

**REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017  
FOR  
THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST  
A COMPANY LIMITED BY GUARANTEE**

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**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

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**for the year ended 31 December 2017**

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**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**COMPANY INFORMATION**  
**for the year ended 31 December 2017**

**TRUSTEES:**

S M Denniston (Chairman)  
A H Beckwith-Smith  
C H Elmer  
A X T Green  
L H A Homan  
J D Hutton  
S Jackson  
P Marland  
J G R Perry  
P J Pleydell-Bouverie

**Observers**

E C Probert      – *Dean and Chapter, Salisbury Cathedral*  
A N Deane        – *Wiltshire Council*

**SECRETARY:**

J D Hutton

**REGISTERED OFFICE:**

The King's House  
65 The Close  
Salisbury  
SP1 2EN

**REGISTERED NUMBER:**

1826436 (England and Wales)

**REGISTERED**

**CHARITY NUMBER:**

289850

**AUDITORS:**

Fawcetts LLP  
Chartered Accountants  
and Statutory Auditors  
Windover House  
St Ann Street  
Salisbury  
SP1 2DR

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST  
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES  
for the year ended 31 December 2017**

The trustees present their report with the financial statements of the company for the year ended 31 December 2017.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of the trusteeship and management of a museum in the city of Salisbury.

**STATUS**

The Salisbury and South Wiltshire Museum Trust (the Trust) was incorporated on 20 June 1984. The Trust is a registered charity, number 289850. Its registered company number is 1826436.

**TRUSTEES**

The trustees during the period from 1 January 2017 to the date of this report were:

S M Denniston (Chairman)  
A H Beckwith-Smith  
C H Elmer  
A X T Green  
L H A Homan (from 15 June 2017)  
J D Hutton (Hon. Treasurer)  
S Jackson  
P Marland  
J G R Perry  
P J Pleydell-Bouverie  
R J Wadey (until 15 June 2017)

**Nominated**

E C Probert	- Dean and Chapter (until 2 November 2017, now Observer)
A N Deane	- Wiltshire Council (until 2 November 2017, now Observer)
W R Moss	- Wiltshire Council (until 2 November 2017)
D Dawson	- Wiltshire Archaeological and Natural History Society (until 2 November 2017)

**PROFESSIONAL ADVISERS AND KEY PERSONNEL**

Director/Curator :       A X T Green BA MA AMA

Address :                The King's House  
65 The Close  
Salisbury, SP1 2EN

Bankers :                Lloyds Bank Plc  
38 Blue Boar Row  
Salisbury, SP1 1DB

Solicitors :             Wilsons Solicitors LLP  
Alexandra House  
St Johns Street  
Salisbury, SP1 2SB

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES**  
**for year ended 31 December 2017**

Investment advisers: Cazenove Capital Management Limited  
6 Worcester Street  
Oxford  
OX1 2BX

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

Salisbury Museum is an unincorporated charity. It is controlled by the Salisbury and South Wiltshire Museum Trust, a company limited by guarantee. This company is also a registered charity, but it has no assets. The collections and lease of the King's House belong to the Museum.

The Museum is governed by a Board of Trustees which meets quarterly and which determines the general policy of the Museum. There is a management committee which meets monthly, overseeing the day-to-day management and financial affairs of the Museum delegated to the director and his staff. Sub-committees are formed from time to time to deal with specific issues, eg publications, exhibitions and events.

**Risk management**

The trustees have assessed the major risks to which the charity is exposed including those related to the operations and finances of the Museum and are satisfied that systems are in place to mitigate any exposure to major risks.

**Investment powers**

The trustees have the power to invest in such stocks, shares, investments and property as they see fit. The trustees have engaged Cazenove Capital Management Limited as investment managers.

**Trustee appointment, induction and training**

The Trust can have a maximum of twenty trustees. The Chairman, Treasurer and a maximum of fourteen trustees are elected from within the Museum membership and serve three-year terms. As nominating bodies, The Dean and Chapter of Salisbury Cathedral, Southampton University and Wiltshire Archaeological and Natural History Society can each appoint one trustee. Wiltshire Council can appoint two trustees.

During the year the trustees commissioned an independent review of the governance arrangements of the museum. As a result of this review it was agreed at a Board meeting on 2<sup>nd</sup> November 2017 that the present nominated trustees would cease to be trustees but could continue to attend Board meetings as observers.

All new trustees are sent a pack of Museum policies, constitution and other documents and are offered a personal tour of the Museum and induction by the Director. From time to time trustees are offered training courses such as those arranged by Wiltshire Council.

**OBJECTIVES AND ACTIVITIES**

In setting the objectives and planning the activities of the Museum, the trustees have given careful consideration to the Charity Commission's guidance on public benefit. The objectives are set out in the Memorandum as the provision and maintenance of a museum in or near the City of Salisbury for the benefit of the public providing exhibits of historical, scientific and artistic significance and interest and to act as its trustee.

