

# **THE ANTIQUARIAN HOROLOGICAL SOCIETY**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED**

### **30 SEPTEMBER 2020**

The trustees, who are also directors of the Society for the purposes of the Companies Act, present their annual report and the financial statements for the year ended 30 September 2020. The trustees have adopted relevant statutory legislation for accounting and reporting by charities in preparing the annual report and financial statements of the Society.

### **Members of Council and Officers at 30 September 2020**

*President:* Dr. Patricia Fara

*Vice-Presidents:* R. J. Law F.A.H.S., A. A. Treherne F.A.H.S.

*Directors/Members of Council:* Dr. J. G. D. Nye (Chairman); J. D. Betts M.B.E.;

F. Collanges; Dr. J. Desborough; A. Rolls; Dr. D. J. Rooney;

K. Scobie-Youngs; R. Stenning; J. R. Stratton; D. R. Thompson F.A.H.S.; R. Wren

*Secretary:* Helen K. Chapman

### **OBJECTS OF THE SOCIETY, PRINCIPAL ACTIVITY AND ORGANISATION OF OUR WORK**

The Society is constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association.

The Society's object and its principal activity remain the furtherance of the study of antiquarian horology and dissemination of knowledge in the field of antiquarian horology, as outlined in the Memorandum and Articles of Association. These aims are fulfilled by various means, including a comprehensive library that is open to members and the general public, a free technical enquiry service, an active programme of lectures and meetings, the granting of prizes for the achievement of excellence, the provision of grants, and a range of specialist horological publications.

The Society is run from our offices in London by the Company Secretary, who is advised by a duly elected council and directed by the Society's rules in conjunction with the requirements of company law and the Charity Commissioners.

### **TRANSACTIONS AND FINANCIAL POSITION**

Including donations and tax relief (both non-recurring) related to the fit-out of 4 Lovat Lane, London, EC3 of £878,341, the financial statements show a net surplus for the year of £806,295 and our reserves stand at £2,991,918 in total.

### **TANGIBLE FIXED ASSETS FOR USE BY THE SOCIETY**

Details of movements in fixed assets are set out in note 2 to the accounts. Additional costs were incurred on 4 Lovat Lane. Fit-out costs prior to the Society's occupation were covered by donations to the Society.

### **DIRECTORS AND TRUSTEES**

All directors of the company are trustees of the charity, and there are no other trustees. R. McEvoy resigned on 16 May 2020. The remaining trustees named above served throughout the year. The Board has the power to appoint additional trustees as it considers fit to do so.

### **RISK MANAGEMENT**

The trustees actively review the major risks which the Society faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the Society and confirm that they have established systems to mitigate the significant risks.

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED**  
**30 SEPTEMBER 2020** *(Continued)*

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees (who are also the directors of The Antiquarian Horological Society for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Society will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**RESERVES POLICY**

The Reserves Policy was developed by Council in 2015. It is designed to meet the requirements of charity law which stipulate that any income received by a charity should be spent within a reasonable period of receipt. Council should be able to justify the holding of income as reserves.

Care has been taken to ensure the Reserves Policy takes into account the Society's financial circumstances and other relevant factors, and the level of the Society's reserves are accordingly monitored on a regular basis. The Reserves Policy will be kept under review to ensure it meets the Society's changing needs and circumstances.

The ordinary operating expenses of the Society are met from its working capital, the main sources of which are subscriptions, advertising income and Gift Aid recoveries of tax. Council has deemed it prudent to retain an unrestricted General Fund approximately equal to the costs associated with six months of ordinary operation. The balance of the funds of the Society are divided between restricted and designated reserves, which include a Library Fund, an Education Fund, a Publications Working Capital Fund, a Prize Fund, and a Conservation and Research Fund (as set out in Note 13). The balances of the Library, Prize, and Conservation and Research Funds have been allocated so as to fulfil anticipated disbursements over five years, at the end of which the funds will need replenishing. The Publications Working Capital Fund is available to fund the costs of producing books (e.g. editing, designing, proofing and printing) with a view to such funds being recovered (and the fund balance being replenished) through sales, over time. The Education Fund is expected to be used to fund horological research at higher educational establishments.

