

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

Directors' Report and Financial Statements
for the year ended 31 March 2022

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED

ANNUAL REPORT FOR THE YEAR ENDED **31 MARCH 2022**

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KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED

COMPANY INFORMATION

Board of Trustees/Directors

Executive Directors

| | |
|-------------------|---------------------------|
| Mr K Barwick | Appointed 31 October 2022 |
| Mrs B A Burbridge | Resigned 5 December 2022 |
| Mr M Edgerley | Resigned 13 June 2022 |
| Mr F Green | |
| Mrs D Hargreaves | |
| Mr S Hemsley | |
| Mr M Money | Appointed 1 July 2022 |
| Ms V Munday | Appointed 1 July 2022 |
| Mr J Parker | |
| Mr N Puttock | |
| Mrs K Wardley | |

Company Secretary

Mr N Puttock

Company Number

1441318

Registered Charity Number

276961

Principal Address and Registered Office

Church Street
Romsey
Hampshire
SO51 8BT

Accountants

Silvasmiths Limited
5 Horseshoe Drive
Romsey
Hampshire
SO51 7TP

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LTD

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

Organisation and Governance

The Trust was formed in 1979 under its Memorandum and Articles of Association, which establishes the objects and powers of the charitable company. These have been amended twice recently to accommodate the running of Number 13 Church Street, and to include the care of the Trust's museum collections as a primary responsibility. The Trust is a company limited by guarantee, and in the event of the company being wound up, members would be required to contribute an amount of £1 each. The Directors of the Company are also the Trustees of the Charity. The Trustees, as listed on page 1, are elected by the Members at the Annual General Meeting. The Trustees are responsible for the policies adopted by the Charity. Additionally, there is a Gardens Committee which deals specifically with the gardens on site. The charity is a public benefit entity.

Objectives and Activities

The Charity's objects and principle activities are to advance the education of the public by the preservation for the people of Romsey and of the Nation at large, those buildings and premises of historical, cultural and architectural interest known as King John's House, and Tudor Cottage, Romsey and to operate as a museum and maintain and develop its museum collections and to offer the widest possible public access to King John's House and Tudor Cottage and its collections and the gardens that surround the buildings - known as King John's Garden, which the Trust maintains.

Achievements, Performance and Financial Review

The Trust operated at a deficit of £4,270 in the year to 31st March 2022 compared with a surplus of £13,738 in the year to March 2021. The operating year 2021 - 2022 proved to be a transitional year between the prolonged disruption of the Coronavirus pandemic and a return to the normal operation of King John's House and Museum. Coronavirus was at its peak in the previous trading year (2020 - 2021) and during that time the House and Museum could offer few of its normal activities, opening only whenever it was legal to do so under carefully designed Coronavirus precautions. However, this was offset by Government Business Support Grants.

At the start of the year it was expected that there would be a very cautious bounce back from Coronavirus in 2021-2022. It was predicted that, for various reasons, House and Museum income would drop to as little as 40% of pre-Pandemic income. However Government grant aid was reduced and did not fully compensate for reduced income. The Museum was legally unable to open until mid May 2021 and other activities such as hiring the premises and hosting events was not possible until much later. The first event open to the public was the August art exhibition run as part of the wider Hampshire Open Studios. It is further predicted that it may be several years before customers and museum visitors migrate fully back to the House and Museum.

Prior to the pandemic at the beginning of 2020, King John's House and Museum faced two key challenges. Firstly, levels of engagement with the House and Museum had been falling (or at best not growing) for some time and this included visitor numbers. Secondly, despite a rebranding followed by a campaign of print media, levels of awareness of the House and Museum seemed low, particularly in Romsey itself. The latter problem is to some extent due to the fact that the property is a little distance away from the Market Place, which has now been attractively and expensively redeveloped. To some extent people now remain in and around the Market Place cafes and shops rather than visiting the House and Museum. The Trust did however still benefit from a donation of profits from its tea room subsidiary. The Trust benefitted in 2020-2021 from a significant legacy of £16,783. No such legacies were received in the 2021-2022 operating year.