Salisbury Museum's mission is to provide a creative and responsive museum, which collects, interprets, conserves and preserves objects and information of significance to the heritage of Salisbury and South Wiltshire. Education and inclusiveness are central to the Museum's ethos and it aims to provide a vibrant service to the whole community as well as scholars and visitors from throughout the world.

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2017**

The Museum Director updates a forward plan each year to ensure that the Museum staff are clear about the priorities and targets for the forthcoming year.

Volunteers play a significant role in the Museum's ability to deliver its services. The Museum had over 230 volunteers in 2017 who contributed 18,190 hours of work to the Museum.

**ACHIEVEMENTS AND PERFORMANCE**

At the end of 2016 the museum submitted an application to the Heritage Lottery Fund for a grant of £7.3 million to undertake a major redevelopment of the King's House. We discovered mid-way through 2017 that this bid had been unsuccessful, however the museum will reapply for a smaller sum to continue our essential refurbishment. This will be for £3.1 million and be part of a phased programme that will, in the first instance, focus on the redisplay of the Salisbury Gallery and Ceramics Gallery, along with essential conservation works to the grade I listed building. The overall project costs will be £4.3 million.

To support the redevelopment the museum has been seeking to acquire an offsite store. At the beginning of October 2017 an offer of £125,000 was accepted on an industrial unit at Old Sarum. This will be purchased with a grant of £50,000 from the Garfield Weston Foundation and £75,000 promised by Wiltshire Council.

Visitor numbers have seen a significant increase this year. This is largely due to the nature of our temporary exhibition programme. January saw the continuation of *Constable in Context* that included works relating to Constable's famous painting of *Salisbury Cathedral from the Meadows* (17 September 2016 to 25 March 2017). This popular exhibition was followed by *British Art: Ancient Landscapes* (8 April to 3 September 2017). This was curated by Professor Sam Smiles and included over seventy works examining artistic responses to British Antiquity, including works by Turner, Constable, Paul Nash, John Piper and Eric Ravilious.

Our final exhibition of 2017 was *Terry Pratchett: HisWorld* (16 September 2017 to 14 January 2018), which provided an insight into the exceptional life and work of Sir Terry Pratchett using key personal artefacts and artwork by his artist of choice, Paul Kidby. This exhibition received media coverage from all over the world including prime BBC national news.

Extending our temporary exhibition reach outside the museum saw the creation, with a nod to Trafalgar Square, of the Wessex Plinth. Julian Sainsbury's *Head* surveyed the Close from the front garden of the King's House and began a series of installations which represent contemporary sculptors whose work relates to the collections and the landscapes of Wiltshire.

Three smaller exhibitions were held the museum's first floor gallery. *Rena Gardiner, Artist and Printmaker* (14 January to 13 May 2017) is famous for the guidebooks she designed, illustrated and printed for historic places, buildings and countryside. This exhibition looked at the wonderful paintings, pastels and prints she produced. This was followed by the *Art of Stonehenge* (20 May to 27 August 2017) which revealed some of the many paintings we have in the archives of this nationally important monument. The year ended with Paul Kidby's *Charmed Realm* (2 September 2017 to 14 January 2018) which was timed to co-incide with the *HisWorld* exhibition and showcased Paul's work for his book of the same name.

The Festival of Archaeology is our major summer event. The programme of talks proved very popular, covering topics ranging from maritime archaeology, Glastonbury Abbey and 'Britain's Pompeii' to Old Sarum, television history and an autobiographical talk by renowned reporter Kate Adie. The festival was attended by 1,277 people over the weekend. Lego was featured twice in the family events programme. Over February half-term event we recreated Constable's *Salisbury Cathedral from the Meadows* in Lego (attended by 705 people) and our Christmas event was a Lego recreation of the *Amazing Maurice and his Educated Rodents* by Paul Kidby (attended by 529 people).

In 2017 we phased out our annual tickets and launched a campaign to encourage those whose annual tickets had expired to become members. This resulted in 406 new memberships being taken out between 1 April and 31 December (compared to just 52 for the whole of 2016). We finished the year with a record 1055 memberships in total.

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2017**

**ACHIEVEMENTS AND PERFORMANCE Continued**

The Wessex Museums Partnership was delighted to learn in June that it was successful in its application to become one of the Arts Council England's National Portfolio Organisations (NPO). The Wessex Museums Partnership is led by Poole Museums Service and includes the Dorset County Museum and Wiltshire Museum as well as the Salisbury Museum. The museums will receive nearly £1.3m over four years from 2018 to support a range of innovative projects delivered by the partnership including exhibitions, community engagement, learning, marketing, fundraising and collections care.

