

REGISTERED COMPANY NUMBER: 01354445 (England and Wales)  
REGISTERED CHARITY NUMBER: 276194

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 December 2014**  
**for**  
**The History of Advertising Trust**

Barnard Sampson LLP  
Statutory Auditor  
3a Quay View Business Park  
Barnard's Way  
Lowestoft  
Suffolk  
NR32 2HD

TUESDAY



\*A4F0DEUI\*

A13

01/09/2015

#390

COMPANIES HOUSE

**The History of Advertising Trust**  
**Contents of the Financial Statements**  
**for the Year Ended 31 December 2014**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Notes to the Financial Statements	12 to 19
Detailed Statement of Financial Activities	20 to 21

## **The History of Advertising Trust**

### **Report of the Trustees** **for the Year Ended 31 December 2014**

The trustees present their report and the financial statements for the year ended 31 December 2014. The trustees, who are also directors of The History of Advertising Trust for the purposes of company law and who served during the year and up to the date of this report are set out below.

The History of Advertising Trust is a company limited by guarantee, governed by its Memorandum of Association dated 18 February 1977 - No. 1354445. It is a charity, registered with the Charities Commission in 1978 - No. 276194.

As set out in the Articles of Association election to membership shall be approved by the board of trustees. Trustees attend a General Meeting twice yearly.

A Director is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, this Director has delegated authority within the terms approved by the trustees, for operational matters including finance, employment and the archive activities.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

01354445 (England and Wales)

##### **Registered Charity number**

276194

##### **Registered office**

HAT House  
12 Raveningham Centre  
Raveningham  
Norwich  
Norfolk  
NR14 6NU

##### **Trustees**

Graham Peter Henry Hinton	Chairman	
Archibald Ernest Pitcher CBE		- resigned 10.6.14
David Jonathon Hanger		
Simon Goode		
Mark George Lund		- resigned 16.6.14
Sally Ann McKechnie		
David Esme Bernstein		
Geoffrey George Russell	Deputy Chairman	
Ian Twinn		
John Martin Tylee		
James Best		
Sarah Hazell		
Stephen Woodford		
Patrick Hanson-Lowe		- resigned 31.12.14
John Billett		- appointed 10.6.14
Peter Buchanan		- appointed 13.11.14

##### **Company Secretary**

Chloe Veale

##### **Auditors**

Barnard Sampson LLP  
Statutory Auditor  
3a Quay View Business Park  
Barnard's Way  
Lowestoft  
Suffolk  
NR32 2HD

**The History of Advertising Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2014**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Director**

Chloe Veale

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, its Memorandum of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Risk management**

The trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The work has identified that financial sustainability is the major financial risk for the charity. Attention has also been focused on non-financial risks arising from fire, health and safety of staff, volunteers and visitors to the HAT archive.

**OBJECTIVES AND ACTIVITIES**

Following some pioneering work by a few visionary individuals in the mid-1970s, The History of Advertising Trust (HAT) was founded in 1976 by a small group within the advertising industry who decided that the study of advertising should be encouraged and subsidised. It gained charity status in 1978.

Since then HAT has developed in close collaboration with the advertising/marketing communications industry, collecting its records over the last forty years to form a unique research and study resource dating from 1800 to the present day. It has become the largest and most comprehensive archive of British advertising and marketing communications in the world.

Regarded by many as a national treasure, HAT provides the stories behind famous brands, the ideas and research that led to their development, changing image and campaign messages. These can be understood within the context of an evolving advertising industry, its regulatory bodies, agencies, professional associations, networking groups and social clubs whose historical records form the core of the collection. The advertisements themselves also provide an invaluable record of social, economic and cultural changes and trends that have occurred within British society over the past 200 years.

HAT aims to preserve, document and further develop the archive collections and to make them easily accessible to everyone, particularly through online technology and communications.

Our vision is to be an archive and information hub of excellence, to inform and inspire today's students and practitioners and to continue developing HAT's collections so that they are representative of all aspects of our evolving industry.

The charity employs professionally qualified archivists to manage the archive collections. HAT subscribes to the National Archive Standard and aspires to meet the recently introduced Accreditation standard. The archivists supervise a team of skilled collections management staff and are further supported by trained volunteers on various archive projects according to priorities, as set in HAT's annual archive management plan. HAT supports young people through the provision of work experience placements and internships organised through local schools, colleges and universities.

