

REGISTERED NUMBER: 1826436

**REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018  
FOR  
THE SALISBURY AND SOUTH WILTSHIRE MUSEUM TRUST  
A COMPANY LIMITED BY GUARANTEE**

THURSDAY



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COMPANIES HOUSE

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

**INDEX TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Trustees</b>	<b>2</b>
<b>Report of the Auditors</b>	<b>7</b>
<b>Consolidated Statement of Financial Activities</b>	<b>9</b>
<b>Balance Sheets</b>	<b>10</b>
<b>Consolidated Statement of Cash Flows</b>	<b>11</b>
<b>Notes to the Financial Statements</b>	<b>12</b>

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

**COMPANY INFORMATION**  
**for the year ended 31 December 2018**

**TRUSTEES:**

S M Denniston (Chairman)  
A H Beckwith-Smith  
D K Edmonds (Co-opted 31<sup>st</sup> January 2019 )  
C H Elmer  
A X T Green  
L H A Homan  
J D Hutton ( Did not seek re-appointment at 4<sup>th</sup> July 2018 AGM )  
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 2018**

The trustees present their report with the financial statements of the company for the year ended 31 December 2018.

**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 2018 to the date of this report were:

S M Denniston (Chairman)  
A H Beckwith-Smith  
D K Edmonds (Co-opted and Hon. Treasurer from 31<sup>st</sup> January 2019 )  
C H Elmer  
A X T Green  
L H A Homan  
J D Hutton (Hon. Treasurer till 4<sup>th</sup> July 2018)  
S Jackson  
P Marland  
J G R Perry  
P J Pleydell-Bouverie

**Observers**

E C Probert                      - Dean and Chapter (Trustee until 2 November 2017, now Observer)  
A N Deane                        - Wiltshire Council (Trustee until 2 November 2017, now Observer)

**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

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

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

**REPORT OF THE TRUSTEES**  
**for year ended 31 December 2018**

**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 marketing and communications, governance.

**Risk management**

The trustees have assessed, as far as reasonably possible, 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 2017 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 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.

*Mission Statement: Our mission is to tell the story of part of the English landscape which has been the cradle of continuous human achievement for over half a million years.*

*Salisbury and the land surrounding it are unique in having outstanding examples of human endeavour and creativity from prehistoric to more recent times.*

*Using the extraordinary breadth of its collections, exhibitions and events, The Salisbury Museum brings to life the narrative of this landscape, and of the people who have shaped it and been inspired by it for over 500,000 years.*

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

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2018**

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 200 volunteers in 2018 who contributed 17,924 hours of work to the Museum. Their work is vital to the wellbeing of the Museum and the Trustees are extremely grateful for all their hard work.

#### **ACHIEVEMENTS AND PERFORMANCE**

In 2018 the museum submitted two unsuccessful applications to the Heritage Lottery Fund for a grant of £3.2 million to undertake a major redevelopment of the King's House. This project focused on the transformation of the Salisbury history galleries, essential conservation works to the grade I listed building and a programme of learning and community engagement to grow our audiences. The overall project costs are £4.4 million. We launched a fundraising campaign with our membership in the autumn of 2018 which raised to date over £35,000 in pledges and donations.

The museum had long been seeking a building to convert into an offsite store for our archaeology collection. In February 2018 the purchase was completed on an industrial unit at Old Sarum. This was acquired for £125,000 with a grant of £50,000 from the Garfield Weston Foundation. Wiltshire Council also offered £75,000 to offset the purchase price. Wessex Archaeology paid £40,000 upfront to cover the cost of depositing 2,000 boxes of archaeological finds. This income was put towards replacing part of the mezzanine floor, purchasing new shelving and alarm systems.

The Salisbury novichok incident had a dramatic impact on visitor numbers both to Salisbury and to the museum. Between March and August 2018 the museum's visitor numbers and ticket sales were down 35% compared with the previous year. Retail profit was down by 43% over the same period. Visitor numbers for the year were 24,632, 42% down on 2017 (42,106), but only 10% down on 2016 (27,237). The *Terry Pratchett: HisWorld* exhibition inflated visitor numbers between September 2017 and January 2018. The user figure for the year was 34,396 which was also a big decline on 2017 (57,242).