The museum made 46 acquisitions over the year. Major gifts came through the Creative Wiltshire Project funded by Heritage Lottery Fund, these included an oil painting by Wilfred Gabriel de Glehn of Stratford Tony, (2017.06), collection of wood engravings by Howard Phipps (2017.12-17) and two watercolours by Rex Whistler (2017.19 and 20).

Visitor numbers were 42,106, a 55% increase on 2016. The overall user figure was 57,242.

**FINANCIAL REVIEW**

Visitor numbers for this year's spring and summer exhibitions (*Constable in Context* and *British Art: Ancient Landscapes*) were relatively strong however from a financial point of view the year was all about the Terry Pratchett *HisWorld* exhibition. This brought visitors to the museum in numbers not seen since our first Constable exhibition in 2011, and also generated unprecedented sales figures for the shop. Entrance tickets and shop sales for the year were £177,807 and £172,920 respectively, representing increases of 85% and 375% over the previous year. Largely as a result of the *HisWorld* exhibition Museum operations showed a surplus of approximately £20,000. The net effect of a legacy of £5,000 received from the estate of Mrs April Bradley, the increase in value of our investment portfolio and depreciation increased the surplus for the year to about £45,000. This, combined with an actuarial gain on the pension scheme of £80,000, means that the accounts show an increase in Unrestricted Funds for the year of about £125,000.

The museum's pension scheme deficit remains a major influence on the financial position. Good investment performance and some changes in the actuarial assumptions used in assessing the funding deficit led to a reduction of £80,000 in the deficit at 31<sup>st</sup> December 2017. As described in note 19 to the accounts the museum is making agreed additional annual contributions to make up the deficit over time.

Funding for Restricted Funds amounted to £230,702 for the year.

The reserves policy of the Museum is to maintain sufficient free reserves and unrestricted investments to allow the Museum to operate effectively for the foreseeable future, safeguard its collections and cover its pension commitments. In total this is considered to be in the region of £525,000. At 31 December 2017 the Museum had free reserves of £289,822 (2016: £255,642) before the pension scheme deficit of £564,000 (2016: £644,000), and there were unrestricted investments of £544,703 (2016: £527,804). Given the unpredictable nature of much of the Museum's income, the trustees aim to invest any surplus unrestricted funds to provide a relatively secure stream of income to fund future activities.

The trustees maintain a close watch on the Museum's cash flow. The Management Committee reviews the management accounts monthly and the full Board of Trustees reviews them quarterly.

The Museum's investments are managed by Cazenove Capital Management Ltd. The trustees have selected a cautious growth target aimed at achieving reasonable income while maintaining the value of the funds. No ethical restrictions have been placed on the fund managers.

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2017**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

Law applicable to incorporated charities in England and Wales requires the trustees (who are also the directors of the company) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and its financial activities for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

**AUDITORS**

Fawcetts were reappointed auditors during the year and have expressed their willingness to continue in that capacity.

In preparing this report advantage has been taken of the exemptions available to small companies under the Companies Act 2006.

**ON BEHALF OF THE BOARD:**



.....  
J D Hutton - Secretary

Dated: 4 May 2018



**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**

**Opinion**

We have audited the financial statements of The Salisbury and South Wiltshire Museum Trust (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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).

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 a Report of the Auditors 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.

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 2017 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 Companies Act 2006.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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.

**Other information**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our Report of the Auditors thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Continued on Page 8

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**

Continued from Page 7

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees, which includes the Report of the Directors prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors included within the Report of the Trustees have been prepared in accordance with applicable legal requirements

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

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors included within the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of Trustees**

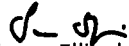
As explained more fully in the Statement of Trustees' Responsibilities set out on page six, the Trustees (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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 a Report of the Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

  
Simon Ellingham BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Fawcetts LLP  
Chartered Accountants and Statutory Auditors  
Windover House  
St Ann Street  
Salisbury  
SP1 2DR

Dated: 4 May 2018

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Income and Expenditure Account)**  
**for the year ended 31 December 2017**