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

Our key objectives in 2014 included:

1. To further develop HAT's new online catalogue, and other archive finding aids, in order to increase public access to, and awareness of the archive collections and their research/educational value.
2. To continue building stronger relationships, partnerships and engagement with complementary organisations, industry bodies, clients and stakeholders and work towards mutually beneficial outcomes.

## **The History of Advertising Trust**

### **Report of the Trustees for the Year Ended 31 December 2014**

#### **OBJECTIVES AND ACTIVITIES - continued**

3. To review and potentially extend service provision to existing archive clients and to seek potential new archive clients.
4. To begin a review of HAT's collection management policies in accordance with the Accreditation standard and specifically update HAT's Collecting Policy.
5. To continue raising HAT's profile and public awareness of the benefits of HAT's work through frequent HAT e-newsletters, Advertising in Education bulletins, events, exhibitions, presentations and talks, educational group visits to HAT and other outreach activities.
6. To sustain and increase funding to support the above activities, especially through the promotion of HAT's business services as a priority.
7. To maintain good communications and team-working between the Board of Trustees, HAT's employees and volunteers through regular meetings and other activities.

#### **ACHIEVEMENT AND PERFORMANCE**

Following a year of internal re-organisation, 2014 has been an outward-facing year of partnership development on several fronts.

Working relationships with several of HAT's established archive clients have been invigorated, e.g. the Advertising Association (AA), the Institute of Practitioners in Advertising (IPA), J Walter Thompson (London) and British Arrows. HAT's professional support has helped these organisations to review and develop their archive collections in line with their current business objectives.

New opportunities have arisen from these activities e.g. a HAT display of advertising images in the IPA building and the commissioning of HAT by J Walter Thompson to research the agency's UK historical collections for an exhibition held at JWT part of its 150th anniversary celebrations. Earlier in the year we uploaded JWT London's archive descriptions to HAT's online catalogue. The online catalogue's facility to display images was also fully exploited for the first time when a substantial collection of vintage JWT photographs, digitised by HAT, were added.

HAT has also attracted new archive clients, most significantly The Butlin's Heritage Collection on behalf of Bourne Leisure Ltd. which arrived in November following negotiations which began in June. Anticipating Butlin's 80th anniversary celebrations in 2016, the Butlin's marketing team has commissioned HAT to create an in-depth online catalogue of the collection and to run a digitisation programme to bring its contents to life and maximise public engagement in the Butlin's story. In order to achieve a successful outcome, the client will also fund the recruitment and management of a dedicated Butlin's archive project team on a temporary contract basis commencing in the new year.

HAT creatively participated in several projects which have introduced different aspects of its archive collections to new and varied audiences. These included the following:

HAT has been a community partner in the Saving the 70s project administered by the Association for Suffolk Museums/Suffolk County Council with funding from the Heritage Lottery Fund. HAT researched and compiled show reels of 1970s TV commercials and print ads that were screened in ten public museums across Suffolk and Hertfordshire April-December 2014 as part of their respective 1970s exhibition and outreach programmes.

HAT held a 70s themed Open Day in September in partnership with the Heritage Open Days scheme organised by Norwich Heritage and Regeneration Trust (HEART) and visitors included several regional education and heritage sector representatives.

HAT was a contributing partner in the All Over the World: 200 Years of Colman's Mustard exhibition organised by Norwich HEART. Other partners were East Anglian Film Archive, Unilever Archives and The Forum, Norwich where the exhibition was open to the public 10-22 November 2014.

**The History of Advertising Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2014**

**ACHIEVEMENT AND PERFORMANCE - continued**

HAT researched and curated the Art as Advertising exhibition in partnership with David Clampin of Liverpool John Moores University where it was shown in November as part of the Being Human: Festival of Humanities supported by the Arts & Humanities Research Council (AHRC) and the British Academy. HAT will hire the show to other future venues, notably University of East Anglia's Business School in 2015. Through our special relationship with the Business School many more students have visited HAT on group visits this year.

In its second year in London, Advertising Week Europe invited HAT to be an Association Partner as well as a charity beneficiary of the event. During the festival week HAT staged a workshop with David Bernstein and Jeremy Bullmore presenting their landmark 1966 industry training film Risk and Responsibility.

