

Charity number: 298295

THE HERSCHEL HOUSE TRUST

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019



HERSCHEL
MUSEUM OF
ASTRONOMY

THE HERSCHEL HOUSE TRUST

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THE HERSCHEL HOUSE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE'S AND ADVISERS FOR THE YEAR ENDED 31 JANUARY 2019

The Trustee of the charity at 31 January 2019, which has been the sole Trustee for the whole year ended on that date and since the year-end, was The Bath Preservation Trust Limited (charity number 203048). The directors of The Bath Preservation Trust Limited during the year and since the year end were:

Trustees	Thomas Sheppard, Chair ^{2,3,5} Diane Aderyn ^{3,5} Kristin Doern (retired 26 June 2018) ⁴ Julie Finch (appointed 26 June 2018) ^{2,3,4,5} Peta Hall (co-opted 1 April 2018) ^{1,2,4} Bruce Haines (appointed 26 June 2018) ^{3,4} Tom Marshall ^{1,3} Robert Hellard ¹ Rachel Johnston (appointed 26 June 2018) ⁴ Colin Johnston (appointed 11 December 2017) ⁴ Celia Mead (retired 26 June 2018) ⁴ Simon Morray-Jones (appointed 26 June 2018) ¹ Sally Price (resigned 11 October 2018) ^{4,5} Alison Streatfeild-James (retired 26 June 2018) ³ Robert Tavernor (appointed 26 June 2018) ¹ Victoria Thornton (appointed 26 June 2018) ¹ Mark Wilson Jones ¹
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- ¹ denotes members of the Architecture and Planning Committee
- ² denotes members of the Beckford Tower Trust Advisory Committee
- ³ denotes members of the Finance Committee
- ⁴ denotes members of the Museums and Education Committee
- ⁵ denotes members of the Herschel Museum Advisory Committee

Charity registered number	298295
Principal office	19 New King Street Bath BA1 2BL
Chief Executive Officer	Caroline Kay
Independent auditors	Bishop Fleming LLP Chartered Accountants 16 Queen Square Bristol BS1 4NT
Bankers	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment managers	M&G Investments PO Box 9038 Chelmsford CM99 2XF

THE HERSCHEL HOUSE TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 JANUARY 2019

The Trustee presents its annual report together with the audited financial statements for the year 1 February 2018 to 31 January 2019.

OBJECTIVES AND ACTIVITIES

The Herschel Museum of Astronomy is the site of the discovery of the planet Uranus in 1781 and is the only surviving residence of the astronomers William Herschel and his sister Caroline. The principal objectives of The Herschel House Trust are to:

- (a) preserve for public benefit the house at 19 New King Street and its garden as close as possible to the style of the period when it was occupied by William Herschel and his sister Caroline;
- (b) Maintain a collection of artefacts relating to the achievements of the Herschel Family with special emphasis on William and Caroline Herschel;
- (c) provide an international reference source of the collection in relation to music, astronomy and scientific research; and
- (d) make available to the public special publications about the Herschel family in conjunction with the William Herschel Society.

Achievements, Performance and Public Benefit

The Trust has continued to run the Herschel Museum of Astronomy. It has had a successful year, with strong visitor numbers and a growing audience for its education sessions and public workshops. In the past year it has:

- Opened the museum to the public for 11 months of the year, welcoming 10,692 visitors;
- Held an exhibition, *Wonder Women of Space*, part funded by HLF as part of the celebrations of the 100th anniversary of Women's Suffrage. In the context of Caroline Herschel as the first paid female astronomer, the exhibition focussed on current female astronomers and their responses to Herschel collection items;
- As part of this exhibition programme ran a number of talks, lectures and visits;
- Extended the school groups offer through the Amazing Astronomy programme and trail for families;
- Re-introduced more stargazing and observing sessions at the museum, including solar observation sessions through a solar telescope, in collaboration with the William Herschel Society;
- Participated in the activities of the William Herschel Society, including attendance at the annual lecture;
- Continued to participate in marketing promotions with other BPT museums;
- Undertaken a complete overhaul of the collection, its documentation and presentation, and re-established new and positive contacts with all object lenders; and
- Undertaken a number of necessary maintenance and repair activities to the property.