After the success of *HisWorld* our next major exhibition was *Brian Graham: Towards Music* (27 January – 12 May) which explored the birth of music and movement through art inspired by archaeology. This was followed by *Henry Lamb: Out of the Shadows* (26 May – 30 September), a retrospective of this little known but important 20<sup>th</sup> century artist. The exhibition was curated by Harry Moore Gwyn in partnership with the Poole Museum under the auspices of the Wessex Museums Partnership. The final exhibition of the year was *Hoards: A Hidden History of Ancient Britain* (13 October 2018 – 5 January 2019) which was produced in conjunction with the British Museum.

Two smaller exhibitions were held the museum's first floor gallery: *Salisbury Snapped* (20 January – 26 August 2018) revealed some of historic photos of the city held in our archives. *Anello Flow: An Exhibition by Almuth Tebbenhoff* (1 September 2018 – 16 February 2019) supported Almuth's marble sculpture of the same name on the front lawn (7 June 2018 – 14 February 2019).

The Festival of Archaeology is our major summer event. As in previous years the programme of talks proved popular, covering subjects ranging from WWI to Stonehenge and Old Sarum. The festival was attended by 1,393 people over the weekend. Our regular family events including Under Fives Fridays, Young Curators Club, Discovery Days and outreach at Bemerton Heath continue to be well supported. We are grateful to Salisbury City Council for funding towards this programme.

Our membership numbers continued to grow significantly in 2018. At the end of the year we had 1,886 members compared with 1,055 at the end of 2017.

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

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2018**

**ACHIEVEMENTS AND PERFORMANCE Continued**

The Wessex Museums Partnership began its first year as an Arts Council National Portfolio Organisation in April 2018. Funding from the partnership has enabled the museum to appoint a collections manager, undertake the Henry Lamb exhibition, improve our visitor data collection and analysis, review our learning provision and recruit a community curator (shared with Wiltshire Museum).

The museum made 243 acquisitions over the year. 207 of these were archaeological archives that are due to be deposited in the new storage facility. Another notable acquisition was a series of twenty-two copper plates, some with engravings of Salisbury Cathedral printed in William Dodsworth's Salisbury Cathedral, 1814

**FINANCIAL REVIEW**

The Terry Prachett – *His World* – exhibition gave us a strong start to the year but following the “Novichok” incident in March 2018 our visitor numbers were very noticeably down and this affected both entrance ticket sales £84,742 (2017-£177,807) and shop sales £73,665 (2017 – £172,920) . A very noticeable fall in income.

However membership continued to grow and the Museum was strongly supported by generous individual donations of over £48,000 and a legacy of £25,000 from the estate of Ms. Bertha Staines.

The Museum has also acquired the freehold of a large store at Hurricane Close (Old Sarum Business Park) with grants from WCC of £75,000 and £50,000 from Garfield Weston Foundation. In addition, Wessex Archeology contributed £40,000 towards the storage costs.

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 £84,000 in the deficit at 31<sup>st</sup> December 2018. 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 our separate programs, events and exhibitions which go to our Restricted Funds remained strong and amounted to £242,908 for the year. (2017 we received £230,702).

So although our unrestricted funds have grown by about £44,000 in the year this surplus has been achieved by the donations, legacies and Wessex Archeology contributions and reduction in Pension deficit which if not taken into account means we have incurred an operating loss for the year of approximately £117,000. With a loss of £72,000 budgeted for the current year this is not sustainable and the Trustees recognize that every effort must be made to improve the financial position.

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. Unfortunately during 2018 our investment funds did not perform well and we had a total book (unrealized) loss of over £54,000 with just over £35,000 applicable to unrestricted funds . Much of this loss was reversed by 31<sup>st</sup> March 2019.