HAT was also commissioned by Google London to research and supply images and captions for the Timeline Feature Wall tracking 90 years of British advertising since the first international advertising convention took place in London 1924. The wall was displayed in the Google Room at BAFTA, Piccadilly as a central part of the Advertising Week Europe festival.

All this has been achieved as HAT continues to undertake the professional everyday routines that are essential to managing a nationally significant archive collection and running an efficient and accessible public research and enquiry service. As first steps towards HAT's strategic aim to be awarded the new Archive Accreditation status, its Collecting Policy has been reviewed and updated this year and staff have attended training events.

New Trustees have been elected to HAT's Board in 2014, bringing a broader range of industry expertise and experience into the organisation, making it more robust, outward-looking and responsive to HAT's needs. Regular management and business group sub-committee meetings have taken place throughout the year and HAT has welcomed its Trustees to Raveningham on many occasions in connection with development matters, by way of introducing new visitors to HAT and showcasing the HAT team's ongoing archive work and services. HAT held its second Trustees Open Day on 12 September 2014.

**FINANCIAL REVIEW**

Total income revenue of £256,364 remains consistent with the previous year. However, the financial mix has changed considerably due to the implementation of strategic measures to deliver more recurring forms of income through increased archive management fees and less reliance on financial donations.

The total income revenue actually invoiced in 2014 was actually higher, with £53,329 deferred due to archive client work being undertaken over two consecutive financial years 2014/2015.

Costs have been reduced by in excess of £36,000 through further savings on governance, staff, professional fees and other efficiencies. HAT has continued to manage a disciplined budget, ever watchful of potential savings.

At end of year HAT has made a total surplus of £43,278.

The new Trustees Business Group sub-committee, first mooted at the Trustees Board meeting in November 2013, held its first meeting in January, and on six further occasions during 2014, to address income generation proposals. The promotion of HAT's research and archiving services to advertising agencies became the prime focus and the Trustees embarked on a programme of market research through their business contacts. The post of a temporary part-time HAT B2B Project Co-ordinator (one-day a week) was created and interviews held in December for an appointment commencing in January 2015. This will be financed by the Director temporarily reducing their working week from 5 to 4 days from January 2015.

We are very grateful to the many corporate and individual donors who made financial contributions to HAT in 2014. £8,000 (approx.) was carried forward from the 2013 BIG GIVE Christmas Appeal into 2014 due to the accounting processes of the BIG GIVE organisation. Geoffrey Russell's loan of £15,000 remains outstanding and we are very grateful for his patience and willingness to wait for at least a further year before he will require the loan to be repaid.

At a meeting between the Trustees management team and Sir Nicholas Bacon of HHB Estates on 6 May 2014, it was agreed that the outstanding 2010 rent window of £31,917 would be reduced to £26,917, exclusive of VAT. We very much appreciate this generous gesture of financial patronage

**The History of Advertising Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2014**

**FINANCIAL REVIEW - continued**

**Reserves policy**

The History of Advertising Trust's reserve policy is to break even on cash income and expenditure, while retaining sufficient reserves to deal with unavoidable cash-flows or unforeseen difficulties.

Whereas in 2013 a deficit occurred on unrestricted funds due to the outstanding rent window debt, we are pleased to report that in 2014 the surplus of £43,278 has restored the unrestricted funds balance to £10,925.

Nevertheless, it is essential that the charity's reserves are further replenished as a matter of urgency. Ideally HAT should have a reserve of at least £75,000 as an emergency contingency fund (equals 3 months worth of known out-goings).

**FUTURE DEVELOPMENTS**

HAT's main priorities for 2015/2016 are:

1. The HAT Infrastructure Development Project:

This includes:

- The commissioning of two additional rooms (already built within the complex but require some building improvement work) on the Ravensingham site for increased archive accommodation capacity, the purchase and installation of heavy duty mobile shelving and the additional annual rental commitment involved.

- Further development and refurbishment of HAT's research and study room for the purposes of improved and increased study and learning space by visiting educational groups.

- New digital studio space

- Improved archive sorting and quarantine areas

- Improved office/admin/reception areas

2. Updating and re-designing of HAT's website and online catalogue development to facilitate additional moving image viewing and responsive usage from mobile devices.