The transitional operating plan for the House and Museum focussed on improving the visitor experience on site through; better exploiting the stories associated with King John's House, the introduction of guided tours and costumed interpreters and the presentation of events more closely related to historical

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LTD

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2022**

periods and events associated with the House. These activities were augmented by more consistent, coherent and targeted media, particularly the use of multiple social media platforms. In all, although the House and Museum have been significantly affected by Coronavirus, income has returned to around 50% of pre-pandemic levels.

Future Direction

In 2022-2023, a long delayed project will be completed designed to significantly improve the external orientation and interpretation boards better to advertise the House and Museum to the passing public. Further development of the guided tours and costumed interpreter roles to build on the firm foundations of this first year of their operation.

Policies

The trustees currently operate their investments themselves and pursue a low risk policy, investing in CAF and Scottish Widows. The Secure Trust investment account previously used was withdrawn by the supplier during the year and the investment was placed with CAF. The trustees have complied with their duty under the Charities Act 2011 to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.

Responsibilities of the Board of Trustees

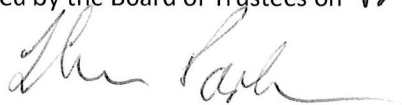
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts 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 for Smaller Entities published on 16 July 2014. The Trustees are responsible for maintaining accounting records which disclose with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Board of Trustees The Trustees, who are also directors for the purpose of Company Law and Trustees for the purpose of Charity Law, who served during the year and up to the date of this report are set out on the company information page. The trustees express their thanks to Barbara Burbridge for her valued contribution during her long tenure as a trustee. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) and in accordance with the special provisions relating to companies subject to the small companies regime.

Approved by the Board of Trustees on 15 December 2022 and signed on its behalf by:



Mr J Parker Director/Chair of the Board of Trustees (interim)

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED

We report on the accounts of the company for the year ended 31 March 2022 which are set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The Trustees (who are also the Directors of the Company for the purposes of Company Law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied ourselves that the company is not subject to an audit under company law and is eligible for independent examination, it is our responsibility to :-

- * examine the accounts under Section 145 of the 2011 Act
- * follow the procedures laid down in the general Directions given by the Charity Commission under Section 145 (5) (b) of the 2011 Act, and
- * to state whether particular matters have come to our attention.

Basis of independent examiners' report

Our examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with our examination, no matter has come to our attention:

1. which gives us reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 396 of the Companies Act 2006, and ;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities, have not been met, or
2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Silvasmiths Ltd

Silvasmiths Limited
Chartered Accountants

5 Horseshoe Drive
Romsey
Hampshire
SO51 7TP

Date: *16th December 2022*

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

Statement of Financial Activities
For the year ended 31 March 2022

| | <u>Notes</u> | <u>Unrestricted</u> <u>Funds</u> <u>2022</u> £ | <u>Restricted</u> <u>Funds</u> <u>2022</u> £ | <u>Total</u> <u>Funds</u> <u>2022</u> £ | <u>Total</u> <u>Funds</u> <u>2021</u> £ |
|--|--------------|---|---|--|--|
| Incoming resources | 1.3 | | | | |
| Generated by Voluntary Income: | | | | | |
| Grants, donations and legacies | | 59,208 | 2,779 | 61,987 | 84,615 |
| <u>Other trading activities</u> | | | | | |
| Shop income and sales | | 8,114 | 150 | 8,264 | 1,168 |
| Investment income | | 48 | | 48 | 161 |
| Total incoming resources | | <u>67,370</u> | <u>2,929</u> | <u>70,299</u> | <u>85,944</u> |
| Resources expended | | | | | |
| Costs of generating funds | | | | | |
| Cost of goods sold and other costs | 2 | 267 | 370 | 637 | 613 |
| Charitable activities | | 25,220 | 2,975 | 28,195 | 19,934 |
| Governance costs | | 48,455 | 102 | 48,557 | 52,859 |
| Less: service charge to subsidiary | | (2,820) | | (2,820) | (1,200) |
| Total resources expended | | <u>71,122</u> | <u>3,447</u> | <u>74,569</u> | <u>72,206</u> |
| Net incoming/(outgoing) resources | | (3,752) | (518) | (4,270) | 13,738 |
| Transfers between funds | | 54,048 | (54,048) | | |
| Total funds brought forward | | 29,792 | 66,123 | 95,915 | 82,177 |
| Total funds carried forward | 8 | <u>80,088</u> | <u>11,557</u> | <u>91,645</u> | <u>95,915</u> |

The statement of Financial Activities includes all gains and losses in the year. All incoming resources derive from continuing activities.