In addition, The Herschel House Trust has delivered public benefit in its charged-for museum by:

- Developing and growing a significant learning programme for all ages with concessionary pricing structures for schools;
- Developing a programme of temporary exhibitions which offer the opportunity of collaboration with national and local museums and institutions;
- Developing an outreach programme including free stargazing events, in association with Bath Astronomers and the William Herschel Society;
- Placing free downloadable educational information about the Herschel family on the website;
- Making the venue available for filming;
- Providing a venue for other national collections to showcase particular items relating to the Herschel family; and
- Providing speakers for a range of lectures, talks and workshops.

Financial Review

The operation of the Museum generated a net unrestricted deficit of £6,502 prior to loss on investments of £14,552 resulting in a net unrestricted deficit of £21,054. In the prior year there was a net deficit of £7,826 and an investment gain of £6,841 leading to a net unrestricted deficit of £985.

There was an increase in restricted funds of £579 (prior year £1,855). The overall result was that total funds decreased by £20,475 during the year (prior year: £870 increase) to amount to £184,076 at the end of the year.

The Trustee is of the opinion that the financial position of the charity is satisfactory and anticipates no difficulty in meeting the immediate obligations of the charity. Ways of increasing sources of unrestricted income and reducing the operating deficit are being considered by the Trustee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Herschel House Trust is an unincorporated charity (no. 298295) governed by a Declaration of Trust dated 10 March 1987, together with deeds of appointment of trustees dated 1994 and 1997.

Following the deed of variation signed in July 2015 by the then Trustees, the sole Trustee of the charity at year end is The Bath Preservation Trust Limited (Charity No. 203048). In the event it ceases to be sole trustee, the appointment and election of future trustees is in accordance with the governing documents.

Organisation of Committees

The Board of Trustees of The Bath Preservation Trust Ltd (BPT), which can have up to eighteen members, administers the charity. The Board meets on a quarterly basis; the principal sub-committees cover Finance, Museums & Education (M&E), and Architecture & Planning (A+P), and meet on a regular cycle to make financial and management decisions. The Herschel House Trust is a standing item on the agendas of Finance, M&E and Trustees' meetings. On a matter of major importance, having regard to the objects of the Trust, the Trustees may require any proposed decision by any of the committees to be referred to the full body of Trustees for decision.

The Chief Executive of The Bath Preservation Trust manages the day-to-day operations of The Herschel House Trust through the BPT Museums Director, Claire Dixon, and the BPT Senior Curator, Dr Amy Frost, following the retirement in October 2018 of the Curator of the Herschel Museum of Astronomy, Debbie James. The management team is assisted by a Museum Administrator and Weekend Stewards, and the museum also benefits from being part of the wider BPT museums 'family' which supports the Trust through education, marketing and finance staff support. External advice is provided by the members of the Herschel Museum Advisory Committee which includes interested parties currently consisting of representatives of the Royal Astronomical Society, University of Bath, the Royal Society and the William Herschel Society.

Key Management Personnel

The key management personnel of The Herschel House Trust are deemed to be the Senior Management Team of The Bath Preservation Trust Ltd, which comprises the Chief Executive, BPT Museums Director, BPT Senior Curator and BPT Director of Finance. The members of the Senior Management Team are employed and remunerated by The Bath Preservation Trust Ltd. Total employee costs for key management personnel are disclosed within The Bath Preservation Trust Ltd's consolidated financial statements.

Volunteers

The charity is dependent on the help and support of a team of volunteers. Committed volunteers give up their time to help staff the ticket desk, run the shop, carry out research, assist with outreach and educational activities and help with the running of the museum. Without this volunteer help the museum would not be able to stay open, and the Trustee is extremely grateful for their support.

Related Parties

The sole trustee, The Bath Preservation Trust Limited, and its subsidiaries, No 1 Royal Crescent (Bath) Ltd and the Beckford Tower Trust, are considered to be the only related parties.

Risk Management

The Trustee has carried out a full risk assessment of all the activities of The Herschel House Trust covering the major strategic, business and operational risks, the main identified area of risk being the fact that the museum operations themselves operate at a deficit though this is in part mitigated by the rental income from the two flats at the top of the building. As with many small museums the other risks include the dependence on volunteers and the very lean staffing structure. The latter risk has been substantially mitigated by the restructuring of BPT's entire museums team which means that there are much better opportunities for cover and for mutual support. A risk management framework for the whole BPT group which also identifies specific risks relating to the Herschel Museum of Astronomy has been produced and adopted by the Trustee. The risks are monitored regularly and the Trustee is therefore satisfied that appropriate systems are in place to mitigate the risks to the charity.