3. The transfer of 25,000 + TV commercials and their metadata from the ARROWS database to HAT's online catalogue

4. To continue working towards achieving Accreditation

5. To increase funding through special appeals, grant applications and other means of income to raise capital to cover the above development costs.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of The History of Advertising Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

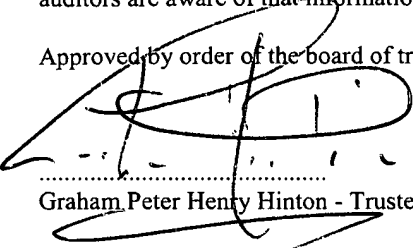
**The History of Advertising Trust**

**Report of the Trustees**  
**for the Year Ended 31 December 2014**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Approved by order of the board of trustees on 14th May 2015 and signed on its behalf by:



.....  
Graham Peter Henry Hinton - Trustee



**Report of the Independent Auditors to the Members of**  
**The History of Advertising Trust**

We have audited the financial statements of The History of Advertising Trust for the year ended 31 December 2014 on pages nine to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page five, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of**  
**The History of Advertising Trust**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Nicholas Marsham (Senior Statutory Auditor)  
for and on behalf of Barnard Sampson LLP  
Statutory Auditor  
3a Quay View Business Park  
Barnard's Way  
Lowestoft  
Suffolk  
NR32 2HD

Date: 14th May 2015

**The History of Advertising Trust**

**Statement of Financial Activities**  
**for the Year Ended 31 December 2014**

		Unrestricted fund	Restricted funds	31.12.14 Total funds	31.12.13 Total funds
	Notes	£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	87,120	9,611	96,731	124,129
Activities for generating funds	3	159,572	-	159,572	133,745
Investment income	4	<u>61</u>	<u>-</u>	<u>61</u>	<u>38</u>
<b>Total incoming resources</b>		246,753	9,611	256,364	257,912
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Fundraising trading: cost of goods sold and other costs	5	1,588	-	1,588	1,784
<b>Charitable activities</b>	6				
Archive centre operations		202,875	4,551	207,426	244,273
<b>Governance costs</b>	7	<u>4,072</u>	<u>-</u>	<u>4,072</u>	<u>8,315</u>
<b>Total resources expended</b>		208,535	4,551	213,086	254,372
<b>NET INCOMING RESOURCES</b>		38,218	5,060	43,278	3,540
<b>Other recognised gains/losses</b>					
Gains/losses on investment assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
<b>Net movement in funds</b>		38,218	5,060	43,278	3,539
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		(27,293)	492,903	465,610	462,071
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>10,925</u>	<u>497,963</u>	<u>508,888</u>	<u>465,610</u>

The notes form part of these financial statements

**The History of Advertising Trust**

**Balance Sheet**  
**At 31 December 2014**

		Unrestricted fund	Restricted funds	31.12.14 Total funds	31.12.13 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	11	12,688	497,090	509,778	510,473
<b>CURRENT ASSETS</b>					
Stocks		1,658	-	1,658	1,573
Debtors	12	21,061	-	21,061	27,179
Cash at bank and in hand		<u>91,445</u>	<u>873</u>	<u>92,318</u>	<u>30,725</u>
		114,164	873	115,037	59,477
<b>CREDITORS</b>					
Amounts falling due within one year	13	(89,010)	-	(89,010)	(72,423)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>25,154</u>	<u>873</u>	<u>26,027</u>	<u>(12,946)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		37,842	497,963	535,805	497,527
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	(26,917)	-	(26,917)	(31,917)
<b>NET ASSETS</b>		<u>10,925</u>	<u>497,963</u>	<u>508,888</u>	<u>465,610</u>
<b>FUNDS</b>	16				
Unrestricted funds				10,925	(27,293)
Restricted funds				<u>497,963</u>	<u>492,903</u>
<b>TOTAL FUNDS</b>				<u>508,888</u>	<u>465,610</u>

The notes form part of these financial statements

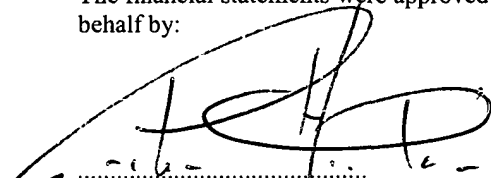
**The History of Advertising Trust**


**Balance Sheet - continued**

**At 31 December 2014**

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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 14th May 2015 and were signed on its behalf by:

  
.....  
Graham Peter Henry Hinton -Trustee

  
.....  
Geoffrey George Russell -Trustee

The notes form part of these financial statements

## **The History of Advertising Trust**

### **Notes to the Financial Statements** **for the Year Ended 31 December 2014**

#### **1. ACCOUNTING POLICIES**

##### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP) and the Companies Act 2006.