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

**REPORT OF THE TRUSTEES**  
**for the year ended 31 December 2018**

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 £400,000. At 31 December 2018 the Museum had free reserves of £211,533 (2017: £289,822) before the pension scheme deficit of £480,000 (2017: £564,000), and there were unrestricted investments of £579,634 (2017: £544,703). 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.

**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:**

.....  
D K Edmonds - Trustee

Dated: 17 June 2019



**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 consolidated financial statements of The Salisbury and South Wiltshire Museum Trust (the 'charitable company') for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2018 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.

**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

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

**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.

**Use of our report**

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.



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: 17 June 2019

**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 2018**

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>Income and endowments from:</b>					
Donations and legacies		72,960	242,908	315,868	245,110
Charitable activities	3	160,642	-	160,642	255,486
Other trading activities	4	200,829	-	200,829	259,244
Investments	5	<u>14,976</u>	<u>10,886</u>	<u>25,862</u>	<u>21,845</u>
<b>Total income</b>		<u>449,407</u>	<u>253,794</u>	<u>703,201</u>	<u>781,685</u>
<b>Expenditure on:</b>					
Raising funds		17,188		17,188	7,434
Charitable activities – Operation of the Museum		585,802	204,970	790,772	892,018
Other trading activities		<u>54,761</u>		<u>54,761</u>	<u>121,841</u>
<b>Total expenditure</b>	8	<u>657,751</u>	<u>204,970</u>	<u>862,721</u>	<u>1,021,293</u>
Gains/(Losses) on investment assets - Realised		(1,771)	(2,142)	(3,913)	1,166
- Unrealised		<u>(35,512)</u>	<u>(18,566)</u>	<u>(54,078)</u>	<u>34,899</u>
		<u>(37,283)</u>	<u>(20,708)</u>	<u>(57,991)</u>	<u>36,065</u>
<b>Net income/(expenditure) before transfers</b>		<u>(245,627)</u>	<u>28,116</u>	<u>(217,511)</u>	<u>(203,543)</u>
<b>Transfers between funds</b>		<u>205,215</u>	<u>(205,215)</u>	<u>-</u>	<u>-</u>
<b>Net income/(expenditure)</b>		<u>(40,412)</u>	<u>(177,099)</u>	<u>(217,511)</u>	<u>(203,543)</u>
<b>Other recognized gains/losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes		84,000	-	84,000	80,000
<b>Net movement in funds</b>		<u>43,588</u>	<u>(177,099)</u>	<u>(133,511)</u>	<u>(123,543)</u>
Fund balances brought forward at 1 January 2018		<u>276,428</u>	<u>2,469,865</u>	<u>2,746,293</u>	<u>2,869,836</u>
<b>Fund balances carried forward at 31 December 2018</b>		<u><u>320,016</u></u>	<u><u>2,292,766</u></u>	<u><u>2,612,782</u></u>	<u><u>2,746,293</u></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 2018**

		Consolidated		The Company	
		2018	2017	2018	2017
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9	1,512,717	1,603,982	-	-
Investments	10	785,342	820,749	-	-
Heritage assets	11	485,275	484,525	-	-
		<u>2,783,334</u>	<u>2,909,256</u>	<u>-</u>	<u>-</u>
<b>CURRENT ASSETS:</b>					
Stock	12	11,526	15,189	-	-
Debtors	13	176,749	33,648	-	-
Cash at bank and in hand		<u>198,221</u>	<u>464,965</u>	<u>-</u>	<u>-</u>
		<u>386,496</u>	<u>513,802</u>	<u>-</u>	<u>-</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>(77,048)</u>	<u>(112,765)</u>	<u>-</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>		<u>309,448</u>	<u>401,037</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		3,092,782	3,310,293	-	-
<b>CREDITORS: Amounts falling due after more than one year</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets excluding pension scheme liability</b>		<u>3,092,782</u>	<u>3,310,293</u>	<u>-</u>	<u>-</u>
Defined benefit pension scheme deficit	19	<u>(480,000)</u>	<u>(564,000)</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>		<u>2,612,782</u>	<u>2,746,293</u>	<u>-</u>	<u>-</u>
<b>FUNDS:</b>					
Restricted funds	15	2,292,766	2,469,865	-	-
Unrestricted funds	16	<u>320,016</u>	<u>276,428</u>	<u>-</u>	<u>-</u>
		<u>2,612,782</u>	<u>2,746,293</u>	<u>-</u>	<u>-</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 17 June 2019 and were signed on its behalf by:

