,803)	(52)	-
Grants for purchase of Pickwick Minute Book	2,000	-	-	-	2,000	-	-	-	2,000
Grant for conservation work	183,773	-	-	(16,073)	167,700	-	-	-	167,700
Private collection acquired in 2019	1,862,019	-	(944)	(24,520)	1,836,555	-	-	-	1,836,555
Technicolour Dickens	-	2,014	-	(2,014)	-	-	-	-	-
Grant for Collection Cataloguer	-	20,000	(9,840)	-	10,160	30,000	(30,662)	10,049	19,547
Ghosts Exhibition	-	-	-	-	-	21,910	(21,952)	42	-
Fog	-	-	-	-	-	26,721	(26,840)	119	-
	5,172,553	32,578	(70,400)	(78,662)	5,056,069	79,131	(137,664)	10,158	5,007,693

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
	2023	£	2023	£	2023	£	2023	£	2023	£	2022	£	2022	£
Fund balances at 31 March 2023 are represented by:														
Tangible assets	905		-		2,087,491		2,088,395		1,810		-		2,140,899	
Heritage assets	23,048		-		2,900,655		2,923,703		23,048		-		2,900,655	
Investments	63,879		-		-		63,879		68,260		-		-	
Current assets/(liabilities)	168,974		215,244		69,547		453,765		278,248		354,034		64,515	
Long term liabilities	50,000		-		(50,000)		-		-		-		(50,000)	
	306,805		215,244		5,007,693		5,529,742		371,366		354,034		5,056,069	

CHARLES DICKENS MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	67,375	57,750

There were no other disclosable related party transactions during the year (2022 - none).

26 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(251,727)	151,056
Adjustments for:		
Investment income recognised in statement of financial activities	(6,493)	(2,723)
Fair value gains and losses on investments	4,381	(5,549)
Depreciation and impairment of tangible fixed assets	54,313	57,122
Movements in working capital:		
Decrease/(increase) in stocks	4,664	(4,942)
(Increase) in debtors	(4,045)	(22,862)
Increase in creditors	24,019	4,733
Cash (absorbed by)/generated from operations	(174,888)	176,835

27 Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	673,496	(168,395)	505,101
Loans falling due within one year	-	(50,000)	(50,000)
Loans falling due after more than one year	(50,000)	50,000	-
	623,496	(168,395)	455,101