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A Company limited by guarantee)
BALANCE SHEET
AS AT 31 MARCH 2022

| | Notes | 2022 | 2021 |
|--|-------|---------------|----------------|
| | | £ | £ |
| Investments | | | |
| Share in subsidiary | 5 | 1 | 1 |
| Fixed Assets | | | |
| Tangible assets | 6 | 1 | 1 |
| Current Assets | | | |
| Stock | | 1,156 | 1,264 |
| Debtors | 7 | 11,496 | 13,246 |
| Cash at bank and in hand | | 86,673 | 87,469 |
| | | <u>99,325</u> | <u>101,979</u> |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 8 | (7,682) | (6,066) |
| | | <u></u> | <u></u> |
| Net Current Assets | | 91,643 | 95,913 |
| Net Assets | | <u>91,645</u> | <u>95,915</u> |
| The Funds of the Charity: | | | |
| Members' guarantees | 9 | - | - |
| Restricted funds | 10 | 11,557 | 12,075 |
| Designated (unrestricted) funds | 10 | 54,048 | 54,048 |
| Unrestricted funds | 10 | 26,040 | 29,792 |
| | | <u>91,645</u> | <u>95,915</u> |

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED

(A company limited by guarantee)

Balance Sheet as at 31 March 2022

In approving these financial statements as Trustee Directors of the Company we hereby confirm the following:
For the financial year ended 31 March 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustee Directors responsibilities:

- 1) The Members have not required the company to obtain an audit for its accounts for the year in question in accordance with section 476 of the Companies Act 2006,
- 2) The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts were approved by the board on *15 December 2022* and signed on its behalf.



Mr K Barwick
Treasurer

The notes on pages 8 to 10 form part of these accounts.

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LTD
(A Company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2022

1.1 Accounting convention

The accounts have been prepared under the historical cost convention as modified for valuations, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities. The accounts have been prepared in accordance with FRS 102 and in accordance with applicable charity and company law.

1.2 Fixed assets and depreciation

The Trust own King John's House and the interlinked Tudor Cottage, which was sold to the Trust by Hampshire County Council in 1979 for the notional purchase price of £1. The asset is a "heritage asset" which, in the opinion of the trustees cannot be sensibly valued for the following reasons: 1. The property is inalienable, having been gifted to the town of Romsey by Miss M.A.M. Moody, the last of her branch of the family which had owned the property since 1918. Should the present Trust fail then the property would default to Romsey Town Council. 2. The property is Grade I listed and cannot be adapted for any contemporary use, even minor changes are subject to scrupulous consideration by Historic England. 3. The property is landlocked with no right of way except by way of the main foyer. There is also a historic right of way to the south side via the entrance way to the Abbey Hotel. Equipment costing more than £1,000 is capitalised and depreciated over 5 years on a straight line basis.

1.3 Income

Income relates entirely to the principal continuing activities. Donations and Legacies represent donations and grants, they are recognised when the donation is given or grant becomes unconditional. Other trading income represent gift shop sales, and fees for hiring, events and tours, the income of which is recognised when the sale is made, or the event occurs. Investment income relates entirely to bank interest received on bank deposits.

1.4 Fund accounting

- (i) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (ii) Restricted funds are subjected to restrictions on their expenditure, imposed by the donor or through the terms of an appeal.
- (iii) Designated funds are unrestricted funds earmarked by the Board of Trustees for a particular purpose.

1.5 Stock

Stocks of retail items are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.6 Debtors

Debtors are measured at cost and recognised when a right to receive economic benefit, goods or services arises.

1.7 Cash at bank and in hand

Cash at bank and in hand represents monies held in bank accounts or on hand including cash in transit.