  
D K Edmonds - Trustee

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the year ended 31 December 2018**

		2018 £	2017 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Net cash (used in)/provided by operating activities</b>	(a)	(100,468)	96,961
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		25,862	21,845
Purchase of property, plant and equipment		(171,957)	-
Purchase of heritage assets		(750)	(570)
Proceeds from sale of investments		203,258	61,260
Purchase of investments		<u>(222,689)</u>	<u>(42,229)</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>(166,276)</u>	<u>40,306</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(266,744)	137,267
Cash and cash equivalents at 1 January 2018		464,965	327,698
<b>Cash and cash equivalents at 31 December 2018</b>	(b)	<u>198,221</u>	<u>464,965</u>
<b>a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		2018 £	2017 £
Net expenditure for the year as per the Statement of Financial Activities		(217,511)	(203,543)
Adjusted for:			
Depreciation		263,224	254,181
Unrealised (Gains)/losses on investments		54,078	(36,065)
Accruals on stocks & shares		758	-
Dividends, interest and rents from investments		(25,862)	(21,845)
Decrease in stocks		3,663	4,875
(Increase)/Decrease in debtors		(143,101)	43,116
(Decrease)/Increase in creditors		<u>(35,717)</u>	<u>56,242</u>
<b>Net cash provided by operating activities</b>		<u>(100,468)</u>	<u>96,961</u>
<b>b. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
		2018 £	2017 £
Cash at bank and in hand		<u>198,221</u>	<u>464,965</u>
		<u>198,221</u>	<u>464,965</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**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.

Freehold property is depreciated at 10% 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**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 £50,981 in the period (2017 - £49,153). 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.

	2018	2017
	£	£
Turnover	73,665	172,920
Cost of sales	<u>45,221</u>	<u>111,101</u>
Gross profit	28,444	61,819
Administrative expenses	<u>10,794</u>	<u>10,740</u>
Net profit	<u>17,650</u>	<u>51,079</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**3. CHARITABLE ACTIVITIES**

	2018	2017
	£	£
Membership subscriptions	48,000	32,002
Entrance tickets	84,742	177,807
Grant from Wiltshire Council	<u>27,900</u>	<u>45,677</u>
<b>Total</b>	<u><u>160,642</u></u>	<u><u>255,486</u></u>

**4. OTHER TRADING ACTIVITIES**

	2018	2017
	£	£
Special Events	22,206	23,878
Rental income	55,920	52,193
Lecture theatre hire	2,378	2,644
Museum shop sales	73,665	172,920
Sundry income including Hurricane store income	<u>46,660</u>	<u>7,609</u>
	<u><u>200,829</u></u>	<u><u>259,244</u></u>

**5. INVESTMENT INCOME**

	2018	2017
	£	£
Dividends	25,797	21,845
Interest	<u>65</u>	<u>-</u>
	<u><u>25,862</u></u>	<u><u>21,845</u></u>

**6. STAFF COSTS**

	2018	2017
	£	£
Wages and salaries	261,128	277,373
Social security costs	17,805	19,627
Other pension costs	<u>50,981</u>	<u>49,153</u>
	<u><u>329,914</u></u>	<u><u>346,153</u></u>

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

	2018	2017
Office and management	<u>11</u>	<u>13</u>

At the balance sheet date there were no outstanding pension contributions (2017 - £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 £39,301 (2017 £39,014).