##### **Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Archive Management fee income and Archive Research income is dealt with on an accruals basis and therefore gives rise to deferred income. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

##### **Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in connection with the management, administration and archive of the charity. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. This includes costs of running office premises and salaries for administration staff.

Fundraising costs are those costs incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity which includes costs directly incurred in making people and organisations aware of the charity's work, and obtaining donations from them. This includes costs of printing and postage of the HATNEWS newsletter, the maintenance of the website and brochures.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

## **The History of Advertising Trust**

### **Notes to the Financial Statements - continued** **for the Year Ended 31 December 2014**

#### **1. ACCOUNTING POLICIES - continued**

##### **Tangible fixed assets and depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Archive & library	- not provided
Fixtures and fittings	- 20% straight line on cost
Office equipment	- 20% straight line on cost
Computer equipment	- 25% on cost

The archive and library is a heritage asset and additions are capitalised and recognised in the balance sheet. As the archive and library retains and maintains material of historic worth its value will not depreciate and therefore no depreciation is provided on the archive and library.

The heritage assets are shown within the restricted funds as it more appropriately reflects the nature of the assets.

The trustees consider that the archive material is unique and mostly irreplaceable and cannot be comprehensively valued for insurance purposes. The charity maintained its contents insurance cover of £500,000 during the year.

##### **Stock**

Stock is valued at the lower of cost and net realisable value.

##### **Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 2000. Accordingly, there is no taxation charge in these accounts.

##### **Fund accounting**

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

Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

##### **Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

## The History of Advertising Trust

### Notes to the Financial Statements - continued for the Year Ended 31 December 2014

#### 1. ACCOUNTING POLICIES - continued

##### **Revaluation of assets**

Surpluses arising from the revaluation of individual assets are credited to a non-distributable reserve known as the revaluation reserve. Revaluation deficits in excess of the amount of prior revaluation surpluses on the same asset are charged to the statement of financial activities. On disposal of a revalued fixed asset, any remaining revaluation surplus corresponding to the item is also transferred to the statement of financial activities.

##### **Archive donations**

Material donated to the archive is valued according to its content, with a conservative view its worth and as a possible provider of income for the archive in the future through research fees, copies, exhibitions content etc. As it is not for sale, this is not a sale valuation, which would be far higher.

##### **Value added tax (VAT)**

All income and expenditure is stated exclusive of VAT, except where VAT cannot be fully recovered on certain expenditure. Any irrecoverable VAT is reported as part of the expenditure to which it relates.

##### **Going concern**

The charity's business activities, together with the factors likely to affect its future development and position, are set out in the Trustees Report on pages 1 to 5.

The charity is expected to continue to generate positive cash flows on its own account for the foreseeable future.

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 2. VOLUNTARY INCOME

	31.12.14	31.12.13
	£	£
Donations	73,648	83,650
Donated archive material	4,145	3,843
Friends donations	11,673	20,654
Grants	5,465	14,182
Bursary	1,800	1,800
	<u>96,731</u>	<u>124,129</u>

Grants received, included in the above, are as follows:

	31.12.14	31.12.13
	£	£
The National Archives	-	14,182
Saving the 70s Project Grant (Suffolk County Council/AFSM through HLF)	<u>5,465</u>	<u>-</u>
	<u>5,465</u>	<u>14,182</u>

#### 3. ACTIVITIES FOR GENERATING FUNDS

	31.12.14	31.12.13
	£	£
Archive research & other income	37,443	28,942
Archive management fees	<u>122,129</u>	<u>104,803</u>
	<u>159,572</u>	<u>133,745</u>



**The History of Advertising Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**4. INVESTMENT INCOME**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Interest receivable	<u>61</u>	<u>38</u>

**5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Purchases	378	431
Website costs	<u>1,210</u>	<u>1,353</u>
	<u>1,588</u>	<u>1,784</u>

**6. CHARITABLE ACTIVITIES COSTS**

	<b>Direct costs</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>
Archive centre operations	<u>207,426</u>	<u>207,426</u>

**7. GOVERNANCE COSTS**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Staff costs	-	4,013
Auditors' remuneration	3,000	3,000
Interest payable and similar charges	<u>1,072</u>	<u>1,302</u>
	<u>4,072</u>	<u>8,315</u>

**8. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	3,000	3,000
Depreciation - owned assets	7,415	7,633
Other operating leases	<u>7,227</u>	<u>7,460</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2014 nor for the year ended 31 December 2013.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2014 nor for the year ended 31 December 2013.