1.8 Creditors

Creditors are recognised at cost when a present obligation arises as a result of past events.

2 Employees

The Trust has two permanent members of staff; one full-time and one fractional. The Trustees do not draw salaries; they are entitled to reimbursement of the costs of attending Board meetings. During the year under review no trustees were paid a salary or expenses. No employees received employee benefits of more than £60,000.

3 Taxation

As a registered charity the Trust is not liable to Corporation Tax on its profits, as long as these are directed to its charitable objects.

4 Going Concern

There are no material uncertainties about the charity's ability to continue.

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2022
(continued)

| | <u>2022</u> | <u>2021</u> |
|--|-------------|-------------|
| 5 Investments | | |
| One Ordinary share in Miss Moody's Tudor Tea Room Ltd representing 100% of the issued share capital | £1 | £1 |
| | <u>2022</u> | <u>2021</u> |
| 6 Tangible fixed assets | | |
| <u>King John's House (bequested 1979)</u> | | |
| Tudor Cottage (gifted by Hampshire County Council) | | |
| Cost | £1 | £1 |

The above properties are classed as "Heritage Assets" as they are of great historical significance and are maintained to advance the preservation and education objectives of the charity. These assets cannot be reasonably valued, in the opinion of the trustees. The buildings are listed properties which are situated in Romsey Town centre opposite Romsey Abbey, and are important in the town's history and character. (See also note 1.2)

| | | |
|--|---------------|---------------|
| 7 Debtors: amounts recivable within one year: | <u>2022</u> | <u>2021</u> |
| | £ | £ |
| Amount due from subsidiary company | 11,496 | 12880 |
| Other debtors and prepayments | - | 366 |
| | <u>11,496</u> | <u>13,246</u> |
| 8 Creditors: amounts falling due within one year: | <u>2022</u> | <u>2021</u> |
| | £ | £ |
| Taxes due | 1,651 | 4,978 |
| Trade creditors | 4,830 | 238 |
| Accruals | 1,140 | 850 |
| Other creditors | 61 | - |
| | <u>7,682</u> | <u>6,066</u> |

9 Members' guarantees and related party transactions

The Trust is a company limited by guarantee and not having an issued share capital.
The members' liability is limited to £1 each.
As at the balance sheet date there were 10 (2021: 8) Members.

On 1 October 2019 the subsidiary company, Miss Moody's Tudor Tea Room Limited took over the trade of the tea rooms from the Trust, acquiring the equipment and stock at net book value. The Trust has charged it's subsidiary company £190 per month for service charges to include wages, telephone, credit card charges etc. paid for by the Trust.

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2022
(continued)

10 Reconciliation of funds

| | At 31 March 2021 | Assets | Current Liabilities | Net Surplus/ (deficit) | Transfers between funds | At 31 March 2022 |
|--------------------------------|---------------------------------|---------------|--------------------------------|---------------------------------------|--|---------------------------------|
| Freehold fund | 1 | 1 | - | - | | 1 |
| Accumulated general fund | 29,792 | 33,722 | (7,682) | (3,752) | | 26,040 |
| Restricted - Garden fund | 12,074 | 11,556 | | (518) | | 11,556 |
| Designated unrestricted fund | | | | | | |
| King John's House reserve fund | 54,048 | 54,048 | | 0 | | 54,048 |
| | 95,915 | 99,327 | (7,682) | (4,270) | | 91,645 |

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A company limited by guarantee)

**Information for management purposes
for the year ended 31 March 2022**

KING JOHNS HOUSE AND TUDOR COTTAGE TRUST LIMITED
(A Company limited by guarantee)

