

Company Number No: 01820495

Registered Charity No: 515866

WATERWORKS MUSEUM - HEREFORD

(A Company Limited by Guarantee not having a share capital)

**REPORT OF THE TRUSTEES AND
UNAUDITED ACCOUNTS FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2023**

Trustee Approved Tuesday 9 July 2024



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TRUSTEES' REPORT for the FINANCIAL YEAR ENDED 31 DECEMBER 2023

A. INTRODUCTION

The Trustees of the Waterworks Museum - Hereford, five of whom are also Directors for the purposes of the Companies Act 2006, present their annual report with the accounts of the charity for the **financial year ended 31 December 2023**. The Trustees have adopted the provisions of the 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).

Waterworks Museum - Hereford is a company limited by guarantee (number 01820495) and a registered charity (number 515866). The registered office is Broomy Hill, Hereford HR4 0LJ.

Established in 1974, the charity is operated as an independent working museum and industrial archaeology preservation society concerned primarily, but not exclusively, with the story of the supply of water for public consumption from the mid-Victorian era to the close of the 20th century. Based in a Grade II* listed building, the Museum is home to the UK's oldest in-situ working triple expansion steam engine and it has one of the widest ranges of working pumping engines in the UK. These are interpreted by a combination of displays, historic artefacts and ephemera related to potable water.

THE MUSEUM'S CHARITABLE PURPOSE

"to encourage and promote public education and interest in the preservation, display and running for the public benefit waterworks engines, pumps, boilers and other equipment and relics of historical or general and for other charitable purposes connected with the study of water supply undertaking"

Our vision is to thrive and grow as a specialist museum, focussed on the history of water supplies for public benefit, and be a prominent Herefordshire visitor attraction. The Museum aspires to bring the industrial heritage to life through the working engines, pumps, boilers and other artefacts it looks after.

We will achieve our vision by being recognised as:

1. A working museum wholly governed, managed and operated by volunteers.
2. Custodians of an interesting and informative collection of engines and artefacts sited in Hereford's Grade II* listed authentic Victorian waterworks.
3. A valued resource that can support learning and education (physically & remotely).

We will drive our vision forward by following our VALUES:

- A. Safe, friendly & welcoming**
environment for visitors, volunteers & users of the Museum, its collection and facilities
- B. Trusted and valued**
to manage the Museum effectively by our volunteers, members, benefactors & partners
- C. Stronger Together**
playing an active role in the communities we operate in

The Museum's collections are used in an education programme, mainly, but not exclusively, for primary school children, using curriculum-led materials designed and delivered by experienced teachers from the educational sector. Tours of the Museum are available, led by knowledgeable volunteers and the Museum prides itself in offering an enjoyable experience to visitors including those who may need some form of assistance.

STATUS OF THE MUSEUM

The Museum has Full Accreditation status under the Accreditation Scheme administered by Arts Council England which sets nationally agreed standards for museums in the UK (registration number RD783). The Museum achieved the successful outcome of Full Accreditation on 23 November 2023 for a further five years.

THE MUSEUM'S COLLECTION

The collection comprises over 5,000 individual items. These are owned by the Museum, except for less than 30 items which are on long-term loan. The collections are housed on a single site in the Victorian water pumping station that served the City of Hereford for 120 years, the Tangye House (one floor of Leominster's Victorian pumping station, which was moved to the Museum in 1992), the Rotherwas Engine House (built in 2007 to display artefacts saved from dereliction from a World War II bunker and houses a permanent exhibition devoted to Hereford in World War II), or in the Museum's archive room or stores.

The collections comprise artefacts and archives that illustrate the collection, treatment, and supply of water since 1856, but also more broadly over the past two thousand years. On the Museum site, with the exception of animal power, there are examples of all types of motive power for water pumping including the UK's oldest in-situ working triple expansion steam engine.

Visitors to the Waterworks Museum can see historic beam, steam, gas, oil, diesel and combustion engines, many of which are among the last working examples of their kind. The collection primarily relates to drinking water supply in Herefordshire, the Marches and Wales, but also includes items from other parts of the UK to represent the development of drinking water supply, which were otherwise likely to be irretrievably lost. In addition, building on its collection of hot-air engines, the Waterworks Museum has gained a reputation as a repository of knowledge for these early devices that produced mechanical work from heat and were essential for raising water for drinking and irrigation.

The Trustees have determined that future expansion of the collection will be directed towards completing aspects of the Museum's historic story. They would like to expand the collection covering the mid to late Victorian period and the early years of the twentieth century - the transitional phase of technological development between beam engines and rotative steam engines, and water industry instrumentation for the latter half of the twentieth century. Also, to protect the industrial heritage and knowledge of developments in drinking water supply and associated technologies that might otherwise be lost. This includes engines, pumps and associated devices and technologies used in educational establishments in the past for training apprentice water engineers.

Each year the Museum receives both general and technical enquiries about the Museum's collection or from people seeking advice. These are received from within the UK and overseas. Trustees encourage visits to and from other museums to learn from the skills and experience of Museum Volunteers, who possess often scarce expertise in the restoration, operation and maintenance of steam, hot air, gas, and internal combustion engines.

HOW THE MUSEUM IS FUNDED

The Waterworks Museum receives no public funding. It is independently funded by admission fees, grant awards and membership subscriptions, but would not be able to operate at the level that it does without the continued support it receives from two principal benefactors: The Southall Trust and Dŵr Cymru Welsh Water. Further detail of this is provided in the financial statements, which are presented later in this report.

HOW THE MUSEUM IS GOVERNED AND OPERATED

The Museum has no paid staff and is wholly governed, managed and operated by Volunteers. The governing body is the Council of Management, the members of which are charity trustees. The day-to-day management of the Museum is delegated to a smaller group of Trustees who are elected annually to serve as Directors, and who collectively oversee the activities of the Museum's Volunteers. The Council of Management is appointed by and is accountable to the Members of the Museum, of which there are currently around 120. The position of Trustee is a non-remunerated role, although out of pocket expenses are reimbursed at cost.

The Directors at the date of this report are:

Jill Phillips ^(a)	Chair of Trustees and Governance Director
Mike Harries ^(a)	Financial Director and Honorary Treasurer
Fred Snelgrove ^(a)	Collections Manager
Vacant ^(a)	Operations Director (Neil Atkins until May 2024)
Mike Glover ^(a)	Chief Engineer
Vacant	Development Director (Kevin Burrows until October 2023)

^(a) Denotes served as a Director throughout the financial year ended 31 December 2023.

There are currently 17 Trustees at the date of this report; four Directors shown above and the other Museum Trustees are listed below:

* Paul Allen	* Peter Heaton
* Neil Atkins	* Michelle Impanni (Dŵr Cymru Welsh Water Representative)
* Kevin Burrows	* Liam Kirkham
* Diane Cammidge	* Stan Lawler (resigning at AGM 2024)
* Adrian Eyre	* Keith Munn
* Carole Franklin	* Graham Prosser
* Richard Glasspoole	

Jill Phillips was appointed a Director on 10th March 2022 and Director of Governance and Chair of Trustees on 16th May 2022.