Investments Powers and Policy

The Trustee has a wide range of investment powers and has appointed professional advisors to manage its portfolio; however The Herschel House Trust holds its investments in a single fund (Charifund - Equities Investment Fund for Charities) which is managed by M&G Investments.

Heritage Assets

Purchased heritage assets: Heritage Assets costing £1,000 and above purchased by the Trust since 2013 are recorded at cost and have not been depreciated, as they are deemed to have indefinite lives and are reviewed annually for any impairment. These assets are managed with the same care and rigour as any other items in the collections, and are intended as permanent additions to the collections.

Donated heritage assets: It is the policy of the Trust not to capitalise donated heritage assets held in the collections of the Trust or 19 New King Street itself, which was donated to The Herschel House Trust in 1987. These items are in effect inalienable, held in principle in perpetuity, are mostly irreplaceable, and any financially based valuation would be misleading to the value and significance of the material culture involved. The Trust has a clear duty to care for and make available these assets for the enjoyment and education of the public as far as is possible, commensurate with the long term care of these items. The highest possible standards of collection management are applied, and the catalogues are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines. The Herschel Museum of Astronomy has Accredited status.

THE HERSCHEL HOUSE TRUST

TRUSTEE'S REPORT (continued) FOR THE YEAR ENDED 31 JANUARY 2019

Reserves Policy

The Trustee's reserves policy is that as an organisation not in receipt of statutory funding and currently dependent on admissions and rental income, the optimum level of reserves should be sufficient to cover the impact of a loss of fifty percent of annual income, plus a designated fund to cover future maintenance costs.

Given the financial obligations arising from the responsibilities of maintaining a listed building, together with the unpredictable nature of visitor income upon which the Trust is dependent, the Trustee believes that building up a fund is appropriate in order to secure the long term future of the Trust.

As disclosed fully in note 16 the current level of unrestricted funds totalling £140,005 may not be sufficient to meet all future maintenance requirements. Therefore, the Trustee aims to set surplus budgets if possible and to earmark such surpluses for future designated reserves. In addition, any unrestricted windfalls (legacies, gifts etc.) should pass to reserves if appropriate.

In this financial year a total of £25,830 was transferred from the designated maintenance reserve reflecting the balance of the unrestricted deficit for the year after the reserve to cover future income loss was maintained at fifty percent of 2019 income.

TRUSTEE'S RESPONSIBILITIES STATEMENT

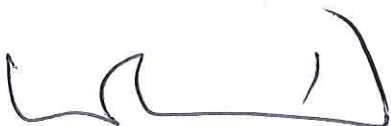
The Trustee is responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

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

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

This report was approved by the Trustee, on 20 May 2019 and signed on its behalf by:



WHT Sheppard,
Chair - The Bath Preservation Trust Ltd

THE HERSCHEL HOUSE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE HERSCHEL HOUSE TRUST

OPINION

We have audited the financial statements of The Herschel House Trust (the 'charity') for the year ended 31 January 2019 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn. This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE HERSCHEL HOUSE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE HERSCHEL HOUSE TRUST

OTHER INFORMATION

The Trustee is responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF THE TRUSTEE

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

THE HERSCHEL HOUSE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE HERSCHEL HOUSE TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

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



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT
Date: 23/5/19

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HERSCHEL HOUSE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JANUARY 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations and Grants	2	321	10,600	10,921	4,597
Charitable activities	3	51,080	-	51,080	40,220
Other trading activities	4	6,574	-	6,574	7,196
Investments	5	21,856	-	21,856	19,854
TOTAL INCOME		79,831	10,600	90,431	71,867
EXPENDITURE ON:					
Raising funds		3,558	-	3,558	3,239
Charitable activities	6	82,775	10,021	92,796	74,599
TOTAL EXPENDITURE	7	86,333	10,021	96,354	77,838
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS		(6,502)	579	(5,923)	(5,971)
Net gains/(loss) on investments	12	(14,552)	-	(14,552)	6,841
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(21,054)	579	(20,475)	870
NET MOVEMENT IN FUNDS		(21,054)	579	(20,475)	870
RECONCILIATION OF FUNDS:					
Total funds brought forward		161,059	43,492	204,551	203,681
TOTAL FUNDS CARRIED FORWARD		140,005	44,071	184,076	204,551

The notes on pages 11 to 21 form part of these financial statements.