Profit and Loss Account
for the year ended 31 March 2022

| | <u>General Fund</u> | <u>Garden Fund</u> | <u>Reserve Fund</u> | <u>Total</u> | <u>2021</u> |
|-------------------------------|----------------------------|---------------------------|----------------------------|----------------------|----------------------|
| | £ | £ | £ | £ | £ |
| INCOME | | | | | |
| Sales | 548 | 150 | - | 698 | 542 |
| Entrance fees and groups | 3,397 | - | - | 3,397 | 666 |
| Events | 2,684 | - | - | 2,684 | (100) |
| Hires | 300 | - | - | 300 | 60 |
| Project funding received | 1,185 | - | - | 1,185 | - |
| Service charges to subsidiary | 2,820 | - | - | 2,820 | 1,200 |
| | <u>10,934</u> | <u>150</u> | <u>-</u> | <u>11,084</u> | <u>2,368</u> |
| COST OF SALES | | | | | |
| Opening Stock | 1,264 | - | - | 1,264 | 1,444 |
| Purchases | 159 | 370 | - | 529 | 357 |
| Wages | - | - | - | - | - |
| Events | 2,373 | - | - | 2,373 | 76 |
| Closing Stock | (1,156) | - | - | (1,156) | (1,264) |
| | <u>2,640</u> | <u>370</u> | <u>-</u> | <u>3,010</u> | <u>613</u> |
| Trading contribution | 8,294 | (220) | - | 8,074 | 1,755 |
| Donations | 9,123 | 2,779 | - | 11,902 | 3,369 |
| Legacies | - | - | - | - | 16,873 |
| Grants | 50,085 | - | - | 50,085 | 64,373 |
| Bank Interest | 48 | - | - | 48 | 161 |
| Total Contribution | <u><u>67,550</u></u> | <u><u>2,559</u></u> | <u><u>-</u></u> | <u><u>70,109</u></u> | <u><u>86,531</u></u> |

KING JOHN'S HOUSE AND TUDOR COTTAGE TRUST LIMITED**(A company limited by guarantee)****Profit and Loss Account**
for the year ended 31 March 2022

| | <u>General</u> <u>Fund</u> £ | <u>Garden</u> <u>Fund</u> £ | <u>Reserve</u> <u>Fund</u> £ | <u>Total</u> £ | <u>2021</u> £ |
|--|--|---|--|--------------------------|-------------------------|
| OVERHEAD EXPENDITURE | | | | | |
| Salaries and Employers NIC | 39,373 | - | - | 39,373 | 43,412 |
| Improvements and maintenance | 5,466 | 205 | - | 5,671 | 1,091 |
| Ground rent | 10 | - | - | 10 | 10 |
| Light and heating | 2,595 | - | - | 2,595 | 4,866 |
| Telephone | 1,643 | - | - | 1,643 | 1,643 |
| Insurances | 3,077 | - | - | 3,077 | 3,137 |
| Alarms and security | 1,112 | - | - | 1,112 | 594 |
| Bins and waste | - | - | - | - | 60 |
| Pension contributions | 364 | - | - | 364 | 283 |
| Staff development | - | - | - | - | - |
| Equipment | 882 | - | - | 882 | 379 |
| Advertising and promotion | 1,584 | - | - | 1,584 | 690 |
| Printing | 1,071 | - | - | 1,071 | 729 |
| Postage and stationary | 1,383 | - | - | 1,383 | 1,666 |
| Cleaning | 4,974 | - | - | 4,974 | 2,479 |
| Independent examiner | 1,140 | - | - | 1,140 | 850 |
| Bookkeeping | - | - | - | - | - |
| Displays | 1,823 | 2,392 | - | 4,215 | 1,478 |
| Travel and expenses | 8 | - | - | 8 | - |
| Health & Safety | 1,426 | - | - | 1,426 | 1,584 |
| Bank and card charges and interest | 2,317 | 102 | - | 2,419 | 1,828 |
| Computer support | 791 | - | - | 791 | 621 |
| Sundry expenses | 263 | 378 | - | 641 | 393 |
| Depreciation of equipment | - | - | - | - | 0.00 |
| Profit on equipment disposal | - | - | - | - | - |
| Exceptional item - audience development survey | - | - | - | - | 5,000 |
| | <u>71,302</u> | <u>3,077</u> | <u>-</u> | <u>74,379</u> | <u>72,793</u> |
| Net fund surplus/(deficit) | <u>(3,752)</u> | <u>(518)</u> | <u>0</u> | <u>(4,270)</u> | <u>13,738</u> |