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Income and endowments from:</b>					
Donations and legacies		14,408	230,702	245,110	370,778
Charitable activities	3	255,486	-	255,486	173,465
Other trading activities	4	259,244	-	259,244	117,950
Investments	5	<u>12,919</u>	<u>8,926</u>	<u>21,845</u>	<u>23,697</u>
<b>Total income</b>		<u>542,057</u>	<u>239,628</u>	<u>781,685</u>	<u>685,890</u>
<b>Expenditure on:</b>					
Raising funds		7,434	-	7,434	28,033
Charitable activities – Operation of the Museum		640,877	251,141	892,018	872,132
Other trading activities		<u>121,841</u>	<u>-</u>	<u>121,841</u>	<u>34,919</u>
<b>Total expenditure</b>	8	<u>770,152</u>	<u>251,141</u>	<u>1,021,293</u>	<u>935,084</u>
Gains/(Losses) on investment assets - Realised		(556)	1,722	1,166	5,829
- Unrealised		<u>25,548</u>	<u>9,351</u>	<u>34,899</u>	<u>53,947</u>
		<u>24,992</u>	<u>11,073</u>	<u>36,065</u>	<u>59,776</u>
<b>Net income/(expenditure) before transfers</b>		<u>(203,103)</u>	<u>(440)</u>	<u>(203,543)</u>	<u>(189,418)</u>
<b>Transfers between funds</b>		<u>248,546</u>	<u>(248,546)</u>	<u>-</u>	<u>-</u>
<b>Net income/(expenditure)</b>		<u>45,443</u>	<u>(248,986)</u>	<u>(203,543)</u>	<u>(189,418)</u>
<b>Other recognized gains/losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes		80,000	-	80,000	(279,000)
<b>Net movement in funds</b>		<u>125,443</u>	<u>(248,986)</u>	<u>(123,543)</u>	<u>(468,418)</u>
Fund balances brought forward at 1 January 2017		<u>150,985</u>	<u>2,718,851</u>	<u>2,869,836</u>	<u>3,338,254</u>
<b>Fund balances carried forward at 31 December 2017</b>		<u>276,428</u>	<u>2,469,865</u>	<u>2,746,293</u>	<u>2,869,836</u>

**Continuing operations**

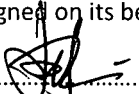
None of the group's activities were acquired or discontinued in the current or preceding periods.

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**  
(Registered No: 1826436)

**BALANCE SHEETS**  
**31 December 2017**

		Consolidated		The Company	
		2017	2016	2017	2016
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9	1,603,982	1,858,163	-	-
Investments	10	820,749	803,715	-	-
Heritage assets	11	484,525	483,955	-	-
		<u>2,909,256</u>	<u>3,145,833</u>	-	-
<b>CURRENT ASSETS:</b>					
Stock	12	15,189	20,064	-	-
Debtors	13	33,648	76,764	-	-
Cash at bank and in hand		<u>464,965</u>	<u>327,698</u>	-	-
		<u>513,802</u>	<u>424,526</u>	-	-
<b>CREDITORS:</b> Amounts falling due within one year	14	<u>112,765</u>	<u>56,523</u>	-	-
<b>NET CURRENT ASSETS</b>		<u>401,037</u>	<u>368,003</u>	-	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		3,310,293	3,513,836	-	-
<b>CREDITORS:</b> Amounts falling due after more than one year		-	-	-	-
<b>Net Assets excluding pension scheme liability</b>		<u>3,310,293</u>	<u>3,513,836</u>	-	-
Defined benefit pension scheme deficit	19	<u>(564,000)</u>	<u>(644,000)</u>	-	-
<b>NET ASSETS</b>		<u>2,746,293</u>	<u>2,869,836</u>	-	-
<b>FUNDS:</b>					
Restricted funds	15	2,469,865	2,718,851	-	-
Unrestricted funds	16	<u>276,428</u>	<u>150,985</u>	-	-
		<u>2,746,293</u>	<u>2,869,836</u>	-	-

The financial statements were approved and authorised for issue by the Board of Trustees on 4/5/18 and were signed on its behalf by:

  
.....  
J D Hutton - Trustee

**THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST**  
**A COMPANY LIMITED BY GUARANTEE**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the year ended 31 December 2017**

		2017 £	2016 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Net cash (used in)/provided by operating activities</b>	(a)	105,887	73,853
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		12,919	13,207
Purchase of property, plant and equipment		-	(71,412)
Purchase of heritage assets		(570)	(1,605)
Proceeds from sale of investments		61,260	119,984
Purchase of investments		<u>(42,229)</u>	<u>(125,808)</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>31,380</u>	<u>(65,634)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		137,267	8,219
Cash and cash equivalents at 1 January 2017		327,698	319,479
<b>Cash and cash equivalents at 31 December 2017</b>	(b)	<u><u>464,965</u></u>	<u><u>327,698</u></u>
<b>a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		2017 £	2016 £
Net expenditure for the year as per the Statement of Financial Activities		(203,543)	(189,418)
Adjusted for:			
Depreciation		254,181	258,299
(Gains)/losses on investments		(36,065)	(59,776)
Dividends, interest and rents from investments		(12,919)	(13,207)
Decrease in stocks		4,875	3,076
Decrease in debtors		43,116	70,093
Increase in creditors		<u>56,242</u>	<u>4,786</u>
<b>Net cash provided by operating activities</b>		<u><u>105,887</u></u>	<u><u>73,853</u></u>
<b>b. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
		2017 £	2016 £
Cash at bank and in hand		<u>464,965</u>	<u>327,698</u>
		<u><u>464,965</u></u>	<u><u>327,698</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Museum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Museum Trust and its subsidiary undertakings, The Salisbury and South Wiltshire Museum and Salisbury Museum Replicas Limited. A separate statement of financial activities for the Trust itself is not presented because the Trust has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**Income**