**INDEPENDENT EXAMINERS**

A resolution proposing Mr Martin Yardley FCA for re-appointment will be laid before the forthcoming Annual General Meeting.

**APPROVAL**

This report was approved by the board of directors and trustees on 14 January 2021 and signed on its behalf.

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Trustee

**Dr. J. G. D. Nye (Chairman)**

# **REPORT OF THE INDEPENDENT EXAMINERS TO THE MEMBERS OF THE ANTIQUARIAN HOROLOGICAL SOCIETY**

I report to the Society's trustees on the financial statements on pages 6 to 12, which have been prepared under the historical cost convention and the accounting policies set out on page 8.

## **RESPONSIBILITIES AND BASIS OF REPORT**

As described on page 3 the Society's trustees, who are also the directors for the purposes of company law, are responsible for the preparation of financial statements in accordance with the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the financial statements of the society are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

## **INDEPENDENT EXAMINERS' STATEMENT**

Since the Society's gross income exceeded £250,000 your examiner must be a member of a body listed under section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England & Wales, which is one of the listed bodies.

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

- 1) accounting records were not kept in respect of the Society as required by section 386 of the 2006 Act;  
or
- 2) the financial statements do not accord with those records; or
- 3) the financial statements do not comply with the accounting requirements of section 386 of the 2006 Act other than any requirement that they give a "true and fair view" which is not a matter considered as part of an independent examination; or
- 4) the financial statements have not been produced in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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 financial statements to be reached.

.....

**Martin Yardley FCA**

**Chartered Accountant**

**7 Oak End Close, Southborough, Tunbridge Wells, Kent TN4 0TE**

**14 January 2021**

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<i>Note</i>	<i>Restricted Funds £</i>	<i>Designated Funds and Sections £</i>	<i>General Fund £</i>	<i>Total 2020 £</i>	<i>Total 2019 £</i>
<b>INCOME AND EXPENDITURE</b>						
<b>Incoming resources</b>						
Subscriptions		-	-	84,533	84,533	84,971
Sections – total income	3	-	12,770	-	12,770	18,737
Tax recoverable		-	-	179,887	179,887	97,562
Interest receivable		35	300	163	498	848
Surplus/(deficit) on publications	5/12	-	10,456	-	10,456	(3,927)
Miscellaneous income	4	-	-	715,644	715,644	341,022
Miscellaneous income - funds	12/13	-	664	-	664	593
		<u>35</u>	<u>24,190</u>	<u>980,227</u>	<u>1,004,452</u>	<u>539,806</u>
<b>Resources expended</b>						
Direct charitable expenditure:						
Net cost of Journal	6	-	-	41,642	41,642	31,006
Grants and awards	12/13	-	2,888	-	2,888	23,512
Administration	7	-	8,217	137,233	145,450	92,634
Society activities	8	-	-	8,178	8,178	16,626
Library	12	-	-	-	-	-
		<u>-</u>	<u>11,105</u>	<u>187,053</u>	<u>198,158</u>	<u>163,778</u>
<b>NET (DEFICIT)/SURPLUS FOR THE YEAR</b>						
		35	13,086	793,174	806,295	376,028
ADD: Fund balances at 1 October 2019						
		<u>8,718</u>	<u>100,050</u>	<u>2,076,855</u>	<u>2,185,623</u>	<u>1,809,595</u>
<b>FUND BALANCES AT 30 SEPTEMBER 2020</b>						
		<u>£8,753</u>	<u>£113,136</u>	<u>£2,870,029</u>	<u>£2,991,918</u>	<u>£2,185,623</u>

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2020**

	<i>Note</i>	<i>2020</i> £	<i>2019</i> £
<b>FIXED ASSETS</b>			
Tangible assets	2	<u>2,820,032</u>	<u>1,996,397</u>
<b>CURRENT ASSETS</b>			
Debtors	9	63,444	82,707
Cash at bank and in hand	11	151,840	162,882
		<u>215,284</u>	<u>245,589</u>
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>(43,399)</u>	<u>(56,363)</u>
<b>NET CURRENT ASSETS</b>		<u>171,885</u>	<u>189,226</u>
<b>NET ASSETS</b>		<u><u>£2,991,917</u></u>	<u><u>£2,185,623</u></u>
<b>Represented by:</b>			
<b>UNRESTRICTED FUNDS</b>			
General fund		2,870,029	2,076,855
Sections		30,373	25,821
Designated funds	12	82,763	74,229
		<u>2,983,165</u>	<u>2,176,905</u>
<b>RESTRICTED FUNDS</b>	13	8,753	8,718
		<u><u>£2,991,918</u></u>	<u><u>£2,185,623</u></u>