On 23 May 2023, Brian Nelson resigned as a Trustee, having been a long serving member of the Council of Management.

On 23 May 2023, Michelle Impanni was appointed as the Dŵr Cymru Welsh Water representative replacing Vicky Martin who had stepped down in March 2023 and Michael Aitken was appointed as a Trustee.

At the Annual General Meeting held on 18 July 2023, Kathy Burrows and Richard Curtis did not stand for re-election.

On 19 September 2023, Kevin Burrows resigned as a Director but continued as a Trustee.

On 19 September 2023, Carole Franklin became a Trustee.

Consideration of suitable Trustee candidates to strengthen the Council of Management will continue.

Richard Curtis remained **Company Secretary** from December 2022 through to December 2023.

The Trustees made the following annual appointments, which have been renewed for the financial year January to December 2023:

- **Accreditation Mentor:** Katherine Andrew
59 The Common, Abberley, Worcestershire WR6 6AY

- **Independent Examiner:** Edward Richards, Thorne & Co
1 St Mary's Street, Ross-on-Wye, Herefordshire HR9 5HT
- **Bankers:** HSBC Bank plc
35 High Town, Hereford HR1 2AQ
- **Solicitors:** Lambe Corner
36/37 Bridge Street, Hereford HR4 9DJ

In 2023, the Council of Management met on four occasions: on 14 March, 23 May, 19 September and 9 December 2023. The Annual General Meeting was held on 18 July 2023.

The updated Forward Plan 2022-2025 was approved by the Trustees on 22 September 2022. This document has been reviewed by Directors every quarter during the year with updates presented to the Trustee meeting each second quarter in the year.

HOW THE MUSEUM MANAGES ITS RISKS

The main business as usual risks managed by the Council of Management are typical of any small, independently funded and wholly volunteer run charity. They principally speak to the:

- a) sustainability of the resources available to the Museum, both financial (operational budget and grant funding for projects) and non-financial (the succession, time, capacity and skills and experience of the Volunteers, Trustees and Directors who operate the Museum)
- b) health, safety and wellbeing of everyone who visits the site including Volunteers, the general public especially relating to the safeguarding of children and vulnerable adults, users of the Museum's services, contractors, traders and exhibitors
- c) need to keep up to date with changing UK laws, regulations and standards of good practice expected of an accredited museum.

A statement of risk assessment arising as a result of the Coronavirus Pandemic was publicly available on the Museum website from March 2020 until summer 2022 when all pandemic restrictions were removed by the Government.

Following the occurrence of the 'omicron' variant of Coronavirus, the decision was taken by the Directors to extend the period of closure from 2021 into the first quarter of 2022. This has enabled volunteers to complete safety work and essential maintenance on the collection of engines and pumps which it had not been possible to complete during the Coronavirus lockdown. Visitors returned to the Museum in March 2022.

In May 2023, an Access Audit was undertaken. This audit, carried out by Direct Access, was able to take place following a successful funding application through West Midlands Museum Development (WMMD). This was necessary to take account of changes due to the refurbishment of the museum and to update the Access Audit carried out in March 2020 which couldn't be fully utilised due to the COVID 19 lockdown measures. The May 2023 Audit has resulted in a detailed Action Plan to help mitigate the risks and issues identified. The resulting outcomes will improve accessibility across the four aspects of Digital, Environmental, Social and Physical access needs of visitors and volunteers.

The Trustees remain constantly aware of the challenge of managing its risks without the support of paid and professionally qualified museum staff.

B. THE MUSEUM'S KEY POLICIES AND DOCUMENTS

Key policies and documents are reviewed by Trustees as part of a rolling programme and in line with an agreed governance schedule approved by Trustees. Further details can be found below.

FINANCIAL RESERVES POLICY

The Trustees are required to hold general reserves at a level to provide the Museum with adequate financial stability and the means for it to meet its charitable purposes for the foreseeable future. In normal circumstances the Trustees require that general reserves be maintained at a level equivalent to not less than 15 months basic operational expenditure. The Trustees have set the reserves policy at this level having regard to the Museum's regular funding streams and nature of its operations (i.e. that the Museum is operated and governed solely by Volunteers and is open to the public on a limited number of days each year as a visitor attraction which constrains the ability of the Museum to expand or grow new income streams). The Trustees regularly review the level of general reserves that are required to ensure that they are adequate to fulfil the Museum's continuing obligations and formally approve the General Reserves Policy on an annual basis.

RISK MANAGEMENT POLICY

The Trustees are responsible for ensuring that the Museum has a clear strategy, that it remains true to its vision, and that it complies with all necessary rules and legal obligations. They also ensure that the Museum has the policies, controls and other documents that minimise the risks that the charity may encounter. The Trustees:

- Continuously review the risks the charity may face
- Establish systems and controls to mitigate the risks identified
- Implement policies and procedures designed to minimise any potential impact on the charity should a risk materialise

Key risks and risk mitigation in 2023/24 have been previously described in the earlier section on 'Risk Management'.

OTHER KEY POLICIES

ACCESS: The Access Policy sets out how people can see, use or access the museum site and collection. The Museum welcomes all sections of the community and seeks to be an inviting place to visit regardless of education, income, residence, or personal circumstances and wants everyone to enjoy independent use of the Museum's facilities.

COLLECTION: The Collection Policy relates to the artefacts, records and buildings in the Museum's care which together are known as the 'Museums Collections'. It sets out key principles and encompasses the development, care & conservation and documentation of the Museum's Collections. This Policy is supported by, and forms part of, the overall Collection Framework which comprises key procedures, standardised forms and guidance along with a Priority Salvage List.

Training volunteers on Collections Management is a key component in the Museum's overall training programme.

HEALTH & SAFETY: The Health & Safety Policy Statement sets out the framework by which the Museum will protect the general safety and wellbeing of all visitors and volunteers. The following specialist policies/key documents support this Policy Statement.

- Risk Assessment of Threats
- Emergency Planning Handbook
- Priority Salvage List & first aid steps for damaged objects
- Asbestos Management Policy

- Electrical Safety Policy
- Volunteer Training Programme - Action Plan Updated by Directors 6 monthly

SAFEGUARDING: The Safeguarding Policy defines how the Museum operates to safeguard children, young people and vulnerable persons. It also sets out the Museum's Code of Conduct for its members. All Trustees, Directors, Designated Officers and Volunteers are members of the Museum.

EQUALITY, INCLUSION & DIVERSITY: The Equality, Inclusion and Diversity Policy explains how the Museum is committed to eliminating all forms of discrimination, victimisation and harassment, and to promoting equality of opportunity.