Income is recognised on an accruals basis. Income received for specific purposes is treated as restricted. Donations are included in incoming resources when they are receivable. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

**Expenditure**

Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

**Tangible fixed assets**

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

The King's House is held on a long lease, is a listed property and is carried at its original cost as the trustees consider that it is not appropriate to apply a valuation to such property.

Leasehold property is depreciated at 2% per annum on cost.

Leasehold improvements are depreciated at 10% per annum on cost.

Fixtures and fittings are depreciated at 33.3% per annum on cost.

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**1. ACCOUNTING POLICIES (continued)**

**Heritage assets**

Up to 31 March 2005 items acquired for the Museum's collection of exhibits were charged to the Statement of Financial Activities in the year of acquisition. The value of the collection at 31 March 2005 is considered to be incalculable and is therefore not included on the balance sheet. From 1 April 2005, in line with SORP 2005, acquisitions for the collection are capitalised as heritage assets. Heritage assets are not depreciated as they are considered to have an indefinite useful life.

**Stocks**

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

**Pension costs**

The Museum makes contributions to the Wiltshire County Superannuation Fund on behalf of certain employees. Contributions are charged to the revenue account in the period in which they fall due and amounted to £49,153 in the period (2016 - £47,546). Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

**Investments**

All investments are stated at market value. Any gain or loss on revaluation is taken to the statement of financial activities.

**Funds**

The Museum's funds consist of unrestricted and restricted amounts. The Museum may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose. Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose.

**2. TRADING INCOME AND EXPENDITURE**

The Museum operates a shop on its premises. Its trading results are shown below.

	2017 £	2016 £
Turnover	172,920	36,394
Cost of sales	<u>111,101</u>	<u>25,080</u>
Gross profit	61,819	11,314
Administrative expenses	<u>10,740</u>	<u>9,839</u>
Net profit	<u>51,079</u>	<u>1,475</u>

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**3. CHARITABLE ACTIVITIES**

	2017	2016
	£	£
Membership subscriptions	32,002	24,546
Entrance tickets	177,807	96,016
Grant from Wiltshire Council	<u>45,677</u>	<u>52,903</u>
<b>Total</b>	<b><u>255,486</u></b>	<b><u>173,465</u></b>

**4. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Special Events	23,878	17,043
Rental income	52,193	53,567
Lecture theatre hire	2,644	2,933
Museum shop sales	172,920	36,394
Sundry income	<u>7,609</u>	<u>8,014</u>
	<b><u>259,244</u></b>	<b><u>117,950</u></b>

**5. INVESTMENT INCOME**

	2017	2016
	£	£
Dividends	12,919	12,787
Interest	<u>-</u>	<u>449</u>
	<b><u>12,919</u></b>	<b><u>13,236</u></b>

**6. STAFF COSTS**

	2017	2016
	£	£
Wages and salaries	277,373	292,363
Social security costs	19,627	16,664
Other pension costs	<u>49,153</u>	<u>47,546</u>
	<b><u>346,153</u></b>	<b><u>356,573</u></b>

The average number of employees during the year, calculated on a full time equivalent basis, was as follows:

	2017	2016
Office and management	<u>13</u>	<u>13</u>

At the balance sheet date there were no outstanding pension contributions (2016 - £Nil).

Apart from the disclosures made in note 18 to the financial statements, neither the trustees, nor any person connected with them, received any remuneration or reimbursement of expenses during the year. No employee earned £60,000 per annum or more. Key management personnel, which consist of the Trustees and the Museum Director, were paid a total of £38,951 (2016 £38,597).



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**7. EXPENDITURE**

Expenditure includes:

	2017 £	2016 £
Auditors' remuneration	5,250	6,000
Depreciation – owned assets	254,181	258,299
Directors' remuneration	<u>50,976</u>	<u>48,970</u>

**8. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs £	Support costs £	Depreciation £	2017 Total £	2016 Total £
<b>Charitable activities:</b>					
Costs of raising funds	-	7,434	-	7,434	28,033
Costs of operating Museum shop	8,803	113,038	-	121,841	34,919
Costs of operating the Museum	<u>335,350</u>	<u>295,237</u>	<u>254,181</u>	<u>884,768</u>	<u>864,132</u>
	344,153	415,709	254,181	1,014,043	927,084
<b>Management and administration of the Charity:</b>					
Governance costs	<u>2,000</u>	<u>5,250</u>	-	<u>7,250</u>	<u>8,000</u>
<b>Total resources expended</b>	<u><u>346,153</u></u>	<u><u>420,959</u></u>	<u><u>254,181</u></u>	<u><u>1,021,293</u></u>	<u><u>935,084</u></u>

The sole activity of the charity is the operation of a museum in Salisbury.