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**7. EXPENDITURE**

Expenditure includes:

	2018 £	2017 £
Auditors' remuneration including professional fees	5,650	5,250
Depreciation – owned assets	263,223	254,181
Directors' remuneration including employer pension contributions	<u>47,672</u>	<u>43,274</u>

**8. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs £	Support costs £	Depreciation £	2018 Total £	2017 Total £
<b>Charitable activities:</b>					
Costs of raising funds		17,188	-	17,188	7,434
Costs of operating Museum shop	8,928	47,087	-	56,015	121,841
Costs of operating the Museum	<u>318,986</u>	<u>199,660</u>	<u>263,222</u>	<u>781,868</u>	<u>884,768</u>
	327,914	263,935	263,222	855,071	1,014,043
<b>Management and administration of the Charity:</b>					
Governance costs	<u>2,000</u>	<u>5,650</u>	<u>-</u>	<u>7,650</u>	<u>7,250</u>
<b>Total resources expended</b>	<u><u>329,914</u></u>	<u><u>269,585</u></u>	<u><u>263,222</u></u>	<u><u>862,721</u></u>	<u><u>1,021,293</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 £	Hurricane Close Store £	Improvements to date £	Fixtures and fittings £	Totals £
<b>COST</b>					
At 1 January 2018	250,000	-	2,592,276	222,924	3,065,200
Additions	<u>-</u>	<u>158,682</u>	<u>-</u>	<u>13,275</u>	<u>171,957</u>
At 31 December 2018	<u>250,000</u>	<u>158,682</u>	<u>2,592,276</u>	<u>236,199</u>	<u>3,237,157</u>
<b>DEPRECIATION</b>					
At 1 January 2018	93,750	-	1,182,613	184,855	1,461,218
Charge for the year	<u>5,000</u>	<u>15,868</u>	<u>214,125</u>	<u>28,229</u>	<u>263,222</u>
At 31 December 2018	<u>98,750</u>	<u>15,868</u>	<u>1,396,738</u>	<u>213,084</u>	<u>1,724,440</u>
<b>NET BOOK VALUE</b>					
At 31 December 2018	<u><u>151,250</u></u>	<u><u>142,814</u></u>	<u><u>1,195,538</u></u>	<u><u>23,115</u></u>	<u><u>1,512,717</u></u>
At 31 December 2017	<u><u>156,250</u></u>	<u><u>-</u></u>	<u><u>1,409,663</u></u>	<u><u>38,069</u></u>	<u><u>1,603,982</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**10. FIXED ASSET INVESTMENTS**

	£
<b>VALUATION:</b>	
At 1 January 2018	820,749
Additions	186,542
Disposals	(167,871)
Net unrealised investment gains	<u>(54,078)</u>
At 31 December 2018	<u>785,342</u>

**11. HERITAGE ASSETS**

	£
<b>COST:</b>	
At 1 January 2018	484,525
Additions	<u>750</u>
	<u>485,275</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**

	2018 £	2017 £
Goods for resale	<u>11,526</u>	<u>15,189</u>

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

	2018 £	2017 £
Other debtors	105,259	22,670
Prepayments	<u>71,490</u>	<u>10,978</u>
	<u>176,749</u>	<u>33,648</u>

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

	2018 £	2017 £
Other creditors	46,890	82,552
Accrued expenses	<u>30,158</u>	<u>30,213</u>
	<u>77,048</u>	<u>112,765</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**15. RESTRICTED FUNDS**