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THE HERSCHEL HOUSE TRUST

BALANCE SHEET
AS AT 31 JANUARY 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	11		61,052		63,571
Investments	12		<u>96,736</u>		<u>130,732</u>
			157,788		194,303
CURRENT ASSETS					
Stocks	13	2,618		4,524	
Debtors	14	1,386		1,760	
Cash at bank and in hand		<u>26,381</u>		<u>17,530</u>	
		30,385		23,814	
CREDITORS: amounts falling due within one year	15	<u>(4,097)</u>		<u>(13,566)</u>	
NET CURRENT ASSETS			<u>26,288</u>		<u>10,248</u>
NET ASSETS			<u>184,076</u>		<u>204,551</u>
CHARITY FUNDS					
Restricted funds	16		44,071		43,492
Unrestricted funds	16		<u>140,005</u>		<u>161,059</u>
TOTAL FUNDS			<u>184,076</u>		<u>204,551</u>

The financial statements were approved by the Trustee on 20 May 2019 and signed on their behalf, by:



WHT Sheppard,
Chair - The Bath Preservation Trust Ltd



Diane Aderyn,
Chair - Finance Committee

The notes on pages 11 to 21 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Herschel House Trust constitutes a public benefit entity as defined by FRS 102.

1.2 INCOME

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the guides is not recognised; please refer to the Trustee's report for more information about their contribution.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.3 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

1.4 DONATED HERITAGE ASSETS

It is the policy of the Trust not to capitalise donated heritage assets in the museum collection. The Trust considers that financial valuations of heritage assets would be misleading to the value and significance of the material culture involved. In many cases reliable cost information is not available or there are significant costs involved in obtaining a valuation that would outweigh any benefits. However, it is very important for a museum to account to the public for the management and care of the collections entrusted to it. High standards of Collections Management are applied to the collection in order to preserve and manage it on behalf of, and to make it available to, the public. A Register and full records are kept on the collection, its provenance, and its donors. These are made available for all enquiries and requests, subject to appropriate security and data protection guidelines. Conservation expenditure incurred on heritage assets, has been written off to the Statement of Financial Activities.

1.5 PURCHASED HERITAGE ASSETS

Heritage Assets costing £1,000 or above purchased by the Trust since 2013 are recorded at cost. These assets are not depreciated as they are deemed to have indefinite lives and are reviewed annually for any impairment. They are intended to be held as permanent additions to the collections.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing £1,000 or above are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

LT Freehold Property	-	not depreciated
Heritage assets	-	not depreciated
Fixtures and fittings	-	20% straight line

1.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.8 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

1.9 STOCKS

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

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 CREDITORS

Creditors are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 FINANCIAL INSTRUMENTS

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.14 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.15 TAXATION

The Herschel House Trust is a registered charity and as such tax exemption applies to the income arising from and expended on charitable activities and to its investment income and gains.

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	321	-	321	97
Grants	-	10,600	10,600	4,500
Total donations and grants	321	10,600	10,921	4,597
Total 2018	2,097	2,500	4,597	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Charity incoming resources	51,080	-	51,080	40,220
Total 2018	40,220	-	40,220	

4. OTHER TRADING ACTIVITY

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Shop sales	6,574	-	6,574	7,196
Total 2018	7,196	-	7,196	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income - rent	16,328	-	16,328	14,788
Investment income - listed investments and bank interest	5,528	-	5,528	5,066
	21,856	-	21,856	19,854
Total 2018	19,854	-	19,854	

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2019 £	2018 £
Wages and salaries	49,411	308	49,719	39,274
Premises costs:				
Insurances	1,741	-	1,741	1,760
Repairs and maintenance	4,566	1,537	6,103	3,160
Heat and light	5,519	-	5,519	3,746
Other premises costs	4,629	-	4,629	5,192
Opening costs:				
Equipment repair	1,927	-	1,927	276
Leaflets and advertising	570	-	570	200
Guides and other opening costs	533	6,362	6,895	(751)
Administration:				
Office and other costs	3,410	-	3,410	4,372
Accountancy	1,200	-	1,200	2,160
Bank Charges	60	-	60	60
Auditors' remuneration	1,378	-	1,378	1,348
Rental property costs	5,222	-	5,222	13,802
Depreciation	2,609	1,814	4,423	
Total	82,775	10,021	92,796	74,599

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Costs of Generating Funds:				
Shop purchases	-	3,558	3,558	3,239
Direct cost of charitable activities	49,719	41,639	91,358	73,191
Expenditure on governance	-	1,438	1,438	1,408
	49,719	46,635	96,354	77,838
Total 2018	39,274	38,564	77,838	

8. NET INCOME/(EXPENDITURE)

During the year, no Trustee received any remuneration (2018: £NIL).