**DIRECTORS' STATEMENTS**

In approving these financial statements as directors of the company we hereby confirm:

- a) that for the year ending 30 September 2020 the company was entitled to the exemption from audit under section 477 of the Companies Act 2006 relating to small companies;
- b) that the members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006;
- c) that the directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

.....  
**Dr. J. G. D. Nye (Chairman)**  
**Director**

.....  
**Mrs H. K. Chapman**  
**Secretary**

*Registered no. 541551*

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued on 16 July 2014, and the Charities Act 2011.

**Income recognition**

Members' subscriptions and donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or the donors' conditions have not been fulfilled, in which case the income is deferred.

**Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

**Tangible Fixed Assets**

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Furniture and Office Equipment	20% on cost
Improvements to Property	10% on the reducing balance
Property	Nil

**Expenditure on management and administration of the Society**

Administration expenditure includes all expenditure not directly related to the charitable activity. This includes costs of renting and running office premises, staff salaries for administrative staff and accountancy fees.

**Sections**

The Charity's objectives are enhanced by the Sections, which meet at numerous locations both in the UK and around the world. Each Section maintains its own independent accounts and the totals of the account are incorporated as one separate unrestricted fund.

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020** *(Continued)*

**2. TANGIBLE FIXED ASSETS**

	Property £	Improvements to Property £	Furniture and Office Equipment £	Total £
<b>COST</b>				
As at 1 October 2019	1,961,279	34,813	14,433	2,010,525
Additions	796,838	21,543	10,849	829,230
As at 30 September 2020	<u>2,758,117</u>	<u>56,356</u>	<u>25,282</u>	<u>2,839,755</u>
<b>DEPRECIATION</b>				
As at 1 October 2019	-	467	13,661	14,128
Charge for year	-	4,465	1,130	5,595
As at 30 September 2020	<u>-</u>	<u>4,932</u>	<u>14,791</u>	<u>19,723</u>
Written-down value at 30 September 2020	<u>£2,758,117</u>	<u>£51,424</u>	<u>£10,491</u>	<u>£2,820,032</u>
Written-down value at 30 September 2019	<u>£1,961,279</u>	<u>£34,346</u>	<u>£772</u>	<u>£1,996,397</u>

**3. SECTIONS - TOTAL INCOME**

	<b>2020</b> £	<b>2019</b> £
Subscriptions	6,409	6,950
Donations	1,843	5,444
Contribution by the Society to the Turret Clock Group (see note 7)	3,380	-
Publication sales	-	976
AGM receipts	-	905
Activities and interest	1,394	3,855
(Loss)/gain on exchange	(256)	607
	<u>£12,770</u>	<u>£18,737</u>

**4. MISCELLANEOUS INCOME**

AGM	-	2,660
Donations	715,435	338,080
Miscellaneous sales	209	282
	<u>£715,644</u>	<u>£341,022</u>

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020** *(Continued)*

<b>5. SURPLUS/(DEFICIT) ON PUBLICATIONS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Sales	13,226	13,036
<i>Cost of Sales</i>		
Costs of new and reprinted publications	2,770	37,401
	<u>2,770</u>	<u>37,401</u>
Surplus/(deficit) on publications	10,456	(24,365)
Transfer (to)/from Publications Working Capital Fund	(10,456)	20,438
	<u>-</u>	<u>(£3,927)</u>
<b>6. JOURNALS AND REPRINTS</b>		
Advertising revenue	26,091	37,979
Less: Advertising agent's fees	(6,635)	(9,607)
NET INCOME	<u>19,456</u>	<u>28,372</u>
<i>Cost of Sales</i>		
Journal publishing costs	61,098	59,378
	<u>61,098</u>	<u>59,378</u>
NET COST OF JOURNAL	<u>(£41,642)</u>	<u>(£31,006)</u>
<b>7. ADMINISTRATION EXPENSES</b>		
<b>General fund</b>		
Salaries and related costs (see note 15)	36,519	35,341
Office rents, rates, light and heat	20,789	20,744
Printing, postage, stationery and telephone	3,876	5,712
Marketing and Publicity	356	398
Subscriptions	310	206
Computer costs	285	12
Donations	60	-
Contribution to the Turret Clock Group (see note 3)	3,380	-
Costs of website and Grant of Arms and Crest	57,200	-
Insurance	2,827	2,743
Accountancy	3,581	3,954
Independent Examiner's fee	600	600
Bank charges	1,795	2,690
Miscellaneous expenditure	60	73
Depreciation	5,595	1,031
	<u>£137,233</u>	<u>£73,504</u>