**The History of Advertising Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**10. STAFF COSTS**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Wages and salaries	125,799	135,004
Social security costs	8,852	9,628
Other pension costs	<u>2,965</u>	<u>2,885</u>
	<u><u>137,616</u></u>	<u><u>147,517</u></u>

The average monthly number of employees during the year was as follows:

	<b>31.12.14</b>	<b>31.12.13</b>
Direct charitable work	8	8
Administrative	<u>1</u>	<u>1</u>
	<u><u>9</u></u>	<u><u>9</u></u>

No employees received emoluments in excess of £60,000.

**Pension costs**

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was £2,965 for the year (2013 - £2,885).

**11. TANGIBLE FIXED ASSETS**

	<b>Archive &amp; library £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>					
At 1 January 2014	496,227	58,103	8,147	24,342	586,819
Additions	<u>4,145</u>	<u>-</u>	<u>-</u>	<u>2,575</u>	<u>6,720</u>
At 31 December 2014	<u><u>500,372</u></u>	<u><u>58,103</u></u>	<u><u>8,147</u></u>	<u><u>26,917</u></u>	<u><u>593,539</u></u>
<b>DEPRECIATION</b>					
At 1 January 2014	-	54,164	7,183	14,999	76,346
Charge for year	<u>-</u>	<u>1,583</u>	<u>591</u>	<u>5,241</u>	<u>7,415</u>
At 31 December 2014	<u><u>-</u></u>	<u><u>55,747</u></u>	<u><u>7,774</u></u>	<u><u>20,240</u></u>	<u><u>83,761</u></u>
<b>NET BOOK VALUE</b>					
At 31 December 2014	<u><u>500,372</u></u>	<u><u>2,356</u></u>	<u><u>373</u></u>	<u><u>6,677</u></u>	<u><u>509,778</u></u>
At 31 December 2013	<u><u>496,227</u></u>	<u><u>3,939</u></u>	<u><u>964</u></u>	<u><u>9,343</u></u>	<u><u>510,473</u></u>

A review of the Archive is undertaken annually on behalf of the trustees. At 31 December 2014, the value of the material donated to the Archive is calculated to be in excess of £500,372. Material donated to the Archive is valued according to its content, with a conservative view of its financial worth and not as a possible provider of a sale valuation, which would be far higher.

**The History of Advertising Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Trade debtors	18,912	25,053
Prepayments	<u>2,149</u>	<u>2,126</u>
	<u><b>21,061</b></u>	<u><b>27,179</b></u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Trade creditors	97	524
Social security and other taxes	2,464	2,571
VAT	10,583	1,364
Other creditors	15,245	15,000
Accruals and deferred income	<u>60,621</u>	<u>52,964</u>
	<u><b>89,010</b></u>	<u><b>72,423</b></u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Other loans	<u><b>26,917</b></u>	<u><b>31,917</b></u>

In 2010 HHB Estate provided HAT with a loan of £31,917 exclusive of VAT, the equivalent of one year's rent, to assist the charity with its cash flow difficulties. The loan was interest free and had no fixed repayment date.

At a meeting between the Trustees management team and Sir Nicholas Bacon of HHB on 6 May 2014, it was agreed that the outstanding rent of £31,917 would be reduced to £26,917 exclusive of VAT with no fixed full re-payment date. However, it is expected in the light of this generous gesture by HHB that HAT will endeavour to embark on a repayment plan as soon as possible.