During the year, no Trustee received any benefits in kind (2018: £NIL).

During the year the Trustee, The Bath Preservation Trust, reimbursed expenses of £54,508 (2018: £45,327)

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

9. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £1,378 (2018 - £1,348).

10. STAFF COSTS

No persons were directly employed by the charity but recharges for staff costs of £49,719 (2018: £39,274) were made by The Bath Preservation Trust Limited.

11. TANGIBLE FIXED ASSETS

	Heritage assets £	Fixtures and fittings £	Total £
COST			
At 1 February 2018	44,634	18,937	63,571
Additions	-	1,904	1,904
At 31 January 2019	44,634	20,841	65,475
DEPRECIATION			
At 1 February 2018	-	-	-
During the year	-	4,423	4,423
At 31 January 2019	-	4,423	4,423
NET BOOK VALUE			
At 31 January 2019	44,634	16,418	61,052
At 1 February 2018	44,634	18,937	63,571

Freehold land and Buildings (Heritage assets) - 19 New King Street, Bath, was donated to The Herschel House Trust in 1987. This comprised an historic asset which is integral to the purposes of the Trust. No value was placed on the gift, and there have been no subsequent formal valuations, so no cost or value for 19 New King Street is included in the financial statements.

Museum exhibits (Heritage assets) - purchased prior to 2013 were written off as historic assets on the date of purchase. Since this date purchases over £1,000 are capitalised.

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

12. FIXED ASSET INVESTMENTS

	Listed securities £
MARKET VALUE	
At 1 February 2018	130,732
Cash withdrawal during the year	(19,444)
Revaluations	(14,552)
	<hr/>
At 31 January 2019	96,736
	<hr/>

INVESTMENTS AT MARKET VALUE COMPRISE:

	2019 £	2018 £
Listed investments	<u>96,736</u>	<u>130,732</u>

All the fixed asset investments are held in the UK

The above was held entirely within Charifund - Equities Investment Fund for Charities (Income).

13. STOCKS

	2019 £	2018 £
Goods for resale	<u>2,618</u>	<u>4,524</u>

14. DEBTORS

	2019 £	2018 £
Amount owing to group undertakings	-	730
Other debtors and accrued income	<u>1,386</u>	<u>1,030</u>
	<u>1,386</u>	<u>1,760</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	2,184	516
Accruals and deferred income	1,594	13,050
Amount owed to group undertakings	<u>319</u>	-
	<u>4,097</u>	<u>13,566</u>

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 February 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 January 2019 £
DESIGNATED FUNDS						
Short term maintenance	72,530	-	-	-	-	72,530
Medium to long term maintenance	53,389	-	-	(25,830)	-	27,559
Income loss	35,140	-	-	4,776	-	39,916
	161,059	-	-	(21,054)	-	140,005
GENERAL FUNDS						
General Funds	-	79,831	(86,333)	21,054	(14,552)	-
TOTAL UNRESTRICTED FUNDS	161,059	79,831	(86,333)	-	(14,552)	140,005
RESTRICTED FUNDS						
Museum exhibits	23,825	-	-	-	-	23,825
B&NES	1,000	2,000	(3,000)	-	-	-
School visits	-	600	(200)	-	-	400
Ernest Cook	-	8,000	(4,470)	-	-	3,530
Murray Foundation	8,000	-	(1,814)	-	-	6,186
Royal Astronomical Society	9,511	-	(537)	-	-	8,974
William Herschel Society	1,156	-	-	-	-	1,156
	43,492	10,600	(10,021)	-	-	44,071
TOTAL OF FUNDS	204,551	90,431	(96,354)	-	(14,552)	184,076