ENVIRONMENTAL SUSTAINABILITY: The Environmental Sustainability Policy covers the natural, built, economic and social environment of the Museum and the policy expresses three key aspects of the work of the Museum:

- Serving our people: Volunteers, visitors and users of the Museum's facilities.
- Securing our Collection; Choice and care of engines & other artefacts/records
- Sense of Place: Recognising the sense of place created by the Museum for water supplies at all levels - local, regional, national and global.

PRIVACY OF PERSONAL INFORMATION: The Privacy of Personal Information Policy states the Trustee's commitment to protecting an individuals' privacy and sets out the standards you can expect the Museum to maintain when we request or hold personal information about you.

C1

Chair's Introduction

Having reflected on 2023 my overarching view is that it was a year of consolidation that finished with a stronger outlook than anticipated.

Without a doubt, the whole volunteer team started 2023 positively and with renewed vigour for the forthcoming opening season. Additional volunteers were recruited with a wide range of skills and experiences. This has supported our growing visitor centre services including archives, data analytics, social media and administration needs while the additional engineers has led to a more flexible, creative and forward looking team. My thanks go to all the active volunteers who have shown such commitment to the museum during 2023.

At the start of the year the Museum Directors and Trustees were acutely aware that the financial reports of December 2021 - December 2022 showed a deficit and that financial sustainability was a key strategic factor. Looking back there were two main reasons for this deficit. Firstly, on-costs for completing the refurbishment of the museum were carried through as additional costs above the grant received from Herefordshire due to COVID19. This was essential spending to achieve the objective of re-opening the museum on a more commercial basis and to enhance the visitor experience. Secondly, the Sisson Engine Set project had been delayed since 2019 and there was a drive to have the display operational for the start of the 2023 season which resulted in extra expenditure. However, as a result of close monitoring of monthly reporting of expenditure and income, the Directors acted to ensure that the operational income streams achieved a surplus at the end of December 2023.

As part of the strategic drive to increase revenue, the local market was studied and the Trustee's reviewed and agreed an increase in admission prices with effect from January 2023. A detailed consultation with members about membership options was also carried out resulting in the introduction of a student membership, reduced rates for active volunteers and a new membership option for a combined membership with guest option which is already proving to be successful.

During 2023, it became apparent that funding opportunities were becoming highly competitive and criteria based. The Directors have been actively exploring and submitting applications for a range of funding streams to support the museum's needs and growth. We are pleased to report that we were successful in receiving three funding bids:

- Environmental grant to improve the habitat environment of the site (WWDC partnership)
- Digital equipment for reception and archives teams (WWDC Community grants)
- Capital grant for contactless donation point (Heritage Compass Scheme)

In addition, having gained full accreditation, the museum is currently applying for two major funding opportunities:

- Unlocking Collections - to use technology to increase visitor access to the collection. This is an Arts Council England funding stream.
- Grant for the urgent renovation of the 50' Boiler Chimney. This is a Museum Estate and Development Funding initiative with, in partnership funding from AIA.

Strategically, re-accreditation was a significant exercise for the completion window which was between December 2022 and June 2023. For a specialist museum of our size run wholly by volunteers, it required a huge 'ask' of both time and skills along with an essential and important mindset to demonstrate we had achieved the criteria set out in the three sections, Organisational Health, Managing Collections and Users & their Experiences and the nine Standards underlying these areas. This time around, a small yet vitally effective Digital Working Group was set up to address the Standards, ably led by Bob Higgin and all Standards overseen by myself as Chair. Diane Cammidge became the key administrator for the process and was a massive support to the Directors.

Preparing for the process included a Trustee Accreditation Away Day held in January 2023. This ensured that Trustee members had knowledge and understanding of the process as one of the key objectives was to re-introduce, following the disruption caused by COVID19, a scheduled rolling programme of policy and key documents review and approvals, thereby making sure all policies were relevant and up-to-date before the submission. Other areas included updating the museum's workforce chart, its marketing plan and a focus was placed on refreshing the museum website. The process was helped by the production of three mind maps, one for each of the Accreditation areas (Organisational Health, Managing Collections and Users & their Experiences) detailing the key changes and developments at the museum since the last accreditation submission.

By March 2023, Diane and I had the unenviable task of learning how to use the on-line submission system as well as pulling together the wealth of material needed to provide responses to the various sections of the Standards as well as uploading nearly 50 attachments to complete the submission!

Achieved early, some three weeks before the deadline, the team were delighted to have only a handful of minor corrections given to amend the submission by the assessor. This was then taken to moderation and a final panel confirmation process by Arts Council England (ACE). Full accreditation was granted in November 2023. Museum Accreditation is the benchmark for a well-run museum and the award shows a museum is being properly managed and governed, is looking after and managing their collections appropriately and it means people can actually access collections and stories – seeing the items that matter to them and knowing that future generations will be able to do the same.

From the museum's perspective, it will open up funding and new partnership opportunities, boost our reputation and hopefully help in winning further funding streams, giving confidence to donors and other supporters. As our Accreditation Mentor, Kate Andrew, states in her report, the return was so well received that the Arts Council England requested the museum be featured as a case study for other museums and cultural groups to see how the process was approached and completed.

The 2022 - 2025 Forward Plan is pivotal in structuring the completion of both strategic and operational objectives. This is done as a quarterly review by Directors and half yearly by Trustees. Good progress has been made in all four areas and this is an encouraging sign for the future success and stability of the museum.

Operationally, the museum has seen a healthy increase in visitor numbers on open days with 500 more visitors in 2023 compared to 2022. This is an important growth along with the additional spend per person seen in both the cafe and retail sales. The cafe team have been particularly busy with their cakes and light lunches proving to be very popular and this is becoming a consistent income generator for the museum.

More groups are booking tailored made times at the museum within our window of Open days and Tuesdays. For many open Sundays, particularly for school holidays, we aim to have a theme for the day where possible. In May 2023 the museum became a national venue for BABA Blacksmith weekend and this is now going to be an bi-annual event with the next one due in 2025.

Waterwords, our in-house publication for members and interested parties, continues to be held in esteem by many who cannot attend the museum in person. Our thanks go to Richard Curtis for his unstinting efforts over the years on research papers and as editor of Waterwords. Richard Curtis has now passed his Editor role onto Eddie Coventry. Eddie collated and edited a spring edition followed by a special edition for the Blacksmith Weekend in May entitled "forge-in" 2023, along with an Autumn 2023 publication.

I would also like to place on record my thanks to Kathy Burrows for the work she continues to do on so many topics, marketing, advertising and promotion of the museum using the various media channels, her work on volunteer recruitment, the quick responses to support the accreditation activity and so much more. Her calm manner, sensible advice and saying just the right thing at the right time is valued by myself and other volunteers.