**15. OPERATING LEASE COMMITMENTS**

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
Expiring:		
Between one and five years	7,362	-
In more than five years	<u><b>31,917</b></u>	<u><b>39,279</b></u>
	<u><b>39,279</b></u>	<u><b>39,279</b></u>

## The History of Advertising Trust

### Notes to the Financial Statements - continued for the Year Ended 31 December 2014

#### 16. MOVEMENT IN FUNDS

	At 1.1.14 £	Net movement in funds £	At 31.12.14 £
<b>Unrestricted funds</b>			
General fund	(27,293)	38,218	10,925
<b>Restricted funds</b>			
Archive and library	303,268	4,146	307,414
Revaluation Reserve	188,762	-	188,762
Alexandra McKie fund	873	-	873
Saving the 70s HLF grant	-	914	914
	492,903	5,060	497,963
<b>TOTAL FUNDS</b>	<u>465,610</u>	<u>43,278</u>	<u>508,888</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	246,753	(208,535)	38,218
<b>Restricted funds</b>			
Archive and library	4,146	-	4,146
Saving the 70s HLF grant	5,465	(4,551)	914
	9,611	(4,551)	5,060
<b>TOTAL FUNDS</b>	<u>256,364</u>	<u>(213,086)</u>	<u>43,278</u>

#### **Archive and library**

The archive and library fund comprises the value of archive material donated to the charity and held in trust plus occasional small purchases for the library.

#### **Revaluation reserve**

The revaluation reserve represents the surplus arising from the revaluation of the charity's assets.

#### **Alexandra McKie fund**

This comprises donations received in memory of the late Alexandra McKie, HAT Trustee. The funds will be used to purchase overhead digital photographic imaging equipment in 2015 when it will also be possible to apply for a match-funding grant via the East of England Records & Archives Council (EERAC).

#### **Saving the 70s HLF Grant (Suffolk County Council/AFSM)**

This grant comprises Heritage Lottery funds administered by the Association for Suffolk Museums via Suffolk County Council. It has been allocated to the purchase of digital screen equipment, exhibition and display panels HAT's production of a set of 1970s themes show reels for screening in 10 museums across Suffolk and Hertfordshire and a HAT screen presentation at the Cut Arts Centre, Halesworth to an audience of 60 people.

**The History of Advertising Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2014**

**17. RELATED PARTY DISCLOSURES**

During 2013 Mr G Russell, a trustee of the charity, provided an interest-free loan of £15,000 to The History of Advertising Trust to assist the charity during a period of cash flow difficulty. As at 31 December 2014 the loan was still outstanding and has been included within other creditors due within one year in these financial statements.

**18. COMPANY LIMITED BY GUARANTEE**

The History of Advertising Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**The History of Advertising Trust**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2014**

	31.12.14 £	31.12.13 £
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations	73,648	83,650
Donated archive material	4,145	3,843
Friends donations	11,673	20,654
Grants	5,465	14,182
Bursary	<u>1,800</u>	<u>1,800</u>
	96,731	124,129
<b>Activities for generating funds</b>		
Archive research & other income	37,443	28,942
Archive management fees	<u>122,129</u>	<u>104,803</u>
	159,572	133,745
<b>Investment income</b>		
Interest receivable	<u>61</u>	<u>38</u>
<b>Total incoming resources</b>	256,364	257,912
<b>RESOURCES EXPENDED</b>		
<b>Fundraising trading: cost of goods sold and other costs</b>		
Shop costs	378	431
Website costs	<u>1,210</u>	<u>1,353</u>
	1,588	1,784
<b>Charitable activities</b>		
Staff costs	125,799	131,162
Social security	8,852	9,457
Pensions	2,965	2,885
Operating lease payments	7,227	7,460
Rent	26,917	31,917
Insurance	1,730	2,013
Light and heat	4,018	4,521
Sundries	-	826
AD:Mission costs	-	7,567
Archive supplies	2,586	2,853
Repairs and maintenance	2,127	1,997
Motor and travelling costs	3,287	3,563
Other professional fees	1,435	14,190
Communication and information technology	6,886	5,910
Other office expenses	6,181	7,038
Bad debt	-	3,281
Depreciation and impairment	<u>7,416</u>	<u>7,633</u>
	207,426	244,273

This page does not form part of the statutory financial statements

**The History of Advertising Trust**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2014**

	<b>31.12.14</b>	<b>31.12.13</b>
	<b>£</b>	<b>£</b>
<b>Governance costs</b>		
Wages	-	3,842
Social security	-	171
Auditors' remuneration	3,000	3,000
Bank charges	<u>1,072</u>	<u>1,302</u>
	<u>4,072</u>	<u>8,315</u>
<b>Total resources expended</b>	<u>213,086</u>	<u>254,372</u>
<b>Net income before gains and losses</b>	43,278	3,540
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on fixed asset investments	-	(1)
<b>Net income</b>	<u><u>43,278</u></u>	<u><u>3,539</u></u>

This page does not form part of the statutory financial statements