	At 1.1.18 £	Income £	Transfers between funds £	Dividends and interest £	Investment gains/ (losses) £	Expenses £	At 31.12.18 £
<b>General Funds</b>							
Specimen fund	2,488	-	-	-	-	-	2,488
Museum Publications	-	1,250	-	-	-	-	1,250
Portable Antiquities Scheme	4,720	-	-	-	-	(4,720)	-
Augustus John Exhibition 2	-	6,799	-	-	-	(6,799)	-
Henry Lamb exhibition	2,995	13,834	12,382	-	-	(29,211)	-
Tisbury Environs	21,497	10,944	(2,375)	-	-	(5,794)	24,272
HLF City Story	718	5,017	-	-	-	(5,735)	-
Events leaflet funding	2,483	-	-	-	-	(2,483)	-
Acquisition fund	3,755	-	(750)	-	-	-	3,005
Esmee Fairburn Collection	-	35,825	-	-	-	(14,129)	21,696
AIM sustainability grant	2,500	2,394	-	-	-	(4,894)	-
W C Refurbishment fund	15,305	2,815	-	-	-	-	18,120
Salisbury Recovery Grant	-	5,000	-	-	-	(5,000)	-
Salisbury City Council grant	5,551	15,000	-	-	-	(11,569)	8,982
Great Bustards	1,000	-	-	-	-	-	1,000
Terry Pratchett exhibition	13,357	2,452	-	-	-	(15,809)	-
Coombe Bisset Reseach Project	-	-	2375	-	-	-	2,375
OU Meteorite display	458	-	-	-	-	-	458
Wylle Hoard conservation	11,510	-	-	-	-	(5,712)	5,798
Wessex Museums Partnership	-	43,818	514	-	-	(34,271)	10,061
Roman House	795	423	-	-	-	-	1,218
Chalke Valley History Festival	-	687	-	-	-	(687)	-
Creative Wiltshire	-	4,954	-	-	-	(4,954)	-
Almuth Tebbenhoff	-	5000	-	-	-	(3,263)	1,737
Finds Liaison Officer	-	1,510	-	-	-	(1,510)	-
British Art – Ancient Landscape	-	-	1,600	-	-	(1,600)	-
Rex Whistler Archive	473	461	-	-	-	-	934
Museum Master Plan	-	8,125	-	-	-	(8,125)	-
	89,605	167,908	12,146	-	-	(166,265)	103,394
<b>Educational Funds</b>							
K B Wyatt Trust	249,028	-	-	10,886	(20,708)	(38,705)	200,501
<b>Capital Funds</b>							
Heritage assets	484,525	-	750	-	-	-	485,275
King's House & Costume							
Gallery Appeal fund	156,250	-	(5,000)	-	-	-	151,250
Hurricane Close Store	48,629	75,000	19,185	-	-	-	142,814
Wessex Gallery	1,409,664	-	(214,126)	-	-	-	1,195,538
R Wadey Facilities	8,090	-	(4,413)	-	-	-	3,677
Fire alarm fund	24,074	-	(13,757)	-	-	-	10,317
	2,131,232	75,000	(217,361)	-	-	-	1,988,871
<b>Total</b>	<b>2,469,865</b>	<b>242,908</b>	<b>(205,215)</b>	<b>10,886</b>	<b>(20,708)</b>	<b>(204,970)</b>	<b>2,292,766</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**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.

Museum Publications represents funds provided for a new publication to be known as the "Clarendon Booklet ". The funds have been provided by P Saunders for this project which is currently underway.

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

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 Augustus John fund is to support an exhibition to be held in May 2019 at the museum.

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.

Esmee Fairburn Collection Fund represents significant funding received to support our "Look Again" costume project between 2018 – 2020.

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 W C Refurbishment 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**15. RESTRICTED FUNDS (continued)**

**Description of Restricted Funds (continued)**

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

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.

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 Chalke Valley History Festival is sponsorship at the history festival in 2018.

The Aim Sustainability grant is from Association of Independent Museums (AIM) to be used for fundraising and development.

Creative Wiltshire is an exhibition funded by Creative Wiltshire starting in January 2019 and ending in September 2019.

The Rex Whistler fund represents donations received towards the cost of conserving our significant Rex Whistler Archive.

The Finds Liaison Officer (FLO) is a position funded by the from a grant of £27,500 from the Portable Antiquities Scheme (PAS) based at The British Museum. Other grants are provided to assist with the cost of employing the FLO.

Almuth Tebbenhof is a temporary exhibition of Almuth Tebbenhoff's Anello Flow sculpture on our Wessex Plinth.

Museum Master Plan represents funds given in 2016 and is used to support our bids to the Heritage Lottery Funds (HLF).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**15. RESTRICTED FUNDS (continued)**

The Museum Resource Centre Fund- to be known as the Hurricane Close Store 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.