The 2023 Annual General Meeting held in July was attended not only by current active volunteers but also past volunteers/members. It was a typical summer day – rain. This prevented the outdoor BBQ

running but all enjoyed the hot dogs and burgers in the comfort of the Visitor Centre! This will be the format for the 2024 AGM with our fingers crossed for a hopeful splash of sunshine.

As we approach the 50th anniversary year of the museum, I find it humbling to be the Chair at this milestone time. To see the museum thriving; full of the sounds of school children, volunteers and visitors talking and engines running on Tuesday opening days and with even more activity on a Sunday opening, gives me a sense of pride and inspiration to keep the museum a great place for everyone to enjoy. It astounds me that we have the same two benefactors supporting the museum throughout this 50 year period and long may it continue. We have an excellent Primary School Programme funded by Dwr Cymru Welsh Water but so well taught by the teacher, Ruth Morris who always greets everyone with a cheerful smile. Alongside this is the strength of the volunteer team, knowing that the museum is still run by volunteers since its vision in the 1970's is quite a record that should be applauded and celebrated.

So finally, if you have time available and live nearby please consider joining our volunteer team you would be most welcome and, may I ask that you visit the museum to enjoy the full range of engines, pumps and artefacts on display and in that way, you will be thanking the team that prepare the Waterworks Museum - Hereford to be open to the public on open days and steam days come rain or shine.

Jill Phillips – Chair of the Trustees and Governance Director

C2 Engineering Report Projects

The Sisson Engine display made its debut on 26 March 2023. This has been a project carried across several years, delayed by the closures during COVID19. As well as the Sisson Engines, volunteers have worked on the Brockhampton Set display. Both of these exhibits will be formally opened and will feature in the museum's 50th Anniversary celebrations in 2024. The completion of these displays has relied on the ingenuity, problem solving and creative skills of the volunteers who not only restored the machinery but also built the housing from scratch, often recycling materials from around the museum.

Sitework

Phase 3 of the refurbished Visitor Centre was finally completed with the removal of the glass in the Southall Gallery. This provides an all-round view of the displays and a much more tactile feel to this area.

In May 2023, the museum applied for funding from the regional Museum Development Group for a new access audit through the Open All Doors scheme. Although an access audit had been completed in 2020, this pre-dated the refurbished work that had been taking place and as it is recommended that a new access audit is completed every three years the Directors felt it was important to renew the audit and work from a more up to date position. As a result of this, an action plan has been devised and much of the recommendations have been incorporated into the 2023 winter maintenance schedule running from November and through the closure during January and February 2024.

Paving slabs have been placed around the Massington display area with fencing and a gateway added to provide a much easier circular access around the Victorian building. A second hand ramp has been fitted to one set of the doors exiting the Southall Gallery along with a ramp from recycled metal work in Bay 6 to replace the steps helping to improve accessibility.

Balfour Beatty employees volunteered their skills for two days, free of charge to the museum in September. This included work to improve the car park entrance with additional stonework, removal of a tree stump and making a hole to allow a concrete stand to be made for the Water Park to set out the Archimedes Screw and Water Wheel display. The water supply to the workshop/ mess has been diverted to allow further work during the winter closure to the old Victorian water main and for the pipework to be replaced.

Environment

Fencing has been built to hide the oil catch tanks outside Bay 3 and three outside lights have been fitted on the north wall of the museum to improve the lighting, ready for the winter period.

As part of the Environmental Grant Project Objectives with WWDC, completion of groundwork and soil preparation during summer 2023 and subsequent planting of bare root saplings has provided a hedge line around the southern boundary of the site. This included saplings of Common Beech, Hornbeam and Cherry with spiral guards for protection. Tree planting in the Heritage Water Park included two Crab Apple trees. In the Phillipa Southall Water Garden, the pond was overhauled to include a new liner and restoration of the sides of the pond to allow amphibian movement in and out of the pond. A new pond pump was installed and this uses water obtained from rainfall from the museum building roofs, stored in tanks/water butts (kindly donated to the museum) and then transferred across the site to the pond.

In addition, a tree safety survey was carried out and subsequent work on trees that were identified as requiring removal or pruning was carried out. A tree felling application was submitted to Herefordshire County Council during December 2023 with work completed in February 2024. There is some remaining funding available to carry out a habitat baseline assessment in the summer of 2024.

Mike Glover Chief Engineer

C3 - HEALTH, SAFETY, WELFARE AND TRAINING OF VOLUNTEERS

There were no reportable safety incidents in 2023.

During the summer 2023, work was carried out to remove the trip hazard caused by the old rail sidings and uneven surface around the outside area of the workshop. Accessibility in this area has been significantly improved for volunteers & visitors with additional level paving slabs laid down and by changing the far exit point of the Southall Gallery to an outside ramp rather than external steps.

During the winter months, substantial work has taken place across the museum with maintenance of engines and other artefacts carried out, along with repairs undertaken and internal re-painting of some floors & walls of the buildings.

Many of the outcomes support the action points raised in the latest Access Audit for example, there is now a clear accessible route from the Southall Gallery to the new outside display areas, improvements to the uneven surface around the outside of the workshop as well as a ramp installed into the Triple Steam engine bay where previously there were steps.

The volunteer mess was well utilised and was in full service throughout 2023. The welfare of volunteers is an important consideration for the museum and the mess provides a facility away from the general public which the volunteers can use for themselves.

New volunteers undertook induction, the Volunteer Handbook has been updated and with the full season of opening, a focus on training and safety of volunteers has been paramount with safeguarding briefings, training on the use of ladders and four volunteers being trained as First Responders.

New CCTV across the three main buildings has improved security and this is monitored at reception as well as remote access being available.

Volunteers (including Directors and Trustees) have benefitted from a range of on-line and external training courses organised and funded through West Midlands Museum Development (WMMD) and Heritage Compass. The most significant being for the Accreditation process and included an Access Audit of the Museum in May 2023 and subsequent action plans. Other topics covered included aspects of governance, finance, fund raising, IT and marketing. Jill Phillips and Stan Lawler presented at the West Midlands Museum Development Conference held at Ironbridge in October 2023. This was on the theme of Youth Trustees and the Museum Community and was a very successful opportunity to showcase the Waterworks Museum. Jill Phillips successfully had an article on this subject printed in the Association of Independent Museums, members magazine.

C4

Operational Report

Visitor Centre and Café

The café team, and visitor centre reception team have been very successful in maintaining an exceptionally high level of customer service and support throughout 2023.

The café team is enthusiastic and continues to demonstrate their baking and food preparation skills, as well as producing a very successful menu throughout the year. The visitor centre reception volunteers and stewards have worked hard to provide a high degree of customer service and support to ensure visitors receive the very best museum experience.

The museum welcomed visitors every Tuesday throughout April to September this year, and also opened its doors for three 'working' days and eight 'Steam' days over the summer weekends.