The costs of the new website (£38,600) and the Grant of Arms and Crest (£18,600) have been written off in the year as they were covered by donations.



**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020** *(Continued)*

**7. ADMINISTRATION EXPENSES** *(Continued)*

<b>Sections</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Meeting and lecturers' expenses	2,630	4,801
Refreshments and social costs	1,007	1,762
Payments for outside visits	430	2,203
Library purchase	132	-
Administrative costs	1,395	2,762
AGM costs	-	920
Donations	500	4,642
Trade membership	2,123	1,790
Prize awarded	-	250
	<u>£8,217</u>	<u>£19,130</u>

**8. SOCIETY ACTIVITIES**

AGM	310	2,712
Meeting expenses	7,868	13,914
	<u>£8,178</u>	<u>£16,626</u>

**9. DEBTORS**

Advertising revenue – journal	12,132	18,645
Prepayments	-	3,201
Income tax recoverable under Gift Aid	20,609	4,024
Other	30,703	56,837
	<u>£63,444</u>	<u>£82,707</u>

**10. CREDITORS:** Amounts falling due within one year

Trade creditors	19,886	30,469
Advertising agents' fees	2,993	4,487
Deferred income	17,081	18,118
Social security and other taxation	2,392	2,224
Other	1,047	1,065
	<u>£43,399</u>	<u>£56,363</u>

**11. CASH AT BANK AND IN HAND**

Included within cash at bank and in hand are monies within the direct control of the Sections amounting to £30,792 (2019 £25,717). An amount of £10,040 (2019 £8,686) is with sections based overseas.

**THE ANTIQUARIAN HOROLOGICAL SOCIETY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020** *(Continued)*

**12. DESIGNATED FUNDS**

	<i>Balance at 1 October 2019</i>	<i>Incoming resources</i>	<i>Outgoing resources</i>	<i>Transfers between Funds</i>	<i>Balance at 30 September 2020</i>
	£	£	£	£	£
Library Fund	2,797	678	-	-	3,475
Education Fund	56,893	229	(888)	-	56,235
Prize Fund	8,738	34	(2,000)	-	6,772
Publications Working Capital Fund	-	-	-	10,456	10,456
Conservation and Research Fund	5,801	24	-	-	5,825
	<u>£74,229</u>	<u>£965</u>	<u>(£2,888)</u>	<u>£10,456</u>	<u>£82,763</u>

**13. RESTRICTED FUNDS**

Jim Cowsill Memorial	1,989	8	-	-	1,997
Marcoolyn	3,978	16	-	-	3,994
Alan Shenton Memorial	2,751	11	-	-	2,762
	<u>£8,718</u>	<u>£35</u>	<u>-</u>	<u>-</u>	<u>£8,753</u>

The Jim Cowsill Memorial was established to support library purchases.

The Marcoolyn fund was established to support projects sponsored by the Electrical Horology Group.

The Alan Shenton Memorial was established to support a prize for the author(s) of an article in *Antiquarian Horology* covering the period since 1840.

**14. STAFF COSTS**

	<b>2020</b>	<b>2019</b>
	£	£
Salaries	35,618	34,611
Social security contributions	33	33
Pension costs	868	697
	<u>£36,519</u>	<u>£35,341</u>

The average number of employees during the accounting period was 1 (2019 - 1).

**15. RELATED PARTY TRANSACTIONS AND TRUSTEE REMUNERATION**

The Trustees received no emoluments (2019 - nil). Travel expenses of £313 were reimbursed to one Trustee (2019 - £618 to two Trustees).