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 February 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 January 2018 £
DESIGNATED FUNDS						
Short term maintenance	72,530	-	-	-	-	72,530
Medium to long term maintenance	54,374	-	(11,405)	10,420	-	53,389
Income loss	35,140	-	-	-	-	35,140
	162,044	-	(11,405)	10,420	-	161,059
GENERAL FUNDS						
General Funds	-	69,367	(65,788)	(10,420)	6,841	-
Total Unrestricted funds	162,044	69,367	(77,193)	-	6,841	161,059
RESTRICTED FUNDS						
Museum exhibits	21,325	2,500	-	-	-	23,825
B&NES	1,000	-	-	-	-	1,000
Ernest Cook	3,575	-	(3,575)	-	-	-
Murray Foundation	5,070	-	2,930	-	-	8,000
Royal Astronomical Society	9,511	-	-	-	-	9,511
William Herschel Society	1,156	-	-	-	-	1,156
	41,637	2,500	(645)	-	-	43,492
Total of funds	203,681	71,867	(77,838)	-	6,841	204,551

UNRESTRICTED FUNDS

As described more fully in the Trustee's Annual Report, the Trustee's reserves policy is that as an organisation not in receipt of statutory funding and currently dependent on admissions and rental income, the optimum level of reserves should be sufficient to cover the impact of a loss of fifty percent of annual income, plus a designated fund to cover future maintenance costs.

The current level of unrestricted funds may not be sufficient to meet all future maintenance requirements. Therefore, the Trustee aims to set surplus budgets if possible and to earmark such surpluses for further designated reserves. In addition, any unrestricted windfalls (legacies, gifts etc.) should pass to reserves if appropriate.

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

16. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

Museum exhibits - Museum exhibits consist of heritage assets purchased for display in the museum.

Bath & North East Somerset (B&NES) Council - The grant of £2,000 was a contribution to the cost of the Wonder Woman of Space.

William Herschel Society - This relates to a grant received for the refurbishment of the entrance area at 19 New King Street.

Ernest Cook - This is a grant towards new education equipment for stargazing with the remaining grant of £3,530 carried forward to next financial year 2019-20.

Murray Foundation- These relate to grants towards the refurbishment of the entrance area at 19 New King Street and the purchase of new display cabinets that were capitalised in 2018. The expenditure is now the depreciation of this asset

Royal Astronomical Society- This relates to a grant towards the running costs of the museum.

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 February 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 January 2019 £
Designated funds	161,059	-	-	(21,054)	-	140,005
General funds	-	79,831	(86,333)	21,054	(14,552)	-
	<u>161,059</u>	<u>79,831</u>	<u>(86,333)</u>	<u>-</u>	<u>(14,552)</u>	<u>140,005</u>
Restricted funds	43,492	10,600	(10,021)	-	-	44,071
	<u>204,551</u>	<u>90,431</u>	<u>(96,354)</u>	<u>-</u>	<u>(14,552)</u>	<u>184,076</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 February 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 January 2018 £
Designated funds	162,044	-	(11,405)	10,420	-	161,059
General funds	-	69,367	(65,788)	(10,420)	6,841	-
	<u>162,044</u>	<u>69,367</u>	<u>(77,193)</u>	<u>-</u>	<u>6,841</u>	<u>161,059</u>
Restricted funds	41,637	2,500	(645)	-	-	43,492
	<u>203,681</u>	<u>71,867</u>	<u>(77,838)</u>	<u>-</u>	<u>6,841</u>	<u>204,551</u>

THE HERSCHEL HOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	30,670	30,382	61,052
Fixed asset investments	96,736	-	96,736
Current assets	16,696	13,689	30,385
Creditors due within one year	(4,097)	-	(4,097)
	<u>140,005</u>	<u>44,071</u>	<u>184,076</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	31,375	32,196	63,571
Fixed asset investments	130,732	-	130,732
Current assets	12,518	11,296	23,814
Creditors due within one year	(13,566)	-	(13,566)
	<u>161,059</u>	<u>43,492</u>	<u>204,551</u>

18. CAPITAL COMMITMENTS

There were no capital commitments entered into as at 31 January 2019.

19. RELATED PARTY TRANSACTIONS

At the year end Herschel House Trust owed The Bath Preservation Trust Limited £319.

20. ULTIMATE PARENT UNDERTAKING

The Bath Preservation Trust Limited is the immediate and ultimate parent. The Trust prepares consolidated financial statements, including the results of The Herschel House Trust, which can be obtained from the Trust's offices at 1 Royal Crescent, Bath, BA1 2LR.