The European Group undertook a Rally in April, with a timed route from Swansea to Hereford. They arranged to use the museum as a main assembly and display stop which coincided with our working day on Sunday 23rd April. The group comprised 25 vehicles of all makes, each with a driver and navigator.

On Sunday 14th May the Kingston & Hereford Historic and Vintage Car Club displayed 17 cars on the forecourt during our Steam Day. Twenty five members of the group attended, all keen to preserve the importance of their vehicles and showcase them against the museum building backdrop.

A "sleep-over" took place inside the museum on Saturday 20th May involving a local group of very excited Beavers led by their Leaders, Steve and Emily Goss - who are also museum volunteers! The Beaver Pack spent their time in the museum engaging in a variety of activities for their 'Badge Awards' and experiencing a night together as a camping group.

On Saturday 15th July, the Singer Motor Club hired the Museum and Visitor Centre as the base for their annual function for their members. During the event the museum hosted 21 cars and 40 members. Volunteers, Derek Duffett and Keith Munn, gave a talk to our guests about the history of the Waterworks Museum and its collection of artefacts. After a superb lunch provided by the café volunteers, guests were split into small groups for a guided tour around the museum by stewards Keith, Derek, Mike Harries, Mike Glover and Neil Atkins.

In September, the museum was represented and had a stall at the first Herefordshire History Day held at the Town Hall in Hereford. The visitor turnout was high and feedback was very encouraging. A similar event is being planned for 2024.

Sunday 24th September - what a busy day in Steam! It involved the Stirling Engines Society where its members presented a hands-on engineered experience for members of the public. They showcased their exciting working models, engaged visitors with the 'science' and wonder of their functioning engines. All 19 exhibiting members felt that the day was very worthwhile allowing them to directly engage with the public. With the museum fully in Steam, volunteers were immersed in presenting the collection and talking to visitors throughout the day. The Morris Car Club, with 21 attending members, displayed 12 Classic Morris 'Motors' cars and one vintage lorry whilst enthusiastically captivating visitors and volunteers alike. The group welcomed the opportunity to display their classic vehicles and thanked the museum for such a well organised and stewarded day with a special mention to the café team for their excellent menu and service on the day. The Stirling Engines Society is proposing to return on Sunday 29th September 2024.

Tuesday 8th October saw the Limitless Travel Group visit the museum with a group of 26 diverse accessibility adults accompanied by their support team. They engaged in a full day visit of the museum which included a tour and short talk on the history and establishment of the Waterworks Museum led by Keith Munn. Limitless Travel have already booked three guided visits to take place in 2024.

Tuesday 7th November 2023 and a visit by the Chideock Discussion Group (Over 65's) on a full one-day visit, with a focus on the history of the museum and its collection and in particular the Hereford in WW2 Exhibition. A keynote to the day was a presentation by Angela Williams, a member of the

'Rotherwas Together' Group, highlighting the role of the Canary Girls and their role in the Rotherwas Munitions Factory. The day was very successful with praise from our visitors for the organisation, content and the service given to their members and the excellent menu provided across the day.

Neil Atkins - Director of Operations

C5 - VISITOR EXPERIENCE

Visitor feedback to the reopening of the Museum and its new facilities has been excellent and the pro rata number of visitors received was significantly higher than visitor numbers for 2022, set as a new baseline of visitor numbers against which future performance can be monitored since Covid19.

The current strategy and pattern of open-days means that the total number of visitors the Museum receives each year are not expected to return to pre-pandemic levels. Trustees are aware that new operational income streams are necessary to overcome this fall. Both the cafe and shop sales have a baseline for monitoring visitor expenditure. The widening range of group bookings prior to visits has become an encouraging growth area for the museum volunteers. This is being developed through focused calendar planning and communications.

Visitors are now greeted by a new team of front of house volunteers (reception, café staff and visitor stewards) who are dedicated to helping them enjoy their time at the Waterworks Museum. The overall visitor experience has also been enhanced by steadily improving the way in which the working machines and interactive displays at the Museum are presented and by working with third parties (for example, exhibitors, entertainers, providers of arts & craft displays and owners of steam engine and vintage vehicles) to provide an all-round interactive experience that can be equally enjoyed by heritage enthusiasts and family groups. This approach will continue to be developed in 2024.

C6 - COLLECTION and ARCHIVES

There were 87 items that were added to the Museum collection during 2023. This included a collection of books relating to WWII including some War Monthly & War Illustrated booklets. It also included a collection of Welsh Water Annual Reports from 1974 to 2000 and various documents/paperwork including publicity booklets and leaflets distributed by the Museum during 1974 - mid 1980.

Below is a snapshot of the activities that have taken place during the year:

- A revised Collections Policy using the Arts Council England template has been produced and approved by the Trustees supporting the Museum's Accreditation submission.
- A conditions check on artefacts on display has taken place. An initial meeting on the findings has been held with Directors which highlighted that due to volunteer changes there is a need to know which volunteers are looking after which areas of the museum, understanding any gaps and identifying new volunteers who could support the work needed to care and preserve these exhibits. This activity has been started and will continue in 2024.
- A project to record and photograph the tools and other artefacts within the historic 'Old Workshop' will continue into 2024. The detailed record will have a description of the item and a link to the image to support the catalogue listing and help future stock take activity.
- Two new cabinets in the Rotherwas Room now contain a selection of WWII related items from the archives and information cards to go with the exhibits will be produced over time.
- Work on bringing the Waterwords Index up to date has continued with the years 2015 to 2019 completed so far.
- Scanning of stored archive material will continue into 2024. These images suitably referenced are being held in a useable format and will be linked to the new digital database in due course where the long term aim is to make the Collection more accessible.

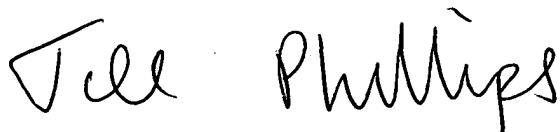
Finally, we are delighted to report that three key artefacts on display (Beam Engine, Overshot Waterwheel and a Dynamo) and on long term loan are being transferred to the Museum's ownership following approval by Amgueddfa Cymru (previously known as the National Museum of Wales).

C7 Educational Visits

The Primary Education Programme has engaged with over 330 primary pupils across the summer and winter school terms during 2023. Eight, Lower Sixth Form Science, pupils from the Cathedral School Science Department visited the museum as part of their 'in-school' science project relating to the First Law of Thermodynamics. Twenty one Apprentices from NMITE Hereford visited the museum to engage and place the use of Engineering Language in a working/historic context as part of their energy module. We have also welcomed two home schooled pupil groups plus a Primary KS1 pupil group to the museum as part of a social learning experience.