**9. TANGIBLE FIXED ASSETS**

	The King's House at Cost £	Improvements to date £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2017	250,000	2,592,276	222,924	3,065,200
Additions	-	-	-	-
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>250,000</u>	<u>2,592,276</u>	<u>222,924</u>	<u>3,065,200</u>
<b>DEPRECIATION</b>				
At 1 January 2017	88,750	968,487	149,800	1,207,037
Charge for year	5,000	214,126	35,055	254,181
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>93,750</u>	<u>1,182,613</u>	<u>184,855</u>	<u>1,461,218</u>
<b>NET BOOK VALUE</b>				
At 31 December 2017	<u>156,250</u>	<u>1,409,663</u>	<u>38,069</u>	<u>1,603,982</u>
At 31 December 2016	<u>161,250</u>	<u>1,623,789</u>	<u>73,124</u>	<u>1,858,163</u>

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**10. FIXED ASSET INVESTMENTS**

	£
<b>VALUATION:</b>	
At 1 January 2017	803,715
Additions	42,229
Disposals	(60,094)
Net unrealised investment gains	<u>34,899</u>
At 31 December 2017	<u>820,749</u>

**11. HERITAGE ASSETS**

	£
<b>COST:</b>	
At 1 January 2017	483,955
Additions	<u>570</u>
	<u>484,525</u>

The Museum's collections are assets of historical importance held to advance the Museum's conservational and educational objectives and which through public access contribute to the culture and education of Salisbury and its visitors. Additions to the Museum's collections have been capitalised and stated at cost since 1 April 2005. No value has been placed on the collections held prior to 1 April 2005 as reliable cost information is not available and conventional valuation approaches lack sufficient reliability when applied to assets such as those held in the Museum's collections. The cost of any such valuation would also be onerous in comparison to any additional benefit that may be derived by users of the financial statements.

**12. STOCKS**

	2017 £	2016 £
Goods for resale	<u>15,189</u>	<u>20,064</u>

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

	2017 £	2016 £
Other debtors	22,670	65,904
Prepayments	<u>10,978</u>	<u>10,860</u>
	<u>33,648</u>	<u>76,764</u>

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

	2017 £	2016 £
Other creditors	82,552	44,635
Accrued expenses	<u>30,213</u>	<u>11,888</u>
	<u>112,765</u>	<u>56,523</u>

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**15. RESTRICTED FUNDS**

	At 1.1.17 £	Income £	Transfers between funds £	Dividends and interest £	Investment gains/ (losses) £	Expenses £	At 31.12.17 £
<b>General Funds</b>							
Specimen fund	2,488	-	-	-	-	-	2,488
Portable Antiquities Scheme	4,692	44,767	-	-	-	(44,739)	4,720
Pitt-Rivers project	-	3,924	-	-	-	(3,924)	-
Henry Lamb exhibition	-	4,500	-	-	-	(1,505)	2,995
Tisbury Environs	23,539	8,313	-	-	-	(10,355)	21,497
HLF City Story	8,305	13,240	-	-	-	(20,827)	718
Events leaflet funding	-	3,333	-	-	-	(850)	2,483
Acquisition fund	4,325	-	(570)	-	-	-	3,755
Fundraiser grant	11,818	-	-	-	-	(11,818)	-
AIM sustainability grant	-	2,500	-	-	-	-	2,500
Toilet fund	-	16,571	-	-	-	(1,266)	15,305
Salisbury City Council grant	3,535	15,000	-	-	-	(12,984)	5,551
Great Bustards	-	1,000	-	-	-	-	1,000
British Art exhibition	12,144	1,250	-	-	-	(13,394)	-
Museum Resource Centre	49,060	319	-	-	-	(750)	48,629
Terry Pratchett exhibition	-	89,362	-	-	-	(76,005)	13,357
Aspire programme	-	11,533	-	-	-	(11,533)	-
OU Meteorite display	458	-	-	-	-	-	458
Wylle Hoard conservation	3,500	8,010	-	-	-	-	11,510
Wessex Museums Partnership	-	5,934	-	-	-	(5,934)	-
Roman House	142	493	-	-	-	-	795
Rex Whistler Archive	277	493	-	-	-	(297)	473
	124,283	230,702	(570)		-	(216,181)	138,234
<b>Educational Funds</b>							
K B Wyatt Trust	263,989	-	-	8,926	11,073	(34,960)	249,028
<b>Capital Funds</b>							
Heritage assets	483,955	-	570	-	-	-	484,525
King's House & Costume							
Gallery Appeal fund	161,250	-	(5,000)	-	-	-	156,250
Wessex Gallery	1,635,041	-	(225,377)	-	-	-	1,409,664
R Wadey Facilities	12,503	-	(4,413)	-	-	-	8,090
Fire alarm fund	37,830	-	(13,756)	-	-	-	24,074
	2,330,579	-	(247,976)	-	-	-	2,082,603
<b>Total</b>	<b>2,718,851</b>	<b>230,702</b>	<b>(248,546)</b>	<b>8,926</b>	<b>11,073</b>	<b>(251,141)</b>	<b>2,469,865</b>