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.

**16. UNRESTRICTED FUNDS**

	Pension scheme deficit	General funds	Total
		£	£
Balance at 1 January 2018	(564,000)	840,428	276,428
Surplus/ (Deficit) for the period	<u>84,000</u>	<u>(40,412)</u>	<u>43,588</u>
Balance at 31 December 2018	<u>(480,000)</u>	<u>800,016</u>	<u>320,016</u>

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

	Unrestricted funds £	Restricted funds £	Total funds £
Fund values at 31 December 2018 are represented by:			
Tangible fixed assets	8,849	1,503,868	1,512,717
Investments	604,613	180,729	785,342
Heritage assets	-	485,275	485,275
Current assets	263,602	122,894	386,496
Liabilities	(77,048)	-	(77,048)
Pension scheme liability	<u>(480,000)</u>	<u>-</u>	<u>(480,000)</u>
	<u>320,016</u>	<u>2,292,766</u>	<u>2,612,782</u>
Unrealised losses included above on investment assets at 31 December 2018	<u>28,099</u>	<u>14,039</u>	<u>42,138</u>
Reconciliation of movements in unrealised gains on investment assets:			
Unrealised Gains at 31 December 2017	63,611	32,605	96,216
Cost adjustments in respect of transactions in the year	-	-	-
Losses arising on revaluations in period	<u>(35,512)</u>	<u>(18,566)</u>	<u>(54,078)</u>
Unrealised Gains at 31 December 2018	<u>28,099</u>	<u>14,039</u>	<u>42,138</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**18. RELATED PARTY TRANSACTIONS**

Mr Adrian Green, the Museum Director, is a trustee of the charity. During the year ended 31 December 2018, Mr Green received a gross salary of £38,951 and the Museum paid £8,371 in employer's contributions to the Wiltshire Pension Fund.

**19. PENSION COSTS**

	2018	2017
	£	£
Defined benefit pension scheme deficit	<u>£480,000</u>	<u>564,000</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 2018 was £60,867 (2017: £57,855), of which employer's contributions were £50,981 (2017: £49,153) and the employees' contributions were £8,210 (2017: £8,732). The scheme is currently in deficit and the Museum has entered into an agreement to make additional contributions which in 2018 amounted to £19,250 (2017 £19,500) and are estimated to be £19,250 for 2019. 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 2018**

Rate of Increase in salaries	2.7%
Rate of increase for pension payment/inflation	2.4%
Discount rate for scheme liabilities	2.9%
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	206	12.0%
0.5% increase in the salary increase rate	2.0%	43
0.5% decrease in the pension increase rate	9.0%	160

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018**

**19. PENSION COSTS – Continued**

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

	Fair Value	
	2018	2017
	£000	£000
Equities	882	908
Bonds	174	179
Properties	162	166
Cash	<u>25</u>	<u>26</u>
Total market value of assets	<u>1,243</u>	<u>1,279</u>
Present value of scheme liabilities	<u>(1,723)</u>	<u>(1,843)</u>
(Deficit)/surplus in the scheme	<u><u>(480)</u></u>	<u><u>(564)</u></u>

The Museum also operates a defined contribution scheme (NEST) for the remaining staff who are not in the Wiltshire Defined Benefit scheme. Contributions to that scheme by the Employer in 2018 was £3,684 (2017: £3,506 ) with the employees contributing to this scheme (NEST) in 2018 £1,676 (2017: £1,259 )

**20. CONTINGENT LIABILITY**

As at 31 December 2018 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.

Also as at 31<sup>st</sup> December 2018 the Museum had received grants from Wiltshire County Council of £75,000 and £50,000 from Garfield Weston regarding the acquisition of a permanent store at Old Sarum Industrial Park, the Hurricane Close Store, for the long term storage of the museums and Wessex Archaeological finds. Although the Museum owns the freehold of the Hurricane Close Store we would have a liability to repay these grants in the event of a sale of the property