Primary School Visits December 2022 - December 2023:

Almeley eco club	Ashfield Park x 4	Brookfield x 2	Cleobury Mortimer
Gorsley Goffs	Home school group x 2	King Solomon	Lord Scudamore x 3
Lucton x 3	Mordiford x 2	Orleton x 2	Riverside x 3
St Thomas Cantilupe	Westfield Special school		



Jill Phillips - Chair
19 June 2024

C8 - ACCREDITATION MENTOR'S REPORT YEAR ENDED 31 DECEMBER 2023

Kate Andrew MSc FMA ACR

Alongside starting to operate "normally" again using the much-improved arrangement of visitor facilities and visitor numbers returning to pre-pandemic levels, the museum has made two significant achievements.

Accreditation

In normal times, museum accreditation has to be re-applied for every five years. Due to both a revision of the national museum accreditation standard in 2018 and the impact of the Covid pandemic, the timetable for museums to be invited to re-apply for accreditation slipped considerably.

Prior to Covid, we had anticipated an invitation date in November 2019, with a deadline for submission of April 2020. After confirmation that Accreditation was to be extended until April 2022, the museum finally received its invitation to re-apply in the spring of 2023 and was due to submit in the late autumn of 2023.

The standard has become progressively more all-encompassing and complex since it was first rolled out nationally in the mid 1990's and although the previous standard was tiered, for small volunteer run museums it was becoming onerous. The 2019 revision reviewed and consolidated requirements, there are now bands of what is expected, based on organisation type, size of collections, turnover and visitor numbers. The standard is now something that volunteer run museums such as The Waterworks Museum can hope to achieve and maintain.

With good work completed for the previous return and a clear forward plan agreed by Trustees in 2022, the main thrust of work anticipated was to ensure policies and procedures aligned with the new standard and to ensure that the documentation backlog that had built up over Covid, was addressed.

This time around, the work- load has been shared by a small group of volunteers. A workshop led by Jill Phillips for Trustees, meant that the whole Trustee body was aware of what was required and why and how individuals could contribute. Diane Cammidge and Jill and later supported by Ruth Stobbs, have undertaken the bulk of the checking and re-writing governance, policies and the return itself. Problems with the digital catalogue also identified a series of interrelated IT issues and a Digital Working Group consisting of Kathy and Kevin Burrows, Diane Cammidge, Eddie Coventry, Mike Harries, Bob Higgle and Fred Snelgrove was established, chaired by Bob, completing most of the identified task by May 2023. A new server, the adoption of Atom as a collections management system, demo catalogue entries on-line on the revamped website and removal of the documentation backlog are the main achievements.

Work was so far advanced that the return was submitted early and assessed at the previous quarter's meeting. Accredited status was granted under the new standard at the start of October 2023, with only two areas, both linked to the Emergency Planning Document identified as needing improvement.

The return was so well received that Arts Council England (ACE) requested the Museum be featured as a case study in a film CASE case study on Accreditation. ACE commissioned filming by Copper Crayon and this took place at the end of February 2024. It was interesting to be part of the process.

Good standing with ACE should help with a capital bid currently being prepared for works to the historic building.

Conversion of loan to accession of Amgueddfa Cymru items

Object loans in and out require a five yearly review by all accredited museums. It was for this reason that the National Museum of Wales, Amgueddfa Cymru, had contacted the museum with respect to a number of significant items on long-term loan from their collection. National Museums have only recently required to become Accredited, therefore the requirement to meet the standard for loans was not previously in place. What at first seemed to be a complex problem and potentially costly to the museum to either return items (covering removal and transportation costs) or set up an annual renewing loan that also required an annual conservation condition report in fact proved to be an opportunity to make a formal request for transfer of title of the items to the Waterworks Museum collections. On Thursday 28 September 2023 Amgueddfa Cymru's board discussed that accessions of a beam pumping engine and twin ram pump; overshot waterwheel and a dynamo should be formally deaccessioned and transferred to the Waterworks Museum, Hereford. The minutes were approved on Thursday 14 December 2023 allowing these items to be formally entered into the collection at Hereford.

It has been a pleasure to continue to work with the museum and its volunteers as they have re-established themselves and new people have joined the Trustees. Other challenges lie ahead, but if required, I'm happy to continue as Accreditation Mentor for another year or two.

Kate Andrew

2 April 2024

C9 - REGULATION AND COMPLIANCE

This year's Annual General Meeting (AGM) has been convened for 9 July 2024. All resolutions at this meeting will be matters of routine business - that is to approve the 2023 Trustees Report and Accounts and resolutions for the annual re-appointment of each Trustee, the Accreditation Mentor and the Independent Examiner (previously described as the Reporting Accountant). For awareness, the resolutions passed at the previous AGM, held at the Museum on 18 July 2023 were all items of routine business as described above.

In 2023, the Museum was invited to re-new, for a further 5 years, its accreditation status by Arts Council England. This re-accreditation process was completed in November 2023 when the Museum gained Full Accreditation status. This gives confidence that the Museum is well managed and governed effectively and this accolade will help retain and attract benefactors and funding streams for the financial sustainability of the Museum.

The museum continues to meet its data protection and privacy requirements and from a technology view point, the number of available laptops has increased, back up processes are more formalised and the use of Google workspace for sharing and recording of documents has resulted in improved operational efficiency and collaborative work amongst volunteers. This has strengthened the governance framework and the safe keeping of museum records.

Training to volunteers on matters such as Health & Safety (e.g. working at heights) and on subjects like Safeguarding have taken place during 2023 as part of the Museum's training plans.

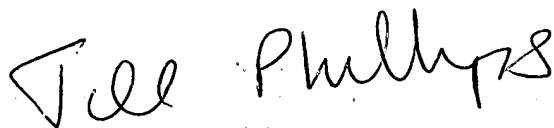
The 2022 - 2025 Forward Plan has been actioned, reviewed by Directors quarterly and presented to Trustees every second quarter during the year. The Chair's report provides an update on the continuing pressures from 2022 that remained during 2023: attracting growth and a wider range of funding streams to improve financial viability and not overstretching the goodwill of volunteers. 2023 has been a year of consolidation across all museum activities supported by the hard work and commitment of all those who are actively involved in the museum.

During the period of the current Forward Plan (2022-2025) the Museum will reach the 50th anniversary of its creation in 1974. An opportune time to reflect and review the Museum's operations, its future aspirations and it provides a significant opportunity to promote awareness of the Museum.

Jill Phillips

Chair of Trustees and Governance Director

19 June 2024

A handwritten signature in black ink that reads "Jill Phillips". The signature is written in a cursive, flowing style.

D.STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing an annual report and the accounts in accordance with: (i) applicable charity law, and (ii) the provisions of the 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).

Company law requires the Trustees to prepare accounts for each financial year that give a true and fair view of the state of affairs of the company and of the surplus or deficit of the charitable company for that year. In preparing those accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the accounts on the 'going concern' basis, unless it is inappropriate to presume that the company will continue in business.

The Trustees have overall responsibility 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 accounts comply with the Companies Act 2006. They 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.