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**15. RESTRICTED FUNDS (continued)**

**Description of Restricted Funds**

The Specimen fund consists of bequests and other monies raised specifically for the acquisition of individual exhibits.

The Portable Antiquities Scheme fund relates to a member of the Museum's staff acting as Finds Liaison Officer for Wiltshire.

The Pitt-Rivers project fund represents the amounts received from The Designation Development Fund and The Pilgrim Trust for the documentation of the Museum's Pitt-Rivers archaeology collection. The documentation project was completed in 2017.

The Henry Lamb exhibition fund represents donations received and funds raised for the *Henry Lamb: Out of the Shadows* exhibition, which will be held in the summer of 2018.

The Tisbury Environs fund represents a grant from the British Museum and other donations for funding research and excavation of a Roman archaeological site near Tisbury.

The HLF City Story Fund represents a grant from the Heritage Lottery Fund to use art to inspire and engage young people with the costume and Salisbury history collections at the museum.

The Events Leaflets fund represents a grant from the Ratcliffe Charitable Trust to be used for design and printing of leaflets promoting Museum events.

The Acquisition Fund was financed from the proceeds of disposal of unaccessioned items donated to the Museum but outside the scope of its collections and will be used for the acquisition of items for the Museum's collections.

The Fundraiser grant was for the employment of a full time professional fundraiser using grants from the Sir Siegmund Warburg Voluntary Settlement, which donated £50,000, and from other bodies.

The AIM Sustainability Grant fund represents a grant from the Association of Independent Museums fund to be used to develop a corporate fundraising strategy for the museum.

The Toilet Fund represents donations and other monies raised towards the refurbishment of the Museum's toilets.

The Salisbury City Council grant is to fund community and family events and activities organised by the Museum.

The Great Bustards fund represents a donation from the Discworld Foundation towards the redisplay of the Museum's Great Bustards.

The British Art Exhibition Fund represented donations received and funds raised for the *British Art: Ancient Landscapes* exhibition, which was held in the summer of 2017.

The Museum Resource Centre Fund represents a grant of £50,000 received from the Garfield Weston Foundation towards the purchase of an off-site storage facility. An additional grant of £75,000 has been promised by Wiltshire Council and the purchase of the store was completed in February 2018.

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**15. RESTRICTED FUNDS (continued)**

**Description of Restricted Funds (continued)**

The Terry Pratchett Exhibition Fund represents donations received towards the cost of the *Terry Pratchett: His World* exhibition, which ran from September 2017 to January 2018.

Aspire is a partnership programme touring Constable's *Salisbury Cathedral from the Meadows 1831* across the UK. Aspire is supported by the Heritage Lottery Fund and the Art Fund. The Aspire Fund represents funds received to offset expenses made in relation to this project.

The OU Meteorite Display fund represents a grant from the Open University to help fund display panels for the Lake House meteorite.

The Wylde Hoard Conservation fund represents donations made towards the cost of conserving this Bronze Age hoard acquired by the museum in 2014.

The Wessex Museums Partnership Fund represents the Museum's portion of funding from Arts Council England to support a range of innovative projects delivered by the partnership including exhibitions, community engagement, learning, marketing, fundraising and collections care. The Wessex Museums Partnership is led by Poole Museums Service and includes the Dorset County Museum and Wiltshire Museum as well as the Salisbury Museum.

The Roman House fund represents donations and other funds raised towards the development and construction of an outdoor classroom at the Museum based on the design of a traditional timber framed Roman building.

The Rex Whistler Archive Fund represents donations received towards the upkeep of the Rex Whistler Archive.

The K B Wyatt Trust fund is to be used for the purposes of education for children.

The Heritage assets fund represents acquisitions for the Museum's collection that have been capitalised on the balance sheet.

The King's House and Costume Gallery fund represents donations received in the 1980s to enable the move to The King's House and the improvement of the property. The transfer to unrestricted funds is an amount equivalent to the depreciation charged in the year.