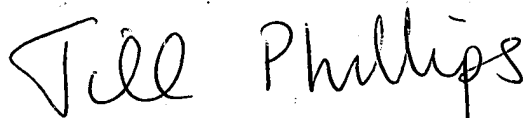
The foregoing report has been prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

Signed on behalf of the Trustees

Jill Phillips

Chair of Trustees and Governance Director

19 June 2024



E. FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31st DECEMBER 2023

This Report covers the 12-month financial period ended 31st December 2023.

The Accounts presented in this Report comply with the requirements of the Companies Act 2006 and the Charity Commission. Following the practice of previous years, the narrative that follows refers mainly to the Income and Expenditure account presented on page 22. This distinguishes everyday Operations and Maintenance activities from those devoted to specific Projects.

The underlying pattern of activities undertaken by the Museum has returned to closer to the norm before the disruption of the pandemic, and we enjoyed being able to open for the full period. However, like many businesses, we suffered large increases in the costs of materials and other supplies. Consequently, the Directors reduced expenditure to the essentials and key priorities, and increased admission prices by 20%. We also made new arrangements for waste collection and website management which will continue to provide better value into the future.

Operations

Despite the Cost of Living crisis affecting households, operational income related to visitors increased strongly, with admissions up nearly 30% and the café an impressive 50%. Along with the cost savings mentioned above, this resulted in a much healthier operational profit, allowing the Trustees to approve a transfer of £3,000 to replenish our reserves.

Projects

Projects fall into two categories, either 'Designated' or 'Restricted'. These are carefully distinguished in the accounts to meet Charity Commission requirements, but for reporting to Museum Members on page 28 they are combined under the 'Projects' heading. Designated Projects use money allocated from Museum funds at the discretion of the Directors and/or Trustees who monitor each project carefully. Restricted Projects draw on money given by an outside body for a specific purpose, being ring-fenced and used strictly in accordance with the terms of the grant.

Ignoring non-cash items (depreciation and stock movements), just over 10% of expenditure was project based – a large reduction from 2022's 30%, and lower than historically.

Designated Projects

Two 'Designated' projects were worked on during the year. Minor additional work was needed to enable the Sissons Engines to become operational. Southall Trust funds allocated for projects paid for an enhanced digital CCTV system and contributed to the Brockhampton pump set display.

Restricted Projects

Dwr Cymru – Welsh Water gave a grant from their Community Fund which purchased two laptops, one for the archive and collection team, the other for Visitor Centre volunteers. Last year's Environment fund from DCWW has paid for hedging and other environmental improvement; the residue will be drawn on in 2024.

Conclusion

Our increased visitor income allowed us to increase our operating profit, but we had also restricted expenditure on project and improvements. Having been able to transfer some profit to our reserve, in 2024 we are in a stronger position to resume project work and improvements to the museum buildings, collection and archive. None of this would be possible without the essential support given by the Museum's Benefactors, Members, Volunteers, and friends, as provided over the course of this last year.

Mike Harries
Honorary Treasurer
19 June 2024

Independent Examiner's Report

To the Directors of Waterworks Museum - Hereford

On the unaudited accounts for the financial year ended 31 December 2023

I report on the accounts of the charitable company for the financial year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of Trustees and examiner

The charity's Trustees (some of whom are also the Directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's 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 required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to 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 my attention.

Basis of independent examiner's report

My 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 statements below.

Independent examiners' statement

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

1. which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with s386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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) have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Edward Richards

Thorne & Co (Accountants)

1 St. Mary's Street, Ross-on-Wye. HR9 5HT

19 June 2024



Waterworks Museum - Hereford

**Statement of Financial Activities
(Income and Expenditure Account)**

For the financial year ended 31 December 2023

					2023	2022
	Note	Unrestricted funds	Restricted funds		Total	Total
Income from						
Grants, fees and donations	3	25,784	500		26,284	33,823
Activities for generating funds	3	30,214	-		30,214	23,949
Investments	3	816	-		816	152
Total income		56,814	500		57,314	57,923
Expenditure on						
Generating funds	4	9,393	-		9,393	9,724
Charitable objectives	4	31,251	15,049		46,300	60,174
Total Expenditure		40,643	15,049		55,693	69,898
Net income/expenditure		16,170	(14,549)		1,621	(11,975)
Gross transfer between funds		-	-		-	-
Net movement in funds		16,170	(14,519)		1,621	(11,975)
Total funds brought forward		56,027	631,375		687,402	699,376
Total funds carried forward		72,197	616,826		689,023	687,402

Waterworks Museum - Hereford

**Balance Sheet
As at 31 December 2023**

						2023	2022
		Note	Unrestricted funds	Restricted funds		Total	Total
	Fixed Assets (tangible fixed assets only)	7	8,928	612,361		621,289	635,183
	Current Assets						
	Stock	8	2,697	-		2,697	3,740
	Debtors and prepayments	9	451	-		451	549
	Cash at bank and in hand		61,358	4,465		65,823	55,007
	Total current assets		64,506	4,465		68,971	59,296
	Current Liabilities						
	Creditors falling due within one year	10	323	-		323	2,004
	Net Current Assets		64,184	4,465		68,649	57,292
	Provisions for liabilities	10	915	-		915	5,073
	Net Assets		72,197	616,826		689,023	687,402
	Income Funds	11/12					
	Unrestricted Funds		72,197	-		72,197	56,027
	Restricted Funds		-	616,826		616,826	631,375
			72,197	616,826		689,023	687,402

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

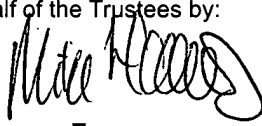
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

Signed on behalf of the Trustees by:


Mike Harries
Director & Honorary Treasurer
19 June 2024

Notes to the Unaudited Accounts for the financial year ended 31 December 2023

1	<u>Accounting Policies</u>
	<p><u>Basis of preparation</u></p> <p>The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.</p>
	<p><u>Income Resources</u></p> <p>Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:</p> <ol style="list-style-type: none"> The donor specifies that the grant or donation must only be used in future accounting periods; or The donor has imposed conditions that must be met before the charity has unconditional use. <p>Income from trading activities is recognised as earned (as the related goods and services are provided).</p> <p>Investment income is recognised on a receivable basis.</p> <p>Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.</p> <p>Income is deferred when admission and membership fees or performance related grants are receivable in advance of the dates to which they relate.</p>
	<p><u>Volunteers and Donated Services and Facilities</u></p> <p>The Volunteers involved with the charity are members of the company limited by guarantee. They support the Museum so that it can open to members of the public on up to 70 days each year. They include the Trustees, Directors and Officers, who carry additional responsibilities, and volunteer engineers who work additional days maintaining and preserving the collection. The Museum has no paid staff. Further details of the contribution made by Volunteers can be found in the Trustees' annual report.</p>
	<p><u>Resources Expended</u></p> <p>Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods and services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.</p> <ol style="list-style-type: none"> Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with the restoration and maintenance of donated assets and leased premises and include both the direct costs and support costs relating to these activities. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Support costs include central functions and have been apportioned to the activities to which they relate on a total activity cost basis.
	<p><u>Irrecoverable VAT</u></p> <p>All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.</p>

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Operating Leases

The charity operates the Museum on land and buildings owned by Dŵr Cymru Welsh Water under a long-term rent-free lease, which expires in 2074. The land on which the Heritage Water Park sits is owned by Herefordshire Council, which is leased to the Museum for a peppercorn rent until 2047.

Tangible Fixed Assets and Depreciation

Tangible Fixed Assets represent the Museum's buildings, which are being depreciated on a straight-line basis over the remaining term of the lease, and the boiler over a 25-year term (2010-2035). The Heritage Water Park is not a building and is not subject to depreciation.

Stock

Stock is included at the lower of cost and net realisable value. Stock includes parts, fuel and items for sale to Museum visitors.

Inalienable or Historic Assets

The charity has a leasehold interest in the property that is classed as an inalienable asset and is not included in the Balance Sheet. This interest expires on 31st March 2074.

Funds Structure

The charity has restricted income funds to account for situations where donors require that donations are spent on a particular purpose or where funds have been raised for a specific purpose. All other funds are unrestricted income funds.

2 Legal Status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £1.

3 Income

		<u>2023</u> Unrestricted	<u>2023</u> Restricted	<u>2023</u> Total	<u>2022</u> Total
	From fees, donations and grants				
	Membership fees	1,945	-	1,945	1,773
	Donations	1,486	-	1,486	1,490
	Gifted Regular Income	-	-	-	125
	Gift aid refund	453	-	453	549
	Grant - Southall Trust	10,000	-	10,000	10,000
	Grant - Dŵr Cymru Welsh Water	11,900	500	12,400	15,786
	Other grants/awards	=	=	=	4,100
		<u>25,784</u>	<u>500</u>	<u>26,284</u>	<u>33,823</u>
	From activities for generating funds				
	Admission fees	17,275	-	17,275	13,495
	Refreshments	11,195	-	11,195	7,185
	Retail sales	1,535	-	1,535	1,458
	Museum products	209	-	209	164
	Premises hire	=	=	=	390
		<u>30,214</u>	<u>=</u>	<u>30,214</u>	<u>22,691</u>
	Investment income				
	Bank interest	<u>816</u>	<u>=</u>	<u>816</u>	<u>152</u>
	Other income				
	Asset disposals	=		=	1,257

4	Expenditure (analysis of resources expended)	<u>2023</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>
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	For generating funds	Unrestricted	Restricted	Total	Total
	Refreshments	2,860	-	2,860	2,274
	Sale material	1,126	-	1,126	158
	Special events	-	-	-	1,297
	Consumables	1,143	-	1,143	3,701
	Advertising/publicity	3,172	-	3,172	2,084
	WaterWords	<u>455</u>	<u>=</u>	<u>455</u>	<u>211</u>
		<u>9,393</u>		<u>9,393</u>	<u>9,724</u>
	For charitable purposes				
	Fuel	5,349	-	5,349	4,939
	Machine maintenance	6,994	-	6,994	8,345
	Premises maintenance	11,974	835	12,809	22,292
	Display/signage/artefacts	109	-	109	1,530
	Insurance	1,561	-	1,561	1,353
	Education/publications	64	-	64	23
	Depreciation	180	13,714	13,894	13,894
	Museum activities	391	-	391	2,143
	Office/computer/telecom/postage/travel	2,687	500	3,187	2,986
	Project professional fees	445	-	445	884
	Rent	59	-	59	59
	Subscriptions to external bodies	418	-	418	849
	Audit professional fees	501	-	501	438
	Bank charges	<u>519</u>	<u>=</u>	<u>519</u>	<u>441</u>

		<u>31,251</u>	<u>15,049</u>	<u>46,300</u>	<u>60,174</u>
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5	<u>Paid employees</u> The charity does not have any paid employees.			
6	<u>Trustees and Other Related Parties</u> Expenses incurred by the Trustees are reimbursed at cost. The Trustees had no material interest in any transaction undertaken by the charity during the year.			
7	<u>Tangible fixed assets</u>			
		<u>Boiler</u>	<u>Museum buildings</u>	<u>Total</u>
	Cost			
	At 31 December 2022	42,507	806,972	849,479
	Additions	<u>0</u>	<u>0</u>	<u>0</u>
	At 31 December 2023	<u>42,507</u>	<u>806,972</u>	<u>849,479</u>
	Depreciation			
	At 31 December 2022	21,743	192,552	214,295
	Charge for year	<u>1,729</u>	<u>12,165</u>	<u>13,894</u>
	At 31 December 2023	<u>23,472</u>	<u>204,717</u>	<u>228,459</u>
	Net book value			
	At 31 December 2022	20,763	614,420	635,183
	At 31 December 2023	<u>19,035</u>	<u>602,255</u>	<u>621,289</u>

		<u>2023</u>	<u>2022</u>
8	<u>Stock</u>		
	Fuel and oil	<u>1,289</u>	<u>1,930</u>
	Materials and spare parts	<u>500</u>	<u>650</u>
	Goods for resale	<u>908</u>	<u>1,160</u>
		<u>2,697</u>	<u>3,740</u>
9	<u>Debtors and prepayments</u>		
	Trade debtors	<u>451</u>	<u>549</u>
		<u>451</u>	<u>549</u>
10	<u>Creditors (amounts falling due within one year)</u>		
	Trade creditors	<u>303</u>	<u>1,244</u>
	Membership Fees in Advance	<u>20</u>	<u>760</u>
	Accruals	<u>915</u>	<u>5,073</u>
		<u>1,238</u>	<u>7,077</u>
	Accruals include the balance of the Brockhampton roller shutter door.		
11	<u>Restricted funds</u> The Restricted Income Fund represents capital grants provided by various funding bodies, including for the purposes of providing Tangible Fixed Assets in the form of the new museum buildings, the Rotherwas Engine House and boiler shown in Note 7 to the accounts. These Restricted Income Funds will be released to the Statement of Financial Activities on the same basis as the Depreciation Policy. An additional Restricted fund was created for the DCWW Community grant to ensure its use for the purpose of new IT equipment.		

12	<u>Movement in funds</u>		
		<u>Unrestricted income fund</u>	<u>Restricted income fund</u>
	Income	56,814	500
	Expenditure	<u>40,643</u>	<u>15,049</u>
		<u>16,170</u>	<u>(14,549)</u>
	Gross transfer between funds	=	=
	Net movement	16,170	<u>(14,549)</u>
	At 31 December 2022	<u>56,027</u>	<u>631,375</u>
	At 31 December 2023	<u>72,197</u>	<u>616,826</u>