The Wessex Gallery Capital fund represents the amount of grants and donations for the Wessex Gallery that have been spent on leasehold improvements and fixtures and fittings. A transfer equivalent to the depreciation charge is made to unrestricted funds each year.

The Fire Alarm Fund and the R Wadey Facilities Capital funds represent the grants and donations which funded the purchase of the new fire alarm system and the new boiler. Transfers equivalent to the respective depreciation charges are made to unrestricted funds each year.

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**16. UNRESTRICTED FUNDS**

	Pension scheme deficit	General funds	Total
		£	£
Balance at 1 January 2017	(644,000)	794,985	150,985
Surplus/ (Deficit) for the period	<u>80,000</u>	<u>45,443</u>	<u>125,443</u>
Balance at 31 December 2017	<u>(564,000)</u>	<u>840,428</u>	<u>276,428</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund values at 31 December 2017 are represented by:			
Tangible fixed assets	5,903	1,598,079	1,603,982
Investments	544,703	276,046	820,749
Heritage assets	-	484,525	484,525
Current assets	402,587	111,215	513,802
Liabilities	(112,765)	-	(112,765)
Pension scheme liability	<u>(564,000)</u>	<u>-</u>	<u>(564,000)</u>
	<u>276,428</u>	<u>2,469,865</u>	<u>2,746,293</u>
Unrealised gains included above on investment assets at 31 December 2017	<u>56,823</u>	<u>46,431</u>	<u>103,254</u>
Reconciliation of movements in unrealised gains on investment assets:			
Unrealised (losses)/gains at 31 December 2016	31,432	37,080	68,512
Cost adjustments in respect of transactions in the year	(157)	-	(157)
Gains arising on revaluations in period	<u>25,548</u>	<u>9,351</u>	<u>34,899</u>
Unrealised gains at 31 December 2017	<u>56,823</u>	<u>46,431</u>	<u>103,254</u>

**18. RELATED PARTY TRANSACTIONS**

Mr Adrian Green, the Museum Director, is a trustee of the charity. During the year ended 31 December 2017, Mr Green received a gross salary of £38,951 and the Museum paid £7,522 in employer's contributions to the Wiltshire Pension Fund.

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**19. PENSION COSTS**

	2017 £	2016 £
Defined benefit pension scheme deficit	<u>564,000</u>	<u>644,000</u>

The Museum participates in the Wiltshire Pension Fund ('the Fund'), a multi-employer defined benefit pension scheme for a number of its employees.

The Wiltshire Pension Fund is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 December 2017 was £57,885 (2016: £57,509), of which employer's contributions were £49,153 (2016: £47,546) and the employees' contributions were £8,732 (2016: £9,963). The scheme is currently in deficit and the Museum has entered into an agreement to make additional contributions which in 2017 amounted to £19,500 and are estimated to be £19,250 for 2018. The agreed contribution rates for future years are 21.3% for employers and 5.5 - 12.5% per cent for employees.

**Principal Actuarial Assumptions used in the actuarial valuation as at 31 December 2017**

Rate of Increase in salaries	2.7%
Rate of increase for pension payment/inflation	2.4%
Discount rate for scheme liabilities	2.5%
Inflation assumption (CPI)	2.4%
Commutation of pensions to lump sums (pre April 2008)	50.0%
Commutation of pensions to lump sums (post April 2008)	75.0%

**Sensitivity Analysis**

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in real discount rate	12.0%	218
0.5% increase in the salary increase rate	3.0%	50
0.5% decrease in the pension increase rate	9.0%	164

The current mortality assumptions include sufficient allowance for future improvements in the mortality rates.

The assumed life expectation on retirement age 65 are:

**Retiring today:**

Males	22.5 years
Females	24.9 years

**Retiring in 20 years:**

Males	24.1 years
Females	26.7 years

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**19. PENSION COSTS – Continued**

The Museum's share of the assets and liabilities of the scheme were:

	Fair Value	
	2017	2016
	£000	£000
Equities	908	767
Bonds	179	151
Properties	166	140
Cash	<u>26</u>	<u>22</u>
Total market value of assets	<u>1,279</u>	<u>1,080</u>
Present value of scheme liabilities	<u>(1,843)</u>	<u>(1,724)</u>
(Deficit)/surplus in the scheme	<u>(564)</u>	<u>(644)</u>

**20. CONTINGENT LIABILITY**

As at 31 December 2017 the Museum has received grants totalling £1,625,816 from the Heritage Lottery Fund for the Archaeology of Wessex Gallery. Under the terms of the grant the funds would be repayable should the Museum breach its obligations. The Heritage Lottery Fund has a legal charge over the leasehold property of the Museum to secure all monies that may become due. The trustees consider that it is highly unlikely that any amounts will ever become repayable to the Heritage Lottery Fund and accordingly no liability is included in these financial statements.